

# SPICE YEAR 4 COMMITTEE 2 MEETING MINUTES JULY 7, 2022



**Minutes written by:** Quantis

**Participants (online, unless stated):**

- Albea, Gilles Swyngedaew
- Albea, Joseph Lemoine
- Albea, Mariia Baranova
- Aptar, Benedicte Luisi
- Axilone, Reynald Trochel
- Berry global, Elodie Roger
- Berry global, Thierry Bernet
- Chanel, Helene Villecroze
- Clarins, Mathilde Harel
- Coty, Mathilde Thiery
- Coty, Vincent Delavenne
- Estée Lauder, Michael Christel
- Groupe Pochet, Pierre-Henri Ndiaye
- Heinz-Glas, Elisa Trebes
- Hermes Parfums, David Petit
- L'Oréal, Philippe Thuvien
- L'Oréal, Philippe Bonningue (on site)
- LVMH, Alexandre Capelli
- LVMH, Armel Yver

- LVMH, Regine Fretard
- Mary Kay Corp, Kristin Dasaro
- Mary Kay Corp, Kevin Menard
- Meiyume, Jan Porter
- Natura & Co, Raqy Delos Reyes
- Puig, Joaquim Cons
- Schwan Cosmetics, Tobias Koetter
- Shiseido, Lynne Caldwell
- Texen, Mathieu Souhil (on site)
- Canopy Planet, Andrea Inness
- Citeo, Sarah Ait Said
- Detic, Frederick Warzee
- FEBEA, Elodie Fiscaro
- FEVE, Fabrice Rivet
- MWE, Caroline Noyrez
- Quantis, Ana-Belen Moral-Balandin
- Quantis, Anna Kounina
- Quantis, Anne Désérable
- Quantis, Elsa Maurice
- Quantis, Elsa Saouabi
- Quantis, Gabrielle Perier
- Quantis, Laura Peano
- Quantis, Marina Delerce-Mauris
- Quantis, Julien Haerle
- Quantis, Thibault Compagnon
- Quantis, Victor Frontère

**Excused SPICE Members:**

- Bormioli Luigi
- N°7 Beauty Company
- Unilever Prestige
- Cosmetic Valley
- Elipso
- PCPC
- RecyClass

**Description:** The Members of the SPICE initiative - the Sustainable Packaging Initiative for CosmEtics - gather for the second committee of the fourth year of the initiative.

## Opening of the meeting

### Introduction

Victor Frontère (Quantis) welcomes all participants to the second committee of SPICE Year 4, presents the meeting's rules to ensure efficient discussions, and calls each member by company and name.

### Meeting agenda

Victor Frontère (Quantis) presents the meeting's agenda:

0. **Antitrust Statement**
1. **Third-party review : update**
2. **Review of workstreams: Database & Tool**
3. Review of workstreams: Recyclability, Materials leakage, Biodiversity stakes
4. EBS / SPICE interaction proposal
5. **Budget** allocation update

# 0. Antitrust statement

Caroline Noyrez (MWE) introduces the antitrust statement (antitrust and confidentiality undertakings) that was duly 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.

He specifies that his 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. He develops the list of topics that are considered commercially sensitive from a competition law perspective (prices, costs, customer, general strategy, etc.).

## Introduction (continued)

Victor Frontère (Quantis) presents the newcomers in the Quantis team. He then welcomes the new associated member DETIC, the Belgian association of manufacturers and distributors of cosmetics, cleaning and maintenance products.

Victor Frontère (Quantis) recalls the well appreciated participation of SPICE team in the late "Paris Packaging Week PCD" conference together with Philippe Bonningue (l'Oréal) and Frederic Dreux (Unilever Prestige). He also presents the participation of SPICE to the "ALL 4 pack" conference on November 24th and calls out for a member to participate along with Quantis and L'Oréal.

Victor Frontère (Quantis) goes over the timeline of the SPICE Year 4, with the third committee expected to take place early November and the fourth one in February 2023.

He then explains the implementation of electronic vote through Zoom function. One vote will be accepted per company. The votes will be live.

# 1. Third-Party review : update

Victor Frontère (Quantis) reminds the process of the review which was presented during the last committee. He explains that the latest iteration on the new methodological documentation was just finished and the documents will be shared with the members within 1 week, before

publication on the SPICE website. The excel spreadsheet of comments and answers to the panel will be made available to SPICE members only.

Victor then explains about the database update: it was decided to postpone the database update to September to allow members and SPICE Tool licensees to download the SPICE assessments with the current database version (v1.1).

Victor Frontère (Quantis) informs the committee that a correction has been identified by the panel in the calculation formula for the refill scenarios. An impact analysis of the correction was conducted on two scenarios to see which is the impact of the correction on the results. Victor presents in detail the impact analysis, the results and interpretation. Two main parameters play a role in the results' change: ratio of mother/daughter packaging impact, and number of refills. Victor explains how the corrected results always demonstrated an even greater environmental benefit of the refill solution than with the previous calculation formula.

He then proposes members to implement the correction in early September, together with the database update v2.

Victor Frontère (Quantis) then presents the timeline and final steps for closing the third-party review process. He explains the finalized methodological documents will be sent within the next week to members, and that the last step will be for the panel to review the updated SPICE tool results page (ergonomics), which is expected by October.

**Q.** Raqy Delos Reyes (Natura & Co): Was the comparison conducted on any other refill scenarios outside of the 2 just shown?

**A.** Victor Frontère (Quantis): It was conducted on the two scenarios displayed, which have been chosen as two extreme scenarios, with an expected minimum and maximum impact on results.

**Q.** Philippe Bonningue (L'Oreal): Only the daughter changed, and changed by 50%, what was the problem?

**A.** Ana Moral-Balandin(Quantis): Original filling on the mother packaging was not counted before. An extra cycle of refill was artificially counted. The rest of the calculation formula has not changed. The correction will be in the final presentation and documentation.

**Q.** Philippe Bonningue (L'Oreal) : It looks like the footprint of the daughter packaging changed, not the number of times we use the daughter?

**A.** Ana Moral (Quantis): In the previous calculations we were considering one extra daughter packaging, therefore it is changing. The calculation formula for the mother packaging has not changed, it is simply that one less daughter packaging is being used.

**Q.** Raqy Delos Reyes (Natura & Co): What would happen if the refill was a concentrated version, which would have less material than the pouch?

**A.** Victor Frontère (Quantis): If you have in mind an even more extreme scenario, you can send us the packaging characteristics and we will run the gap analysis with this scenario as well, before and after correction.

## 2. Review of SPICE Workstreams: Database & Tool

### **SPICE Tool: Licenses update**

Victor Frontère (Quantis) details the current number of active SPICE Tool licenses, how many have been renewed or subscribed in during Year 4. He then details the forecasted revenues from the licenses for Year 4, the recurring expenses for business development, and the remaining revenues that could be allocated for financing SPICE Tool and database developments .

Victor Frontère (Quantis) displays the usage statistics of the Tool and highlights the continued momentum. He then explains that new local versions of the SPICE Tool contract, with the different Quantis subsidiaries in Germany, Italy, Switzerland and USA will be created to simplify the administration and signature process of the licenses.

**Q.** Rady Delos Reyes (Nature-a & Co): What is the max users per company?

**A.** Victor Frontère (Quantis): For now, up to now 70 users per company, it seems for a technical reason. We can explore further if members need to register more users.

### **SPICE Tool: Excel extraction**

Elsa Saouabi (Quantis) explains that the Excel extraction is now live and has been implemented the day before on July 6<sup>th</sup>, 2022. The next step is to send a newsletter to all SPICE tool users, to inform them about the new feature as well as the upcoming database update.

**Q.** Rady Delos Reyes (Natura & Co): Do we need to log out to see the extraction function?

A. Victor Frontère (Quantis): Probably, yes.

#### **Tool: Updated results page (ergonomics)**

Elsa Saouabi (Quantis) explains that several improvement needs were already identified by members for the results page, and the third-party panel comments helped to reinforce and prioritize them. She then shows a first mock-up and explains the team is currently working on IT development and visualization. Elsa details the timeline and explains when the mock up will be shared with members for their feedback.

Victor Frontère (Quantis) recalls that in terms of features, priorities are to add a breakdown by component and a zoom into each component, to allow users to identify where to put their eco-design efforts. Victor states that the current challenge is about data visualization, before sharing the mock up with members: the aim is to have a good balance between user friendliness and higher levels of information.

#### **SPICE Tool: Technical user guide (FAQ/ proxy)**

Elsa Saouabi (Quantis) presents a new document for the SPICE Tool users, a technical user guide. She reminds of the context and the reasons to create such a document, including the requests from members. She then presents the structure of this upcoming technical user guide, which will include a FAQ section, together with a guide of modeling proxies for users.

Elsa then presents the timeline and calls out for members input on the documentation, particularly the SPICE Tool most frequent users.

Victor Frontère (Quantis) reinforces the call for members' participation and explains how this document will allow to spend more time on the Tool's business and new features development, rather than daily user assistance which is often about answering the same recurrent questions.

#### **SPICE Database: Database update**

Elsa Saouabi (Quantis) reminds the updated timeline now the excel extraction is available to everyone. A newsletter will be sent soon to inform members about the precise date of database update to give members the time to extract all their results if wanted.

#### **SPICE Database: New datasets**

Elsa Saouabi (Quantis) gives an overview of the SPICE datasets currently in development, with the ones that are ready for implementation and the ones for which additional information is needed from suppliers. She recalls the timeline to have a new batch of datasets ready for September update.



Elsa Saouabi (Quantis) explains that a survey was sent to SPICE members and SPICE Tool users to help prioritize additional datasets developments and identify possible partners for data collection. She reminds the members how their help is key to either share their existing data to the initiative, or share contacts for data collection. She then details the timeline with an expected new batch of datasets to be delivered and integrated in the SPICE Tool in November.

**Q.** Vincent (Coty): I heard the database will be updated in September. Means a result can change after this update. Do we have a way to identify a result with the database version date?

**A.** Victor Frontère (Quantis): the database version is displayed in the Tool as well as in each excel extract file. These are the two ways of seeing the database version used.

**Q.** Rady Delos Reyes (Natura & Co): Could we still share data from other suppliers outside of the additional datasets identified?

**A.** Elsa Saouabi (Quantis): The initiative prioritized some dataset. If some external companies can share data, it could be integrated depending on if others companies are also interested and if there is an available budget after developing the prioritized dataset.

**A.** Victor Frontère (Quantis): The first table showed the priorities from the first survey. A second survey was also sent to prioritize the new datasets proposed by respondents of the first survey. So if there are more datasets suggested, we should run another prioritization survey, but we will wait for the next batch of data to be delivered after the November one.

### **SPICE Database: Specification of materials datasets**

Victor Frontère (Quantis) introduces a new topic to investigate within SPICE about specifying datasets for raw materials production. Some SPICE tool users or members are requesting more specific datasets, especially for the energy intensive ones like aluminum or glass. The aim is to look at different technologies or producers to see different production possibilities. Victor says that the objective is to open the discussion with members, decide if the topic is of interest and what could be the next steps.

Victor recalls first that currently, the electricity mix for processing and finishing stages can be adapted if the users want so in the SPICE Tool. The question of extending that approach has always been put forward by the third-party panel. He also reminds that the objective of the SPICE tool is ecodesign, therefore the choices made available in the Tool should be the choices that the packaging designer can make at the design stage. He details how this latitude may be different between different companies depending on their size, governance, and decision processes.

Victor Frontère (Quantis) then asks members whether the question is something that SPICE wants to investigate further. To feed the discussion, different possibilities for addressing this topic are shared with members, with advantages and limits for each option:

1. A specific cosmetic glass production dataset
2. A specific cosmetic aluminum production
3. Additional glass production datasets based on the production technology and the energy mix used
4. Additional aluminum production datasets based on the energy mix used

Victor Frontère (Quantis) explains that these datasets would be available in addition to the global average datasets currently available. He also recalls that some of those topics, whether the technologies or the renewable electricity certificates are not all mature or regulated yet, and that external guidance may lack for SPICE.

Victor then presents possible next steps to investigate the topic at SPICE and how to engage the members, including a preliminary analysis of available data and options for implementation. He then invites members to share their views on this topic, and suggests launching an electronic online members' survey if there is no reaction at that stage.

Vincent Delavenne (Coty): If we go to the energy to produce glass we can also go to the production of the energy, coal or nuclear. There also are solar panels. Where do we stop? So to me this is not a mature topic and it is too early to decide but we have to think about it for the future.

Gilles Swyngedauw (Albea): Should we also be able to select a third option for converters if they are using 100% Renewable electricity?

Victor Frontère (Quantis): It could be a possibility, there is still the question of which kind of Renewable Energy Certificates would SPICE consider valid as there is no legal or recommended framework yet.

Helene Villecroze (Chanel): to Fabrice from FEVE, what is the FEVE glass dataset representative of currently used in SPICE? Is there a difference between non-cosmetic glass and cosmetic glass?

Raay Delos Reyes (Natura &Co): is the glass data provided by FEVE based on global averages or just Europe?

Fabrice Rivet (FEVE): To clarify, the FEVE dataset is representative of EU27 and UK, and some factories in Switzerland and Turkey. It is representative of the production of bottles and jars mainly for food and drink. 'flaconnage' or cosmetics glass packaging is excluded: indeed it

represents a very small share of volumes and is also very diverse. There is the question of homogeneity of data. The production of food and drink glass is much more homogeneous than for the flaconnage sector.

Phillippe Bonningue (L’Oreal): My first point is we should review the glass datasets adapted to the cosmetics glass datasets which are available internally within SPICE members. This is key because the SPICE Tool has been designed for cosmetics specifically. My second point is that SPICE is a tool for design (not for Sourcing), meaning a tool enabling the designer to choose the best option (for the lowest pkg footprint). Of course the energy mix does influence the global footprint. But we should not go to a situation where we could have a 25g aluminum jar made with nuclear power better than a 15g made with coal. As designers we would ~~also~~ focus first on designing the lightest jar (here 15g in the example). Then the second step could be to choose the sourcing specifics, where or how to manufacture it depending on the strategy each member could have. So we need to have at least 2 steps.

Victor Frontere (Quantis): To your first point, indeed the first proposal here is to address the cosmetics glass datasets specifically and refine it for cosmetics glass production. This would be an average of the cosmetics industry and it would not be detailed by energy mix. About your second point, I agree that weight optimization and reduction should be favored first, and we could find a way in the tool to guide the user to weight optimization first, before energy mix optimization. This is about user’s navigation, we could add information boxes in the Tool to engage users addressing first the weight before addressing the dataset and energy mix used.

Anne Deserable (Quantis): I wanted to react to this as well, to say if we push the logic that the energy mix of the raw material production has nothing to do with ecodesign, it would mean that it is also irrelevant for the conversion and decoration steps. However the electricity mix can be specified currently in the SPICE Tool for those two steps. So going to Vincent’s point, indeed this is about how far we go and how consistent we are in the approach. It would be interesting to continue the discussion and hear other members' opinions.

Vincent Delavenne (Coty): It should be first a tool to better design, then the maturity of other steps will come later. It's not how to produce glass or aluminum, it's first how to produce cosmetics packaging. I suggest waiting until the industries of glass and aluminum are more mature on the topic and can give us data.

Gilles Swyngedaw (Albea) : I totally agree with what have been said but on the top of that we are encouraged to invest in renewable electricity, and it would be good to have the benefits reflected in the Tool, for example renewable electricity.

Michael Christel (Estee Lauder): This is an opportunity as a group to decide if SPICE should go beyond a design tool. This is a chance for all the materials to be better: aluminum, glass, plastic,

paper. We are all looking to do that and if we have the improvements reflected in the tool, we will motivate all the material manufacturers to improve. I think we all want to do that, but the group should decide as a whole.

Philippe Bonningue (L'Oréal): I would agree with you if this is about the process (to produce the packaging), but not if this is about the energy used, because SPICE is not made to make the energy better. I don't agree when it's about the energy because that is not SPICE. If it is about the process, yes. SPICE is not specialized in the energy sector, it is not in the objectives of the initiative. So, yes for levers about pkg-process and pkg-design, and not for choosing the energy mix. The energy mix and the energy used by suppliers should be addressed, of course, but addressed through companies' strategy of sourcing.

Michael Christel (Estee Lauder): I do think we should let everyone vote on what SPICE is.

David Petit (Hermes): I think we need to take into account how the energy is produced, because yes the tool is about design, but it would also help us study the benefits of renewable energy for example. So it would allow us to assess the difference in the environmental impact. And for me it is not the exact same thing to produce one given packaging from different locations or countries, and saying using different energy sources has no impact is not something accurate.

Philippe Bonningue (L'Oréal): which we could have outside of the tool: we could have a study to show the difference on environmental impacts when manufacturing materials using different energy mixes (nuclear, coal, wind...), and then focus on design within the tool. Internal pathways for design and for sourcing should be kept, and kept separate. Both are very relevant, but if we mix both, we would allow, to take again my previous example, to favor energy mix instead of packaging weight reduction; this would not allow to guarantee to take the best packaging design (and could bias the decision). The energy mix could then be taken to justify a heavier jar/bottle; it should not, in my opinion.

David Petit (Hermes): yes but first we should start by the design and then after study the production of the packaging. That will help us compare different solutions for 1 design.

Jan Porter (Meiyume): My concern is how well it will be integrated in the interface. There are both the sustainability teams using the Tool but also the packaging designers who may not want to have too many options and functions. So we should be careful how it will be integrated in the tool's interface, as having too many options may lower the adoption of the tool. If we can have a seamless integration in the tool, why not.

Raay Delos Reyes (Natura & Co): This is a great conversation. Having only glass datasets covering Europe production may be relevant for companies only producing from Europe, but

this is concerning for us, because we have had to change design directions for different regions depending on the energy mix decision. So I will engage with our suppliers to know if we can have data on this. I also agree with Michael's and David comments and we do need to discuss this.

Benedict Luisi (Aptar): If we want to compare energy mix management, we already have other criteria for the sustainable energy performance, allowing us to compare what is the best energy option. I do believe if we want to integrate everything in the tool, there will be too much information to process for packaging designers. I see some roadblocks there.

Michael Christel (Estee Lauder): Could adding the energy detail (renewable mixes) and process details (different glass and aluminum processes) be made optional?

*Addendum: these specific datasets or energy details would be available in addition to the global average datasets currently available. So it would remain optional.*

Fabrice Rivet (FEVE): I just wanted to come back to this discussion on design vs. sourcing. I am not sure to understand what the issue is. We are talking about a Life Cycle assessment tool, and using this kind of tool, yes we may end up with a 25g jar being better than a 15g jar if the 15g one is produced in the worst energy conditions using for example coal.

Victor Frontère (Quantis) closes the discussion and thanks all the members for their inputs, for now highlighting there are two different approaches suggested by members for now. He suggests addressing first the question of specifying the glass datasets for cosmetics glass instead of food and beverage glass, as this is not about specifying the energy mix, but being accurate to the cosmetics production.

Fabrice Rivet (FEVE): I just want to clarify one point: we have provided SPICE with the data we have, and we don't have cosmetic glass datasets and I want to be very clear. So if you go in this direction, we will have to create our own.

# 3. Review of SPICE Workstreams: Recyclability, Materials leakage, Biodiversity stakes

## Recyclability task forces: update

Laura Peano (Quantis) reminds that there are two ongoing recycling task forces: one for plastic and one for glass. The efforts of the glass task force are focused on glass opacity, that is, how light transmittance can prevent glass recyclability and exploring glass PCR quality.

For the plastic task force, it has been decided to work on potentially rolling packaging, that is plastics that can roll in the conveyor belt and then be excluded from the recycling stream. And also on recommendation for mono-material solutions, that would be added to the Recyclability Appendix published last April.

Laura then presents the members and external experts who are part of the two task forces, the ways of working within the task forces and how the outcomes are then shared to all SPICE members for finalization. She highlights how task forces rely on co-construction with expert members and external experts.

## PLASTICS TASK FORCE

Ana Moral-Balandin (Quantis) introduces the two priorities that have been identified by the plastic task force. The first one is to try to understand the issue with potentially rolling packaging which is well known, and the second is to focus on mono-material packaging to try to promote packaging materials which will have the highest quality in terms of recyclability.

Ana explains that regarding the topic of the rolling packaging, the aim is to have a clear definition of what rolling packaging means, besides knowing that it rolls and the fact that it needs to be difficult to compact. It is necessary to understand what the specificities of the issue are and which type of packaging are facing this issue during the sorting. With this information it would be possible to define design guidelines, in terms of rigidity limits or thickness limit threshold, so that the packaging can be compressed, as well as guidelines to find alternative shapes to avoid rolling.

Ana informs that the best approach in terms of protocol is currently under discussion, and that a discussion together with CITEO, RecyClass and Circpack is going to take place to see which type of protocol they would recommend.

Ana explains that, regarding the mono-material packaging, the taskforce would like to add a new section to the recyclability appendix where mono-materials solutions would be promoted, so to give in the document additional solutions for improving recyclability, beyond recommending alternative to packaging characteristics that can hinder the recycling processes.

## **GLASS TASK FORCE**

Ana Moral-Balandin (Quantis) informs that the glass task force wants to study two topics: the first one is to understand the opacity threshold and the other one is to understand how it could be possible to increase the recycled content in glass. The group is currently focused on the opacity threshold and the other topic will be studied afterwards.

Ana details the approach taken for the opacity threshold study: the first one by exchanging with optical sorting machine manufacturers. The second step is to exchange with recyclers, including FERVER in Europe and Strategic Materials Initiative (SMI) in the US to compare the thresholds communicated by machine manufacturers to the real thresholds that are being applied in sorting centers. The last step would be a report with guidelines on how glass packaging should be designed to be recyclable from a glass transmittance point of view.

Ana highlights that the intention of conducting some tests on recyclability was previously raised with a consensus of all members. She informs that the current budget allows them to continue working on this workstream but that the budget is limited for both glass and plastic task forces and that conducting tests would require an additional budget. Ana expresses the initiative's need to have further discussion and feedback on this topic with the members.

Ana informs that they are currently under discussions to have these tests financed by other organizations, like recyclers organization, because the results of this task would be useful for them as well. This financing option is currently uncertain. Alternative options to be able to finance the tests would be to have additional budget from the SPICE members, if possible, or to conduct the tests by members on their specific packaging.

Victor Frontere (Quantis) recalls that the scope of the two task forces is about coordination, understanding of priorities, giving roadmap and guidance. The recyclability tests are sometimes costly and tricky in terms of packaging confidentiality. Victor clarifies the three possibilities for the recyclability tests financing, previously presented by Ana:

- RecyClass or CITEO accept to finance and run the tests.

- Some SPICE members are willing to run the test themselves and the test that has been agreed within the taskforce because they have some budget, they are interested and accept to share the results within the SPICE initiative. Putting efforts together is at the core of the initiative values.
- Additional budget.

Victor explains that option 1 and 2 need to be explored further before exploring option 3. For this last option it would first be needed to explore the possibility of increasing membership, meaning potentially more licenses of the tool, and as last and less desirable option from an administrative point of view, ask the members for further funding during the year.

**Q.** Phillippe Bonningue (L'oreal): How much money are we speaking about for this budget? 1 thousand euros? What is the need ?

**A.** Ana Moral (Quantis): It depends. We are still discussing what we want to test and we need to have a final approval from CITEO for plastics to see how much they could finance. We don't know yet. We just had an offer from Circpack to build one report and the cost of that would be around 10.000 euros. We might be interested in contracting further tests. What we can do is to keep working on defining the type of tests that would be needed and keep working with recyclers to see what could be financed by them. In case there is extra funding that would be needed from SPICE, either by re-allocating the budget from licenses etc we can come back to you in the next committee.

**A.** Phillippe Bonningue (L'oreal): I think it is worth it because, among all the topics that we tackle, this workshop is very well done. Bravo to the team who participated/handled it, I think it is very clear and I think we will have a lot of value from that workshop. So I think it is worth reallocating some of the budget or asking additional funding from members if needs to be.

**A.** Victor Frontere (Quantis): Yes exactly, maybe to reallocate the budget. We will see. Again, best case would be the financing from membership fees, second option would be if some members were willing to individually finance some specific tests and share the results with SPICE. But of course, running these task forces without going to the testing phase would be a non-sense, so we need to proceed in a way. We will keep you posted on that. Ana and Laura will get answers from recyclers quite soon. By next September, we will have a clearer view of the budget that will potentially be needed.

**A.** Laura Peano (Quantis): Also during the last glass task force it was mentioned the possibility to make some tests on glass. Of course this is something that we need to explore to understand better what kind of test we want to do, how many tests would be needed, etc. This is a topic that we need to discuss with the task force during the next meeting that will take place at the end of July.



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**BREAK (15 mins)**

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Victor Frontere (Quantis) welcomes back everyone after the break for the second part of the committee, enumerates the remaining points of the agenda of the day and gives the floor to Anna Kounina (Quantis).

### **Material Leakage: Update**

Anna Kounina (Quantis) presents the context and previous discussions during Committee 1 about the scope of the workstream, that evolved from plastics leakage to all materials leakage. She explains that although current methodologies mainly focus on plastic leakage, this workstream can still explore the possibility of providing a more comprehensive assessment for all materials.

Anna then summarizes the working session that took place on the 9th of June to present the different stakes about material leakage as well as assessment methodologies. She informs that the budget allocated needed to do this preliminary research work was 25k€.

Anna summarizes the questions that were raised during that working session, on the evidence of plastic leakage from the cosmetic sector, for which it was recommended to refer to the public reports “Breaking the plastic wave” and “Break free from Plastics”. Other questions were about actions to mitigate the plastic footprint. Anna shows in the slides the hierarchy of plastic footprint and leakage mitigation activities which comes from the “Guidelines for corporate plastic stewardship”.

Anna then presents the three options A, B, C for the next steps of the workstream that are proposed to members and that were presented first during the sessions. She presents each option in detail together with the pros and cons of each. She reminds that the two first options focus on methodological developments to be able to assess the material leakage, while the third option takes a different approach, immediately actionable for packaging designers by referring to the new SPHERE packaging eco-design framework. Anna highlights that SPHERE is the first framework that includes all aspects of sustainability and circularity of packaging and that also captures potential trade-offs.

Anna reminds that, during the working session on June 9, option C received a large share of the Menti votes, which are not official votes, as the best option to go for in the rest of this workstream. Anna informs that the additional budget for such a work would be 35k€.

Victor Frontere (Quantis) reminds that this topic was discussed in the specific meeting. The quality, the usefulness and the insight provided on the current document was acknowledged by many members at that moment. For the next steps, option A and B would be focused on methodological developments and C would be more practical and actionable.

Victor informs that the voting will be done through electronic vote and he opens the floor for questions or remarks before moving into the votes.

**Q.** Phillippe Bonningue (L'Oréal): Let's say that we do option C. What are we going to learn from it? That plastic leaks in the environment? You have shown some sources already showing this (and not being able to compare with other materials will be a bias). Secondly, that we should avoid any disruptors of recycling? We already know that from previous SPICE studies. What are we really going to learn for such an additional budget? I am afraid we spend time/money on something that won't bring what we think.

**A.** Victor Frontere (Quantis): What will be learned is the combination of all. You were mentioning for example plastic leakage. Because the SPHERE framework combines the LCA metrics with the plastic leakage, among others, the benefit of using plastic will be very visible in the LCA results compared to other materials, while it will be balanced by complementary results like circularity index or material leakage. The idea here is not to say that plastic is bad and glass is better or the other way. This study will show how to reconcile different sustainability metrics, as regularly requested by some members. Life Cycle Assessment is the main one and it is quantitative. It should be kept as the reference metrics. The SPICE Tool would be used for this part. On the other hand, we know there are other important metrics on recyclability and circularity and as well some other new parameters like material leakage risk. The idea with this study is to have something holistic that can in the future enhance indicators already present in the SPICE tool or the SPICE recyclability guidelines that have been published.

So, this is about combining and gathering the different approaches. Amongst those, it will qualitatively tackle the material leakage risk together with mitigation recommendations. The chemical of concern indicator is quantitative and will indirectly address the material leakage risk. And the plastic leakage risk will be tackled with this specific indicator.

Anna Kounina (Quantis): The circularity metrics would cover all materials as well as the chemicals of concern. For plastic leakage, this indicator does not cover other materials, but on the other hand it allows to explore the influence on plastic leakage of the markets where the product is distributed. It would highlight the markets that are more at risk in terms of plastic leakage and raise the question for other materials. For the latter, we don't have any quantitative tool to assess that yet but we still know that if the waste management system in a country is

not adequate then it has high chances of not being adequate for other materials as well. This risk analysis of the different markets in terms of material leakage would be an interesting deliverable of this option.

Phillipe Bonningue (L'Oréal): I think the discussion about circularity is very valuable. This is what we are missing today when we assess the comprehensive footprint. I'm not sure that at the end we will learn so much from this study. If we want to speak about circularity, and we want to have the mapping of the "bad" (high leakage) and the "good" countries, how much would be out of the budget? I'm sure that one of the main conclusion will be: "avoid disruptors so you can recycle it" but there is no recycling in some countries so one could do whatever they want for the disruptors because anyway wastes will not be recycled given there is no specific recycling stream. I'm afraid of these conclusions with not so much new added value.

**Q.** Michael Christel (Estee Lauder): Could Option C be included into the SPICE tool once complete?

**A.** Victor Frontère (Quantis): Indeed option C document would be a first step to add more indicators in the SPICE Tool, on circularity as Philippe mentioned but also on plastic leakage or, in some years, material leakage. We will learn qualitatively, maybe not the same way on all topics, and gain knowledge about the balance between the different indicators as this is a recurrent question from the SPICE Tool users. Life Cycle Assessment is quantitative and it is the main reference. Now we want to show how to reconcile the different approaches and potentially pave the way to include some indicators in the SPICE tool in the near future.

**Q.** Phillippe Bonningue (L'Oréal): But this will be unfortunately only for plastic?

**A.** Victor Frontere (Quantis): among the principles of the framework, there are Life Cycle Assessment indicator, circularity indicator and plastic leakage indicator, to which we would add all material leakage in a qualitative manner. A parameter on the chemicals of concern is also part of the framework and this all materials. So it is not only about plastic leakage but it is more about a panel of indicators.

Anna Kounina comes back to the slide explaining the SPHERE framework.

**A.** Anna Kounina (Quantis): We would cover all six principles: climate change, optimize efficiency, maximize circularity, optimize end of life, avoid harmful substances and minimize the drivers of biodiversity loss. The frameworks pick up the state-of-the-art methodology to address each one of these principles. This would give a comprehensive perspective on sustainability.

Victor Frontere (Quantis) clarifies that principles 1 and 2 will come from the SPICE methodology, principle 3 would be partially covered with the current recyclability topic but it would be done with an index, principle 4 and 5 will be new and will cover the material leakage stakes. Principle 6 will be addressed through the biodiversity risk guide that is being built in parallel. Principles 1, 2, 3 and 5 will refer to other SPICE works. Victor insists that it is not only

about plastic leakage but about overall packaging sustainability. So the name of the workstream will need to be updated as well.

**Q.** Gilles Swingedaw (Albea): Do we only have the possibility between these three options? For me a fourth option would be not to do it or to do it later and I would like to add this option to the voting.

**A.** Victor Frontere (Quantis): Indeed we will update the vote to allow the possibility for a fourth option.

**Q.** Thierry Bernet (Berry global): I have a question about principle five. I don't get the point on the chemical impact of harmful substances. Will we have a list with all the harmful substances in every material at the end? I think in the SPICE Tool, we already cover part of that in one or two of the indicators.

**A.** Anna Kounina (Quantis): In the SPHERE framework, the chemicals of concern method is not a method that is related to LCA. It is a list of chemicals that allows us to identify the most harmful ones. It is a more simplified method compared to what we can find in LCA about toxicity, which demands a lot of modeling and has a lot of uncertainty. In the SPICE Tool this is an LCA based method and this option would provide a complementary outlook.

**A.** Victor Frontere (Quantis): That is also true for the principle six on biodiversity which would be complementary to the SPICE Tool's LCA approach: quantitative metrics on land use, climate change etc. related to biodiversity would be complemented with qualitative learnings.

**Q.** H  l  ne Villecroze (Chanel): I have the same question about principle two. You said it was covered by the SPICE methodology about packaging efficiency. Do you mean that it is only related to LCA indicators or do you mean something else?

**A.** Anna Kounina (Quantis): I will come back to you about this topic.

**A.** Laura Peano (Quantis): Principle two in the SPHERE framework is a ratio of the carbon footprint of the packaging and the carbon footprint of the product contained.

**Q.** H  l  ne Villecroze (Chanel): In this case, we would also need to have the carbon footprint of the content to manage it.

**A.** Laura Peano (Quantis): Yes.

**Q.** H  l  ne Villecroze (Chanel): When you are talking about the content do you mean about the formula?

**A.** Laura Peano (Quantis): Yes, indeed. We are talking about the formula of the product inside of the packaging.

**Q.** Hélène Villecroze (Chanel): If we want to be able to vote, maybe we should have a better presentation of the SPHERE framework. It looks like an interesting approach. On my side I'm very interested in understanding more about the framework but today I don't have enough information to be able to vote or to know what we are talking about.

**A.** Victor Frontere (Quantis): Yes, we can organize that. This was a topic that was treated in the meeting in June, but we can organize a deeper and more specific session on the SPHERE framework.

**Q.** Hélène Villecroze (Chanel): During the session in June I don't remember that you explained exactly what was the type of indicator inside the SPHERE framework.

**A.** Mathilde Thiery (Coty): I agree with Helene.

**Q.** Phillippe Bonningue (L'Oréal): SPHERE published a document explaining their methodology. Maybe you can share it prior to the presentation.

**A.** Victor Frontere (Quantis): Yes, of course. We will put in the chat a link with more details on the SPHERE framework and we will send it by email as well:

<https://www.wbcd.org/Programs/Circular-Economy/Sustainable-Plastics-and-Packaging-Value-Chains/Circular-Sustainability-Assessment-for-Packaging/Resources/SPHERE-the-packaging-sustainability-framework>

Victor Frontere (Quantis) informs that they have added a fourth option to the voting system which is "No decision at this stage". He suggests keeping the voting to get some comments on the topic and to test the general feeling of the members, even if an information session will be organized in the future regarding the SPHERE framework.

Victor reminds the members that only one vote will be admitted per company. He asks the members to provide some comments within the voting form.

**VOTE: MATERIALS LEAKAGE: WHICH OPTION DO YOU CHOOSE FOR THE NEXT STEPS OF THE WORKSTREAM ?**

**Option A:** Feasibility study to assess all material leakage at the inventory level

**Option B:** Feasibility study to assess the plastic and all material leakage at the impact level

**Option C:** Ecodesign guide based on SPHERE framework encompassing different sustainability metrics

**Option D:** None of those at this stage

Company	Vote	Comments
Albea	OPTION D	
Aptar	OPTION D	According discussion and comments shared today, we do need to organize a new session
Axilone	OPTION D	
Berry Global	OPTION D	
Chanel	OPTION C	option C after a deeper presentation about the SPHERE framework and maybe with a discussion on the better case studies to be addressed within this framework. But interest in working on SPHERE framework
Clarins	OPTION D	We would like to have further details and studies on how to lead these projects, in order to select the most suitable option.
Coty	OPTION D	
Estee Lauder	OPTION D	Need more information on the SPHERE framework and want to better understand the pathway to adding it to the SPICE tool.
Groupe Pochet	OPTION C	As Helene said, option C sounds interesting but we might need more information.
Heinz-Glas	OPTION C	
Hermes Parfums	OPTION C	
L'Oreal	OPTION D	to clarify the true additional outcomes 1st.
LVMH	OPTION C	
Mary Kay	OPTION B	
Meiyume	OPTION D	Would want to wait for more information in SPHERE
Natura &Co	OPTION D	Would like more information on the SPHERE
Puig	OPTION D	Not ready/mature at this stage to implement this workstream

Shiseido	OPTION C	
Sisley	OPTION C	
Texen	OPTION C	

### Voting result:

Option A 0% - Option B 5% - Option C 40% - Option D 55% of voting corporate members

Victor Frontere (Quantis) explains that no option has been voted yet by members and that the next step is to send the document about the SPHERE framework and organize, as soon as possible, a presentation session on the framework and on what exactly the deliverable would cover.

Victor thanks everyone for the discussion and the votes.

### Biodiversity stakes: workstream update

Elsa Maurice (Quantis) recalls first the 3 online sessions of the “Biodiversity collage” which were organized for SPICE members and their teams as a first training on biodiversity, and to understand the link between biodiversity and climate.

Elsa informs on the attendance rate during those trainings and recalls that an extra session will be organized in September for people who could not join the previous ones.

She summarizes the feedback that came out of these sessions, namely the complexity of the biodiversity issue, the interest of this workshop to raise awareness, and the fact that packaging design often overlooks biodiversity issues. She then calls members to testify and share their feedback.

Phillippe Bonningue (L’Oréal) affirms that the “Biodiversity collage” was a **great** discovery for him and that the team was very professional. He was able to demystify some topics about biodiversity. He thanks the team for the **useful** sessions.

Raay Delos Reyes (Natura & Co) explains that it was very helpful as she always used to link biodiversity impact to ingredients and not to packaging. She thanks the team for the sessions.

Elsa Maurice (Quantis) invites the members to send more feedback about the “Biodiversity collage” through email and to join the session in September.

Victor Frontere (Quantis) states that some companies might have specific collaborators working on biodiversity topics. He says that the attendance to the previous “Biodiversity collage” sessions was less than expected and he invites members to invite their colleagues with special knowledge or interest on biodiversity and who are not necessarily SPICE representatives, with a maximum of 4 participants per company.

Elsa Maurice (Quantis) recalls that the workshop is open to all types of profiles and not only environmental experts.

Elsa Maurice (Quantis) then explains that the second part of the workstream is to create a biodiversity risk guide for cosmetic packaging designers and buyers. The two main objectives will be to directly link biodiversity and current challenges of the packaging sector, and link packaging materials and biodiversity stakes through factsheet per packaging material. For each key cosmetics packaging material the idea will be to identify through the factsheets the main production zone and qualitatively assess biodiversity risks.

Elsa then details the timeline of document sharing with members, the Q&A session and the review iterations before the third SPICE committee of Year 4 at the end of October 2022 for document final approval and vote.

## 4. EBS (EcoBeauty Score consortium) / SPICE interaction proposal

Victor Frontère (Quantis) opens the next discussion topic on the collaboration between the EcoBeauty Score consortium (EBS) and the SPICE initiative.

Victor first gives the context of a possible collaboration between EBS and SPICE, explaining the different aims of both initiatives while being aligned in terms of approach and methodological principles. He briefly details the reasons why it would be beneficial to each initiative and to the cosmetics industry in general that both collaborate.

Victor details the current membership of the two initiatives: 12 companies (brand owners) and 3 associated members are part of both initiatives or use the SPICE Tool as licensees; 70% of



SPICE brand owners are part of the EBS consortium as well. Victor recalls that packaging suppliers and suppliers in general are not able to join EBS, only brand-owners can.

Victor then details that EBS is interested in accessing the SPICE cosmetics packaging database and how SPICE database would then become the common packaging database for both initiatives.

He then recalls members the composition of the SPICE database to date, highlighting its value for the cosmetics industry in terms of environmental footprinting. He also details the past and ongoing investment to make this database always more specific and adapted to cosmetics packaging, notably with the materials and the decoration processes.

Victor then details how SPICE would continue to be an independent initiative leading cosmetics packaging eco-design, in parallel of sharing its database with EBS. He also explains the legal principles that a collaboration between both initiatives should follow, including that SPICE should be ready to collaborate with other market players that EBS if solicited, under the same conditions of collaboration, provided that other market players follow similar characteristics and criteria as for membership.

Victor then presents to the SPICE members the 2 options that are envisioned for giving access to EBS or any other interested person to the SPICE database. Option 1 is to grant free access to the current database and agree case by case on the database update, maintenance and new datasets additions. Option 2 is a licensing model under which access to the database and regular maintenance and new datasets additions would be granted through an annual license fee, proportional to the number of companies part of the EBS consortium. If companies are already members of SPICE, they would not be double-counted. Victor also introduces Option 2', related to option 2: SPICE would still license the access to its database to EBS, and conversely SPICE would be interested to access a packaging footprint benchmarking that EBS might create in the future. This is only a possibility to give vision to SPICE members, but this would need to be first confirmed; it would not be part of the vote today. Victor also details the pros and cons of each collaboration option.

Finally, before opening the floor to questions and proceeding to the vote, Victor proposes to include the SPICE steering committee in the following discussions with EBS to provide a wider perspective, while the SPICE committee would keep the final say and validation vote as usual.

**Q.** Helene Villecroze (Chanel): if any other actor can request access to the SPICE database, can it be a single company or does it need to be a consortium?

**A.** Victor Frontere (Quantis): Today we are talking about giving access to the database to a consortium of companies. However we could as well explore the possibility in the future to give access to the SPICE database to companies who use a proprietary internal eco-design tool, which is not the SPICE Tool but which is aligned with the SPICE principles and methodology.

**Q.** Michael Christel (Estee Lauder): do we think we need the fees to maintain the software and keep the database up to date

**A.** Victor Frontere (Quantis): The revenues from the database license would be an additional fee to finance and help maintain the database, develop new datasets and potentially maintain the Tool as well. Today this is financed by the SPICE membership revenues, the SPICE Tool licenses revenues. Tomorrow it would as well be partially by the revenues from SPICE Database licensing. However, the purpose of setting a fee is not to find a new business model to finance the database, and those fees would stay a small part of the overall financing model. The main purpose of the collaboration would remain using a reference database instead of duplicating the work.

**Q.** Michael Christel (Estee Lauder): our opinion is to keep the fee, if we need a fee, as low as possible so to ensure as many people as possible use the same methodology and the same data.

**Q.** Mathilde Thiery (Coty): one comment, I understood there was only one company in the SPICE steering committee that is not a member of EBS. It might be interesting to have another company in the group to engage and discuss with EBS.

**A.** Victor Frontere (Quantis): it is a possibility if other brand owners not part of EBS are interested in joining the discussion for database sharing. In any case I remind that the SPICE committee with all members keep the final say and vote. Now we have also seen before that 70% of the SPICE brand owners are also part of the EBS consortium. This is close to the SPICE Steering Committee representation where 4 out of 5 brand owners are part of EBS as well, so with a similar level of representativeness.

**Q.** Michael Christel (Estee Lauder): Could you elaborate on why the lawyers recommend option 2?

**A.** Caroline Noyrez (MWE): As SPICE must provide similar access conditions in the future to any other potential market player, it is easier to do so when you have a licensing model. It appears as the most objective and replicable foundation for all other potential collaborations. The exact collaboration conditions still remain to be decided, including the financials and other details,

but proceeding with this structure would give a solid foundation for all future discussions with EBS and other interested persons.

Victor Frontere (Quantis) then invites members to proceed to the vote.

**VOTE:**

**DO YOU AGREE WITH THE PRINCIPLE OF SHARING SPICE DATABASE WITH EBS CONSORTIUM?**

YES/NO

**WHICH SHARING OPTION DO YOU PREFER?**

**Option 1** - Free access + cost/modalities of updates and additions to be agreed

**Option 2** - License model

Member	Do you agree with the principle of sharing the Spice database with the EBS consortium?	Comments	Which sharing option do you prefer?	Comments
Albea	Yes		Option 2	
Aptar	Yes	Show willingness & alignment	Option 2	Long term model
Axilone	Yes		Option 2	
Berry Global	Yes	The more labels with SPICE the better.	Option 2	
Chanel	Yes		Option 2	
Clarins	Yes		Option 2	
Coty	Yes	Good recognition of spice expertise	Option 2	

Estee Lauder	Yes		Option 2	Prefer no fee or as low of a fee as possible.
Groupe Pochet	Yes		Option 2	Option 2 is selected for now but 2' seems more relevant.
Heinz-Glas	Yes		Option 2	
Hermes Parfums	Yes		Option 2	
L'Oreal	Yes		Option 2	
LVMH	Yes		Option 2	
Mary Kay	Yes		Option 2	
Meiyume	Yes		Option 2	
Natura &Co	Yes		Option 2	
Puig	Yes		Option 1	
Schwan Cosmetics	Yes		Option 2	
Sisley	Yes		Option 1	
Texen	Yes		Option 1	

### **Voting result:**

100% votes for YES: approving the principle of sharing the SPICE database with EBS consortium

0% votes for NO

15% votes for Option 1 Free access + cost/modalities of updates and additions to be agreed -

85% votes for Option 2 Licensing model

The proposition of sharing the SPICE database with the EcoBeauty Score consortium through a licensing model is approved.

Victor thanks all members for their vote and active participation and reminds of the next steps, which is to include the SPICE steering committee in the upcoming discussions with EBS.

# 5. Budget allocation update

Victor Frontère (Quantis) finally presents the initiative’s budget allocation. He details the main proposed changes on budget allocation. He also details the proposed allocation of revenues coming from the SPICE Tool licenses.

**Q.** Helene Villecroze (Chanel): Just one need for clarification on the remaining budget from previous years 2 and 3 on new datasets developments, is it not detailed here?

**A.** Victor Frontere (Quantis): Here is displayed the allocation for the current Year 4, for new datasets needs identified in the recent member’s survey and which were not in the pipeline of development. For example the datasets mentioned previously which are about to be delivered in September were financed by last year's budget.

### VOTE

Member	DO YOU APPROVE THE BUDGET ALLOCATION?
Albea	Yes
Aptar	Yes
Axilone	Yes
Berry Global	Yes
Chanel	Yes
Clarins	Yes
Coty	Yes
Estee Lauder	Yes
Groupe Pochet	Yes
Heinz-Glas	Yes
Hermes Parfums	Yes

L'Oreal	Yes
LVMH	Yes
Mary Kay	Yes
Meiyume	Yes
Natura &Co	Yes
Puig	Yes
Schwan Cosmetics	No
Sisley	Yes
Texen	Yes

**Voting result:**

95% of voting corporate members approve the budget allocation.

Victor thanks all members for their votes and active participation during this committee. He reminds of the next steps and suggest to hold November 8th, 2-6pm CET for the members' committee #3.

**Closing of the meeting**