

SPICE YEAR 5 COMMITTEE 3 MEETING MINUTES DEC 14, 2023



Minutes written by: Quantis

Participants (online, unless stated):

- Albea, Gilles Swyngedauw (on site)
- Axilone, Robin Hervé (on site)
- Berry global, Ellen Seyda
- Chanel, Helene Villecroze (on site)
- Chanel, Virginie Recoura
- Clarins, Marion Ardin
- Coty, Isabelle Meylan (on site)
- Estée Lauder, Michael Christel
- Groupe Pochet, Nicolas Piffault
- Heinz-Glas, Elisa Trebes
- Hermes Parfums, David Petit (on site)
- JPMS, Sean Ansett
- L'Oréal, Philippe Bonningue (on site)
- Mary Kay Corp, Kristin Dasaro
- Meiyume, Jan Porter
- Natura & Co, Talita Fantini/LAR/BR
- N°7 Beauty Company, Steve Owen
- Shiseido, Kazue Takei
- Shiseido, Lynne Caldwell
- Sisley, Jérôme Morel (on site)
- Texen, Christophe Cardi
- Texen, Younes El Omari
- Toly, Olaf Kahra

- Toly, Cheryl Bezzina
- Unilever, Frédéric Dreux (on site)
- Canopy Planet, Sophia Yang
- Canopy Planet, Cecile Charleston
- CITEO, Margaux Valentin (on site)
- CITEO, Valentin Fournel
- FEBEA, Elodie Fiscaro
- FEVE, Fabrice Rivet
- MWE, Caroline Noyrez (on site)
- Quantis, Anne-Florence Lécolier (on site)
- Quantis, Elsa Saouabi (on site)
- Quantis, Gabrielle Perier
- Quantis, Jean-Marc Fontaine (on site)
- Quantis, Victor Frontère (on site)
- Quantis, Valentine Patras

Excused SPICE Members:

- Aptar
- Bormioli Luigi
- LVMH
- PUIG
- Schwan Cosmetics
- Cosmetic Valley
- Detic
- Elipso
- PCPC
- RecyClass

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

Opening of the meeting

Introduction

Victor Frontère (Quantis) welcomes all participants to the third committee of SPICE Year 5, 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. Review of Year 5 workstreams**
- 2. EBS/SPICE 2024 collaboration**
- 3. SPICE positions and thought leadership**
- 4. Budget update, timeline and next steps**

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.

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

1. Review of workstreams

SPICE Tool methodology/database update

Elsa Saouabi (Quantis) gives an update on the SPICE Tool methodology / database update. She informs the members that since the last committee the implementation of the database V3 has been done in the SPICE Tool and all documentation tool. The SPICE database was updated following Ecoinvent and PEF EF method latest evolutions. For additional details of the update, they can be found in the documentation.

No question or comment from SPICE members.

SPICE Tool roadmap

Elsa Saouabi (Quantis) gives an update on the improvements on ergonomics of the database to allow members to do portfolio management. She mentions that the first go live was done at the end of October and the second go live in February.

She reminds the 3 objectives of the new ergonomics done in October:

to be able to see who is sharing the project (all tool users)

change the scenario reference from result page

see the number of projects created (brand, user view per month). The excel file is similar to the excel file that super admin can provide to members on the statistics for their companies.

She then reminds to the SPICE members the mock-up for mass downloads with a new view available: Mass download of impact of total pack: per single score & other indicators for the scenario of reference.

She also details the work in progress with PLM company to explore the possibility of developing a new feature: “mass upload of packaging certification”. Updates will be provided at the next committee.

Elsa mentions to the members that they can send her feedbacks until January before the second GO live.

Q. David Petit (Hermes) - Question on scope of formula: Will SPICE tool consider adding formula in the LCA scope?

A. Victor Frontère (Quantis) – This topic will be proposed for Y6 2024 in the context of EBS and SPICE tool evolutions.

No additional question or comment from SPICE members.

SPICE datasets development

Elsa Saouabi (Quantis) introduces the new datasets that have been added in the database (SPICE developments and from ecoinvent). Elsa asks the members if the current feedstocks are enough for the members (*Mix of 40%bagasse and 60%bamboo, 100% bagasse, 100% bamboo, 100% wood, 100% wheat straw*) or if we need to add additional ones. She adds that today we only use wet molding as we do not have access to dry molding but we are in contact with potential suppliers to get these additional data. She informs members that we will add these datasets in the SPICE Tool, based on suppliers agreement, in January so members need to contact her as soon as possible.

Q. Philippe Bonningue (L'Oréal) – Mentioning the % of PCR is confusing and not relevant, as it's already in the SPICE Tool.

A. Victor Frontère (Quantis) – We can remove it in the presentation as there might not be PCR for pulp and in any case it's already in the Tool.

Q. Cécile Charleston (Canopy) – I have a question around the 100% wood, is there any way to specify it, as it will depend on the specifications on certification or sourcing region.

A. Victor Frontère (Quantis) – As this is the first iteration, we would like to have the members contribution prior next committee. As mentioned by Elsa, those feedstocks are generic, and the sourcing parts are too. What will need to be specific will be the process, wet molding and potentially dry molding. The feedstock is also specific, but the certification is not considered here. What we have in mind is to add a clear note in the tool to make the link between those data sets and the existing SPICE biodiversity guide.

A. Cécile Charleston (Canopy) – We would be happy to talk about it further because depending on the certification, the standards are different and then the sourcing region for the wood is also a key challenge here.

A. Sean Ansett (JPMS) – It would be critical to track by country and certifications for wood.

A. Ellen Seyda (Berry Global) – I wanted to mention that the Deforestation Free Supply Chain Act will be active end of next year and we should assume that at least for Europe everything should be sustainably sourced then.

A. Victor Frontère (Quantis) – In the SPICE Tool Dataset there will be the land use change, linked to deforestation but as well as potentially the forest management practices. There are some standard datasets on that topic but I'm not sure there are sufficient but there are supposed to go beyond the zero-deforestation part. There is a need of proof and responsibility for each company.

Q. Giles Swyngedauw (Albéa) – Something we might consider checking is probably the recyclability at the end as I'm not sure that all these feedstocks are recyclable today in the current set-up Elsa mentioned.

A. Elsa Saouabi (Quantis) – We are checking this, and we will make sure that it's traceable in the tool.

A. Victor Frontère (Quantis) – As a reminder, the recyclability is manually entered by users. Hence, the guideline could be as latest SPICE knowledge and PPWR, none of those can be considered recyclable.

Q. David Petit (Hermès) – Do you consider this as unrecyclable?

A. Gabrielle Perier (Quantis) – For some pulps, because there are made of wood, it will be considered recyclable in the paper and paper board streams. So, it will depend on the feedstock. Of course, this will be checked before implementation in the SPICE Tool.

Victor Frontère (Quantis) concludes the SPICE datasets development's part by mentioning to the members that before implementing those datasets, we will need to be very clear on the assumptions, sourcing parts and recyclability. He suggests to the members to summarize by email all the information and pending questions we have collected from the members and if needed to exchange on a dedicated meeting.

Elsa Saouabi (Quantis) then shares the dataset prioritization made by the members:

- Injection Blow molding will be added in the next batch in the SPICE tool (January/February)
- 2 finishing process datasets are already part of the ongoing development (NDA signed)
- 9 new datasets are added to the development list – chemical recycled datasets to discuss if they will be part of dataset development or be more an exploratory topic in Spice.

A. Ellen Seyda (Berry Global) – Regarding chemical recycling, I would prefer to wait for clear EU position as it is not clear how the chemical recycling will account for.

A. Victor Frontère (Quantis) – Thank you Ellen, the question is indeed, do we explore in parallel this definition within SPICE of accounting what can be considered as feedstock for chemical recycling. Because we can in any case explore this and share understanding and challenges on this topic.

A. Jan Porter (Meiyume) – I think the purpose is to have a generalized environmental footprint for the material, but today for me, from what we have seen from various providers, the footprint of chemical recycling can be different from a company to another. So, at this stage it might not be successful to implement it into the dataset.

Q. Giles Swyngedauw (Albéa) – The big challenge is to clarify how to allocate the chemical recycling. The EU commission is going to publish in March 2024 the definition of how to count chemical recycling. So maybe for the next committee we can prepare a deep dive of the recent publications and expectations.

A. Olaf Zahra (Toly) – I think it's critical for SPICE to keep tracking the chemical recycling technology.

A. Victor Frontère (Quantis) – Chemical recycling is a topic to be followed by SPICE in Q1 2024 by starting to frame the topic and needs for 2024.

No additional question or comment from SPICE members.

Glass dataset development

Valentine Patras (Quantis) reminds the context of Glass dataset development and the need to develop new datasets. Contacting suppliers and signing NDAs is ongoing. Valentine reminds the members that the deadline targeted to finalise the dataset is the beginning of next year and so far, four suppliers have already signed an NDA, one other NDA is in discussion.

Q. Fabrice Rivet (FEVE) – We have 6 furnaces and 4 boxes (luxury and mass market, electricity and natural gas). Can you give us an idea of how you distribute the 6 furnaces among those 4 boxes?

A. Gabrielle Perier (Quantis) – We haven't received all the data yet, but we have good confidence to have several standard furnaces for mass market type of glass. For luxury glass, there should be a mix of standard and electric furnaces, but this will depend on final data collection.

Q. Philippe Bonningue (L'Oréal) – as the category of furnace (gas, electric) is not sufficient to assess the footprint, what about Energy mix that could feed both electric and gas furnaces which is key for the robustness of the results, how do we frame that ?

A. Victor Frontère (Quantis) – The data provided by the glass suppliers is the energy consumption per type of energy (i.e. natural gas or electricity). The gas consumption will be fixed in the converting process dataset. The electricity will be, like any other converting process, depending on the local mix. On top of that, the tool user will be able to select a renewable electricity or not.

No additional question or comment from SPICE members.

Ecodesign and circularity

Anne-Florence Lécolier (Quantis) reminds members of the achievements under this workstream: the publication of the ecodesign and circularity guide and recent webinar with 300+ registrations and 150+ attendees. She reminds the members that the MCI tool will be integrated in the SPICE Tool in 2024 under SPICE Year 6 Budget.

No question or comment from SPICE members.

Reuse Taskforce

Jean-Marc Fontaine (Quantis) introduces the taskforce members and reminds the proposed approach; to build a common environmental assessment methodology and tool for packaging

reuse (at home, in store, deposit) and build SPICE ecodesign guidelines to recommend best performing reuse models depending on main product categories. Jean Marc presents the status of the taskforce and the insights shared by the different companies on reuse LCAs, notably l’Oreal who shared their existing methodology and tool in order to accelerate the knowledge on reuse within the cosmetics industry.

Jean-Marc then presents the planning and frequency of working sessions and next steps.

Q. Michael Cristel (Estée Lauder Company) – Can other members still join the taskforce at this point?

A. Victor Frontère (Quantis) – Of course, although as you can see in the timeframe, it is quite ‘aggressive’ timing, with a lot of meetings and pre-read materials. We enrol companies with extensive LCA and Reuse knowledge. If you have this knowledge the taskforce is still open but be aware of the time investment needed.

A. Jean-Marc Fontaine (Quantis) - As a reminder, the decisions are not taken during the taskforce meetings, the vote will always be in the committee. And you still can have access to the work-in-progress, documentation in the SPICE library, there’s no need to be in the taskforce to access that.

Q. Fabrice Rivet (FEVE) – Is there a possibility to notify people when new documents are uploaded?

A. Anne-Florence Lécolier (Quantis) - It was the case with the old SPICE library, but we will check how it is possible with the new one.

A. Victor Frontère (Quantis) – The overall idea is to allow members to be able to have a look on documents and subjects between committees, to allow you to follow the progress when you need it.

No additional question or comment from SPICE members.

Recyclability task forces - Glass

Jean-Marc Fontaine (Quantis) reminds members that the SPICE Team conducted sorting tests on glass last year and we saw that there were different results depending on the decor of the sample. The lack of variety in sample transmittance does not allow for the drafting of a clear minimum transmittance for the right sorting. For that reason, we decided to conduct some additional tests on light transmittance, but the results were not too conclusive yet. Jean-Marc also gives some updates of the Glass German initiative.

Q. Fabrice Rivet (FEVE) – We are currently working on different initiative that could be of interest for the SPICE members. *The Joint Research Center of the European Commission* is working also on recyclability guidelines the European as well as CETI (Centrum for bottling in Paris) is also working on recyclability.

A. Jean-Marc Fontaine (Quantis) - We welcome all information, please share additional information to the taskforce.

No additional question or comment from SPICE members.

Recyclability Task Forces - Plastic

Jean-Marc Fontaine (Quantis) introduces the second topic which is the plastic taskforce. He gives an update about the testing plan and focuses on key insights on three subjects: Recyclability testing campaign, Sorting tests on small-size PE tubes, Recyclability test of ABS packs in PS stream in France.

Q. Sean Ansett (JPMS) – Do the recycling results for Tubes apply to USA?

A. Jean-Marc Fontaine (Quantis) - The results shared are from STINA USA, but we are investigating to align these with Recyclyclass in Europe.

No additional question or comment from SPICE members.

2. Collaboration with the EcoBeauty Score (EBS)

Victor Frontère (Quantis) reminds members about the scope of the collaboration between EcoBeautyScore (EBS) and SPICE and shares some insights on what the collaboration and tool usage will look like in 2024.

No additional questions or comments from SPICE Members.

VOTE: DO YOU VALIDATE THE COLLABORATION TERMS WITH EBS FOR 2024 AND THE 40Keur FEE?

Y/N

Company	Vote
Albea	Yes
Aptar	N/A - Excused
Axilone	Yes
Berry Global	Yes
Bormioli Luigi	N/A - Excused
Chanel	Yes
Clarins	Yes
Coty	Yes
Estee Lauder	Yes
Groupe Pochet	Yes
Heinz-Glas	Yes
Hermes Parfums	Yes
JPMS	Yes
L'Oréal	Yes
LVMH	N/A - Excused
Mary Kay	?
Meiyume	Yes
Natura & Co	Yes

N°7 Beauty Company	Yes
Puig	Yes (email)
Schwan Cosmetics	N/A - Excused
Shiseido	Yes
Sisley	Yes
Texen	Yes
Toly	No
Unilever Prestige	Yes

Voting result:

22 voting members

YES 95% - NO 5% of voting corporate members

The SPICE collaboration terms with EBS have been approved.

BREAK (15 mins)

3. SPICE positions and thought leadership

Victor Frontère (Quantis) first reintroduces the context of a new thought leadership chapter within SPICE, following the 'Future of SPICE' project conducted early 2023.

Victor then reminds the members the value proposition and shares the ecosystem that was mapped to identify potential SPICE positions topics and audiences before introducing the proposed validation and publication rules for the SPICE positions.

Victor then reminds the two kinds of topics and position papers that are identified, for which audience and investment will be different - best practices for the cosmetics industry and

shared positions beyond the cosmetics industry – before sharing with the member the list of identified pain points and possible SPICE topics.

Victor then asks the SPICE members to prioritize the 14 identified topics by a combination of priority of the topic for the member as well as likelihood to find consensus within SPICE before sharing the next steps with them.

Q. Fabrice Rivet (FEVE) – When mentioning “SPICE wants to go beyond technical guidelines”, it seems not consistent with what we signed as SPICE member. SPICE is more technical advisor position, it should not go beyond technical guidelines, it would be politics and that’s not the role of SPICE to me. Additionally, it would request a consensus of all members before publishing any content. For example, FEVE would not have any position on the plastics treaty.

A. Victor Frontère (Quantis) – The position papers would still be technical of course, but with more straightforward recommendations. It would be interesting from other members to get in touch with us to give us their position on this proposal. The ambition was re-worked since the last committee following the members’ feedback to put it at the right level. The SPICE ambition is not to go to advocacy but to be in continuity of technical work, ensuring practical use. Indeed the membership contract could be adjusted to include this ambition and the associated rules that we presented.

[Addendum: We welcome all feedback on the potential structure of this work. For clarity, this is still yet a proposal which is being presented for brainstorming and topics were identified to better understand what could indeed be a good, science-based position/recommendation paper. The aim is to make the technical reviews as practical and useful as possible. Of course, it will remain subject to SPICE principles (including consensus) and any applicable laws.]

Q. Philippe Bonningue (L’Oréal) –Should we say “Expand knowledge and unlock barriers to sustainable transformation of the value chain” to be clearer on what we are actually trying to do? The same goes for “SPICE will assume a more directional tone of voice while being collaborative.”, perhaps saying “SPICE will assume a more clear-cut position while being collaborative.” would be clearer.

A. Victor Frontère (Quantis) – Yes, thank you for the feedback, we can clarify the wording. This is an internal version for exchange, we aim to create an external version stating clearly the ambition.

[Addendum: The slides were updated to incorporate and reflect the Committee’s discussions]

A. Sean Ansett (JPMS) – Regarding the Thought Leadership positions, is it an option to vote positively and not have your name appearing?

A. Victor Frontère (Quantis) – The idea behind those proposed communication methods is that for members who wish their names to appear as signatories, they could be mentioned on the position paper that has been voted. And for members who voted the position but do not necessarily want their names mentioned on the position paper, their names would not appear as signatories. We understand that each member may have specific communication policies and you can of course chose not to appear on the position paper if you do not want to. You could specify that and we would do an iteration with all members after final votation and before publication to have a clear go from each member. To accelerate the process, it would be helpful that you clarify early on your internal process to have the official go/no-go on those position papers. Again, all feedback on any alternative structure or communication process is welcome.

Q. Philippe Bonningue (L'Oréal) – How can we remind to members to not send/share negative communication when they did not agree/vote for a SPICE position paper that is released (which would be counterproductive)?

A. Victor Frontère (Quantis) – This would be in the continuity of SPICE agreements that aim to prevent misuse of the SPICE logo and works (adverse to SPICE sustainability principles) and we can reinforce that point in the new version of the membership agreement.

[Addendum: For clarity, members remain entirely free to support different views on the same topics as the ones contained in the papers – the aim is only to provide more straightforward recommendations in a format that is more operational than the technical review deliverables they are based upon]

Q. Fabrice Rivet (FEVE) – What about associated member can they appear on position papers? do you make a difference between SPICE position and SPICE technical guidance? Will the same rules apply?

A. Victor Frontère (Quantis) – As an associated member, if you agree on the position and want to be mentioned, it is of course possible. On your second question, there is just a matter of form and topic. SPICE position will be declarative of 1 or 2 pages and would refer to SPICE technical guidance which are longer (30-40 pages). We can illustrate these 2 types of outputs and their complementarity in the presentation indeed.

Q. Fabrice Rivet (FEVE) – Would you use the SPICE logo even if it is not a perfect consensus?

A. Frédéric Dreux (Unilever Prestige) - We propose that the SPICE position papers also be voted with a clear rule of 75% positive votes from corporate members to be adopted, like technical reviews. The same voting rule and threshold would apply to all SPICE works.

A. Victor Frontère (Quantis) – We will make sure to clarify the points that were discussed here.

Q. Fabrice Rivet (FEVE) – Could you please clarify what is 'preferred material'?

A. Victor Frontère (Quantis) – This was a poll suggestion, also to illustrate to breadth of topics that could be addressed. But indeed this one would not be part of the scope of SPICE works.

A. Frédéric Dreux (Unilever Prestige) – We cannot compare a material category vs another (e.g., glass vs plastic), it is always case by case. But it could be for example within a material category, for example if there is a risk of ban.

A. Fabrice Rivet (FEVE) – Then we should specify ‘hazardous’ materials.

A. Victor Frontère (Quantis) – We will re-phrase it to better reflect the idea suggested by the member.

[Addendum: We thank all participants for their feedback and will hone the proposed structure following insights shared during this Committee]

No additional questions or comments from SPICE Members.

4. Budget update, Timeline and next steps

Victor Frontère (Quantis) finally presents the budget update, planning and next steps towards SPICE Year 5.

Victor thanks all members for their votes and active participation during this committee. He reminds of the next steps and suggest holding March 7th, 2-6pm CET for the members’ committee #4, Year 5.

Q. Frédéric Dreux (Unilever Prestige) – Do we have any views on new licenses or membership?

A. Victor Frontère (Quantis) – We have 2 news licenses that should be signed this month. Some companies are also interested in joining the initiative as members for the next round.

No additional questions or comments from SPICE Members.

Closing of the meeting