

Public Consultation

Report round #1

July 2024

Confidential

Introduction

Thank you to all Public Consultation participants for your time in reviewing the EBS methodology and supporting the improvement of EBS work.

More than **170 comments** were received through this public consultation for more than **40 stakeholders**. This Public Consultation has therefore generated insightful content for the future of EBS, each feedback representing opportunity to improve EBS work and a valuable insight to shape EBS future roadmap and development priorities.

All comments received during that period have been analysed:

A summary of stakeholders feedback and responses is now published and available in this document, as well as a document detailing all feedback and their respective answers on the EBS website.

We enter now the second stage of the consultation, lasting 30 days, during which those who already contributed to this public consultation will have the opportunity to assess whether their comments have been adequately addressed. No new comments from new contributors will be assessed during the second phase of the consultation.

You can send an email to : pc@ecobeautyscore-consortium.org to submit your comment mentioning the feedback number of the EXCEL MASTER (in the 'documents to review' section of the website). If the feedback number is not mentioned, your comment won't be taken into account.

Thank you again for your contribution.



Key takeaways from the Public Consultation





The online survey received min. 70% of positive statistics to all questions on EBS methodology. We received more than 170 comments, each of them representing an opportunity to improve our work and a valuable insight to shape the future roadmap moving forward.

None of the feedbacks has been identified so far by EBS experts as subject to immediate change in the methodology at this stage which means that we can proceed with the current methodology developed for both footprinting and scoring.

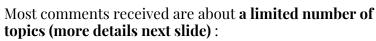
The process has driven a lot of traffic on the website and we received some very positive feedback about the whole EBS initiative too.

Next steps

Wording update or more description to be added in the technical appendix and main documentation.



Most feedback can be clustered in 9 key topics from LCA coverage or data availability (essentially already known limitations of PEF or LCA) to consumers education



- 1. LCA impact coverage
- 2. PEF limitations
- 3. Deep dive Use tox
- 4. Data availability and uncertainties
- 5. Scoring Ability to compare products
- 6. Scoring Representativeness of the sampling methodology
- 7. Education and communication to consumer
- 8. Governance, access to data, business model
- 9. Accessibility of EBS for SMEs

Next steps

Aknowledge the recurring topics in the future work of D/TWGs to ensure the feedback have been taken into consideration.



The PC momentum is an opportunity to continue to build further engagement with relevant stakeholders

Important stakeholders like EU Public Administration or NGO have participated and **brought legitimacy** to the whole Public Consultation process. Thanks to a **broad engagement** through webinars, communications and reminders as well as the outreach by national associations we managed to get a significant number of comments.

Some critical stakeholders informed us that they did not have the internal capacity to reply but they forwarded the consultation within their network.

Next steps

Build on the outcome of the consultation to further engage at EU and National levels with priority stakeholders.



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1. LCA coverage and limitations

Summary of feedback

The Life Cycle Assessment method on which EBS relies present some limitations, especially in the assessment of organic and natural ingredients sourcing, biodegradability, biodiversity, human health, the use of resource-limited low carbon electricity or renewable natural gas, or in translating concepts such as circularity. The public consultation stakeholders have requested that additional information around these impacts or topics is provided - where necessary / available.

EBS answer

The LCA method, while being the most robust methodology currently available to assess the environmental impact of products or services, is not without its limitations.

For instance, when conducting an LCA on processes or products highly dependent on agricultural practices, there are some challenges to appropriately compare organic farming to non-organic farming. Since many cosmetic products' raw materials come from a variety of non-agricultural sources, as of today, the EBS database does not cover specific agricultural practices (the database does not yet achieve this level of granularity). However, EBS is committed to improving this specific topic in future iterations.

Regarding biodiversity, even though many aspects and impacts on biodiversity (such as acidification, climate change and land use impacts) are already covered through EF 3.1 and therefore included in EBS' impact assessment, the overall coverage of biodiversity impact could be improved.

Naturality and, more broadly, biodiversity are very important impact categories, but they are currently complex to factor into a rigorous methodology as there is currently no scientific consensus on a method to assess local biodiversity impacts within an LCA framework. This lack of an established, robust method accounts for the insufficient coverage in EF 3.1 today. EBS consortium will continue to monitor the scientific evolution in this field and be informed by these future developments in further evolutions of the methodology, as these developments become recognized as robust and viable.

Regarding biodegradability, it is worth highlighting that: USEtox framework accounts for this characteristic as part of its Characterisation Factors development—which are the key parameters to assess removal rate within the wastewater treatment plant model.

The carbon dioxide emissions due to biodegradation of carbon-containing fossil ingredients are accounted for within the EBS method.

The cosmetics industry champions sustainable practices and wants to ensure consumers are well informed. As such, using the Product Environmental Footprint (PEF) methodology is the best first step available. The EBS approach will continuously improve over time as science is evolving and additional data is developed and becomes available.



2. PEF Limitations and EBS deviations

Summary of feedback

Some respondents have requested further clarifications on EBS deviations from PEF, while stating that the PEF approach presents methodological and data limitations.

One claim is that following the EU PEF methodology does not provide enough guidance to act as a basis for fully harmonized calculations for the whole industry such as would be necessary to achieve product comparability. Some public consultation stakeholders have suggested that recent developments in LCI figures comparability and allocation guidance (as PACT and Together for Sustainability (TfS) PCF calculation standards) should be incorporated into the methodology.

EBS answer

The EBS methodology is closely aligned with PEF, while allowing for some deviations and improvements to best suit the specificities cosmetic products. The main adaptations include:

- Improvement, correction or additions to the EF database due to a lack of coverage for cosmetic ingredients and limited disaggregation of the data
- Modifications and improvements to the USEtox method essentially for the Freshwater Ecotoxicity impact category, due to among others its limited coverage of cosmetic ingredients (more details below)
- Improvement to the normalisation factor for the Freshwater Ecotoxicity impact category based on an innovative industry-led approach

Additionally, as no PEFCR exists for cosmetics products, additional methodological choices were necessary to build on the general PEF method and develop a usable LCA methodology for cosmetic products, such as the definition of use doses and use habits, the modelling of the fate of the formula for product end of life, or introduction of biodegradation of carbon-containing ingredients.

Regarding the TfS or PACT methods, they do not include the 16 impact factors, which is a limitation to their use in EBS for now.

Some of the methodological choices in EBS (e.g. LCIs used) are even more stringent than the 'detailed' guidance, such as TfS or PACT, to allow comparability between products. To a certain extent, the EBS Consortium has created PEFCRs-like for specific products in the cosmetic sector.

Further detail on data strategy, data development and data quality is provided in chapter 5.1 of the Methodological guidelines and in the Public Consultation full report.



3. Deep dive - UseTox

Summary of feedback

It is crucial that freshwater ecotoxicity (environmental impact of toxic ingredients) is considered adequately.

Creating a new Freshwater Ecotoxicity database, with new Characterisation Factors based on data that are not in REACH seems counterproductive and may impact the final credibility of EBS. The quality of the cosmetics industry data needs to be further explained and demonstrated with full transparency.

Finally, public consultation stakeholders have asked further explanation around the upcoming development planned by EBS on Freshwater Ecotoxicity assessment methodology, as referred in the guidelines.

EBS answer

EcoBeautyScore

Ingredients used for cosmetic products formulae can end up in freshwater bodies, either through direct release (due to the WWTP connection rate not being 100%) or after being partly removed in WWTP, therefore contributing to freshwater ecotoxicity. This is why improving USEtox methodology and underlying data has been a particular focus for EBS through a dedicated workstream in the past 2,5 year.

While USEtox is in theory applicable to all chemicals, there are major limitations for cosmetics ingredients:

- USEtox is extremely data intensive, and often such data is not available for the broad panel of ingredients widely used in the cosmetic industry.
- The CF coverage for cosmetics ingredients is low, SSD curve is not fit for purpose within EBS timeframe to meet such data gaps

EBS have led developments along these two axes, and the JRC database has been used as a starting point:

- Correction of inconsistencies in Characterization Factors identified based on experts' knowledge of cosmetic ingredients. For example, the most impactful and reoccurring issue identified was the water solubility value (used in the JRC database as a NOEC when in reality no ecotoxicity is observed at the limit of solubility).
- Completion of the Characterization Factors database presenting a low coverage for our priority list of cosmetic ingredients within the database, with the use of semi-specific proxy values or generic value to avoid underestimating the contribution of ingredients to freshwater ecotoxicity due to a "no data no impact" situation.

It is worth nothing that EBS used data from REACH dossier as much as possible, relying on other data essentially when REACH data was not available and to avoid at all cost a "no data no impact" situation. EBS has engaged a continuous dialogue with JRC on freshwater ecotoxicity development, and more specifically on:

- How data which was not available in REACH dossiers but used by EBS could be leveraged to improve the EF database
- How the EBS methodology for the calculation of effect factors (based on the most sensitive species value and on safety factors use when dataset is incomplete) could be less sensitive to the number of available data when dataset is limited than SSDs.

4. Data strategy - availability and uncertainties

Summary of feedback

EBS data strategy is relying on a database made up of industry average data referring to clusters of ingredient categories, or proxies. However, primary data sharing is seen as essential for accurate assessments and differentiation of low environmental impact products.

The assessment relies on many indicators and therefore there is a major data gap risk. To date, it is difficult to collect data according to the 16 defined indicators. On one hand, because of the wide variety of ingredients used in cosmetics, on the other hand because of the test's costs, especially on plant extracts.

One single score might not be representative of the evaluation complexity, and it might be better to keep impact factors separated (or in few groups) depending on the indicators relevance for each product.

Finally, in the absence of data, data used by default is the median of all ingredients. This is not necessarily representative of the difference in impact between a plant derived raw material and a synthetic one.

EBS answer 1/2

The EBS methodology rely on two main types of data:

- Specific products characteristics provided for each product assessment about the formulation (ingredients, feedstock types and % inclusions) and packaging (materials, weights and recycled contents) qualified as primary data.
- Activity data and LCI databases which are as of today based on secondary data.

Using supply-chain primary data is a goal that the EBS Consortium is striving towards. Currently, this data is not available in a systematic way. While collaborations and partnerships such as PACT are starting to build harmonized methods and platforms to collect data focused on Product Carbon Footprints, they are not covering the 16 impact categories of the PEF and are arguably at early development stages. In parallel, there is a multiplication of private platforms that provide tools to companies to collect data along their supply chains in order to perform an LCA, but these collections are very resource intensive (very time-consuming) and often cover limited impacts (usually only Carbon Footprint). They are therefore not applicable to the entire portfolio of products at this point in time.

It should be acknowledged that primary data inclusion needs to be done with proper governance to ensure data transparency and alignment of methodology, to unlock comparability across products. This will be tackled by the Consortium in further development steps.

Getting inspired by and building on all the above, the Consortium is building a methodology and tool that will allow to integrate supply-chain-primary data in future versions, to enable a more granular footprinting and product comparisons.

A Data strateov – availability and uncertainties

EBS answer 2/2

<u>Difficulty to get data on all PEF IC</u>

The 16 impact categories assessed in EBS are the ones recommended by the European Commission in their Product Environmental Footprint (PEF) method. Including all of them allows us to draw a comprehensive picture of the environmental impacts of products. Additionally, common databases of life cycle inventories cover all these impacts. We do recognize though that some of them will have data gaps for some parts of their life cycle, and it is currently a limitation of the methodology just like it is a limitation of the PEF. EBS is committed to working continuously towards improving data quality and coverage, in keeping with data availability and the best science developments.

Keeping the impact categories separated is indeed the preferred approach when conducting an LCA e.g. for eco-design, however the aggregated footprint gives an interesting insight on the overall performance of products and allows easier comparisons of portfolios, aligned with the ultimate goal of EBS.

Use of default data

Proxy LCIs are used mainly for ingredients which were not identified as being in the priority list. That list has been built based on the inputs of multiple companies for each of the segments covered now by the methodology and includes any ingredients present at significant levels in any product of that segment. Proxy LCIs should therefore cover only a limited % of the formula. However, we recognize that improving the coverage of the database to include specific LCIs for more ingredients is a key development need for the future, and we recognize that the quality of the scores will improve with time and collaborative efforts from companies, suppliers and database providers.

Definitions of proxies used in EBS will be added to the documentation based on feedback received.

5. Scoring - ability to compare products despite use phase

Summary of feedback

For some product segments, aggregation of the full life cycle assessment data into one score, including the use phase, does not give the required transparency to the consumers on where they can influence the environmental impact via their personal behavior during the use phase. The share of the environmental impact stemming from the use phase should be clearly stated for those product segments where it is considerable.

EBS answer

Where for some products the use phase is the dominating factor that is driving a product's impact, it provides a jumping off point for consumer education around their own habits that can help to reduce a product's impact. We consider within the consortium that covering the entire life cycle of a product is important to have a transparent communication with consumers. In the case where the Use Phase represent more than 50% of the impact, the PEF recommends to display and interpret the results both with and without Use phase. We will therefore communicate a score integrating the use phase, the other life cycle steps still enabling a differentiation of products. However, information of consumers on the fact that the use phase is dominating a product's impact is also an important information to share, as it could be a strong incentive for consumers to change their habits.

EcoBeautyScore

6. Scoring - Representativeness of the sampling methodology

Summary of feedback

The level of accuracy/relevance is dependent on the number of companies participating in the EBS/calibration and the range of products included. Furthermore, there is a disproportionate consideration of bestsellers when sampling, assuming that bestselling products are often not among the most sustainable ones, this approach could distort representativeness of the entire market.

EBS answer

The representativeness of the sample is critical to the scoring methodology. To ensure representativeness, EBS conducts specific analysis and verification on each segment before scales are calibrated. The sample is defined as representative based on two main axes: weight (volume) in the market and technological differences of the products driving different impacts.

For the initial set-up, EBS relies on sampling from available data (i.e. participating EBS members). Taking into consideration best-sellers as part of the sample is a critical element of the scoring methodology to ensure the products sample reflects not only the range of products impact within a segment, but also the most commonly occurring products consumers are likely to be exposed to. As per the scoring methodology, the best-sellers only represent 30% of the sample, the majority (70%) being formed by the variety of characteristics potentially driving environmental impacts within a given segment.

Furthermore, EBS members span 4 continents and many countries, therefore the sampling already relies on a very diverse range of geographical and market segments.



7. Education and communication to consumer

Summary of feedback

The EBS methodology is difficult to understand for a general consumer, who has little or no knowledge around the different environmental impact, tools, or LCAs. Each criterion must be explained, as well as the methodological principles.

On the larger packaging products, it is expected that information on the scoring is provided by a QR code, and scales based on the different impact factors (climate change, eutrophication...) to best inform the consumer about the real environmental impact of the product.

Ultimately, it is extremely important to highlight as part of the consumer communication that the score only refers to environmental impacts, and does not include social aspects (e.g., certified sustainable sourcing, protecting human rights, empowering women in the supply chain, etc.) at all.

EBS answer

EBS has conducted several rounds of consumer consultations and these are being used as a basis upon which to develop the EBS score communication and design.

As part of these qualitative and quantitative consumer testing exercises, EBS explored the level of detail that consumers are expecting, and especially the explanation around the products' footprinting methodology. Testing has revealed that consumers are particularly interested in seeing an explanation of the product lifecycle and the illustrated impact factors to help them better understand what is behind the score. These insights will be leveraged by EBS to deliver the most optimal means of communicating what we are doing, from a consumer perspective. Consumers also reacted very favorably to be exposed to very simple 5 points performance unique scale based on aggregated footprint, as this allows to get immediate digestible information. The A, B, C, D, E, 5 points performance scale proved to be universal language, easy to understand across continents: Europe (France), US, Brazil and China.

EBS acknowledges that LCA is a complex approach requiring simplification for consumer understanding. The approach tested in both qualitative and quantitative tests provides good directions for EBS moving forward with the aim of making sure the customer will understand the methodology developed. This also includes ensuring that the consumer is not overwhelmed by a barrage of information that might interfere with his/her understanding.

The fact that EBS is being focused on environmental impacts only was addressed through the consumer studies by clarifying within both the label & narrative that EBS solely measures environmental impact, and this approach has been well received. This will also be clearly articulated in consumer communications when the label comes to market.



8. Governance, access to data, business model: quality, scoring update

Summary of feedback

EBS database maintenance and accuracy are complex topics. As methodologies get harmonized, current values becomes obsolete, and even incorrect, quite quickly. More details on the frequency of data update are needed.

Furthermore, EBS could be a prime target for cyber counterfeiters. Therefore, reliability and inviolability of database needs to be ensured.

EBS answer

The EBS footprinting methodology and data development process has been a long journey of learning and fine-tuning findings. As a result of this process, our experts have built methodologies and a database that have been peer reviewed and recognized as scientifically robust.

We will continue to closely follow scientific work and align with the most up-to-date LCA-compatible methods as soon as they are recognized scientifically as sufficiently robust. The EBS database improvement will be a continuous effort, extending the number of data covered with specific LCI, refining inconsistent values, etc.

The entire system, from the footprinting model and data to the scales and scoring, will be updated on a regular basis, but the frequency remains to be defined at this stage.

All data will be highly secured as reliability and inviolability of the data is a prime concern.



9. Accessibility of EBS for SMEs

Summary of feedback

In pursuit of an harmonized, accessible, balanced and transparent system, EBS should guarantee free access to data, considering the concerns of small and medium-sized companies, regardless of the geographic markets covered.

EBS answer

From the outset, the EBS consortium has had as one of its primary objectives to ensure the access to methodology, data and tool possible for SMEs and for companies having limited expertise in LCA.

All developments are aimed at satisfying this important goal. Indeed, conditions for tool access are being developed on FRAND terms (fair, reasonable, and nondiscriminatory) to ensure accessibility to all.

Furthermore, any company of any size, wherever it is based, can join the Consortium. EBS has <u>many</u> SME members, some of which have participated in testing the methodology in first half of 2024.

Please feel free to contact the Consortium at contact@ecobeautyscore-consortium.org if you'd like to join the Consortium and register to the EBS monthly webinar

