TRACEABILITY ALLIANCE FOR

TRASCE

SUSTAINABLE COSMETICS

ANNUAL REPORT

*A shared commitment
to cosmetics supply chain transformation*

2025

TRASCE

TRACEABILITY **A**LLIANCE FOR **S**USTAINABLE **CO**SMETICS

ADVANCING TOGETHER TOWARDS A MORE SUSTAINABLE FUTURE

TRASCE is a pioneering industry alliance bringing together **18 brands and suppliers to address traceability across the cosmetics industry at scale** and accelerate the sustainable transformation of the cosmetics industry.

Gaining deeper knowledge of the supply chains is essential to better understand and mitigate risks and improve environmental and social sustainability. The disruptions caused by unprecedented health, climatic and geopolitical events of recent years, have been revealing their **complexity**. In addition, **regulations** are becoming **stricter** (Duty of Vigilance, imported deforestation, border carbon tax, etc.).

While various individual traceability initiatives have emerged in recent years, all TRASCE members have committed to map their supply chains on a common digital platform, Transparency-One. Together they collaborate to interpret data, assess social and environmental risks and define common progress plans to **support transition to a more sustainable and resilient model**.

ALBÉA   CHANEL   CLARINS   Cosfibel | gpa GLOBAL   DIOR   ESTĒE LAUDER COMPANIES

EXPANSCIENCE® LABORATOIRES   L'OCCITANE EN PROVENCE   L'ORÉAL GROUPE   NAOS   MAISON NEYRET   NUXE PARIS

GROUPE POCHET   GROUPE ROCHER   SENSIENT   SHISEIDO   sisley PARIS   SUSONITY

Sponsored by FEBEA FÉDÉRATION DES ENTREPRISES DE LA BEAUTÉ

PERSPECTIVES FROM TRASCE COMMUNITY

> *Collecting traceability data from upstream supply chains represents a considerable effort for all players in the industry. By aligning ourselves with the right tools and methodologies and fostering open dialogue with suppliers, we can save significant time and resources. This will enable the cosmetic industry to sustainably transform the supply chains and make them more resilient for the coming years.*

Virginie Streho
Director of Raw Materials & Sub-contracting Purchasing at **CHANEL**

> *We are very pleased to see the cosmetics industry coming together around this traceability initiative. The **environmental** and **social imperatives** require us to **pool our strengths, share our expertise**, and **learn from each other**. It is our responsibility as a professional federation to encourage these **collaborative dynamics**, essential to move forward and build **collective sustainable solutions** to the challenges ahead.*

Emmanuel Guichard, Director General of **FEBEA**

> *TRASCE is powerful thanks to the **diversity of brands and suppliers it brings together**; this joint commitment is a real asset. We are convinced of the need to **align the industry on a single traceability tool**, and to implement a **common methodology**. By doing so TRASCE could even act as a **role model for other industries**, which face the same challenges regarding supply chain transparency.*

Karl Hensen
Global Quality Director & Head of Sustainability at **Susonity**

> *End-to-end traceability of our supply chains is essential for effective risk management. Thanks to the TRASCE consortium, we can **collaborate** and **build a common ambition for responsible purchasing**. By sharing our **business needs, tools** and **approaches**, we can make a lasting impact on our supply chains.*

Coraline Margolis
Raw Materials Manager at **Laboratoires Expanscience**

> *As a global player in the sector, it soon became clear to us that we needed to **create a common methodology to harmonize needs across the industry** and achieve our goals by involving as many stakeholders as possible.*

Gilles Swyngedauw
VP Innovation & CSR at **Albéa**

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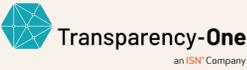**S**USTAINABLE **C**OSMETICS

SUMMARY

This report highlights the main achievements of the TRASCE consortium for the period from February 2023 to February 2025.
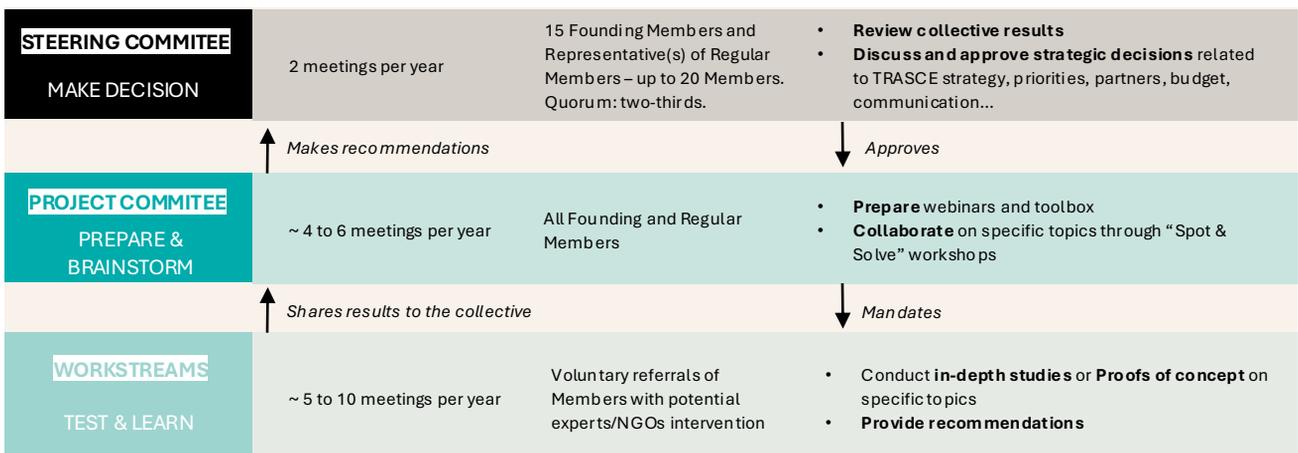
TRASCE GOVERNANCE: BUILDING COLLECTIVE ACTION

TRASCE was launched in February 2023 by 15 Founding Members, representing companies from the cosmetics sector, both suppliers and brands, from different sizes and geographies. It was therefore essential to start by defining precise governance and voting procedure for **fair, transparent and inclusive decision-making**. A special place has been given to **collective workshops to level up best practices before deciding. Any brand owner or supplier of the cosmetics industry can join TRASCE** consortium as a Regular Member.

SUPPORTIVE ECOSYSTEM

The initiative is supported by a **robust and collaborative ecosystem** built to drive meaningful and lasting transformation across cosmetics supply chain. Supported by the FEBEA (Fédération des Entreprises de la Beauté), the consortium brings together trusted partners in traceability technology, legal advisory and strategic communication, coordinated by a project manager expert in sustainable supply chain.

HAVAS	*Press agency*	**FEBEA** FÉDÉRATION DES ENTREPRISES DE LA BEAUTÉ	*Sponsor and sectorial expertise*
Transparency-One an ISN° Company	*Traceability tool and supplier onboarding support*	**Osborne Clarke**	*Antitrust compliance*
		Project manager	

COLLABORATIVE GOVERNANCE

STEERING COMMITEE MAKE DECISION	2 meetings per year	15 Founding Members and Representative(s) of Regular Members – up to 20 Members. Quorum: two-thirds.	• **Review collective results** • **Discuss and approve strategic decisions** related to TRASCE strategy, priorities, partners, budget, communication…
↑ *Makes recommendations*			↓ *Approves*
PROJECT COMMITEE PREPARE & BRAINSTORM	~ 4 to 6 meetings per year	All Founding and Regular Members	• **Prepare** webinars and toolbox • **Collaborate** on specific topics through "Spot & Solve" workshops
↑ *Shares results to the collective*			↓ *Mandates*
WORKSTREAMS TEST & LEARN	~ 5 to 10 meetings per year	Voluntary referrals of Members with potential experts/NGOs intervention	• Conduct **in-depth studies** or **Proofs of concept** on specific topics • **Provide recommendations**

TRANSPARENT VOTING PROCEDURE

- The Members of the Steering Committee aim to reach decisions by consensus. However, if consensus cannot be achieved, resolutions shall be passed by a majority vote, set at two-thirds of the quorum.
- Each Member of the Steering Committee, including Regular Members Representatives, holds an equal voting right, regardless of their company's size.
- Regular Members must elect one or more Representative(s) - up to five - to discuss and vote on their behalf during Steering Committees.

PILLAR **1** : SETTING INDUSTRY STANDARDS

MAKE DATA COLLECTION EASIER FOR SUPPLIERS BY ALIGNING THE INDUSTRY ON TRACEABILITY REQUIREMENTS

ONE TOOL

Transparency-One
an **ISN**® Company

At the heart of TRASCE's mission is a shared ambition: **uniting the cosmetics industry around a single, harmonized traceability platform**. This responds to a clear need from suppliers to streamline data declaration and reduce the burden of data collection.

Already adopted by several TRASCE members before the consortium's launch and benchmarked against 11 other traceability solutions, the **Transparency-One** platform, **quickly emerged as the right choice,** enabling the tracing of "cascading" supply chains and ensuring full visibility from end-to-end.

TRANSPARENCY ONE'S ADVANTAGES

- **Network-based approach**: to avoid multiple declarations
- **Cascading system**: through declarations by suppliers at each level to trace the entire supply chain
- **Proven scalability** with large-scale traceability initiatives
- **Robust measures to ensure the security of the data**
- **Personalized and human onboarding support**

ONE VOICE

To achieve their ambition all Members have committed to **strong shared values.** These commitments have guided the consortium's key decisions:

- ✓ Prioritization of 40 resources to trace, with 10 top priority resources
- ✓ Definition of 3 target tiers by supply chain

SOME OF TRASCE'S PRIORITY RESOURCES

Timber, coconut, glass, soybean, etc.

TRASCE'S TARGET TIERS

- **Primary production** for natural raw materials
- **Polymerization** for fossil-based materials
- **Collection and sorting** for recycled materials

- ✓ A unified supplier dialogue philosophy through webinars and toolbox
- ✓ Implementation of a strong confidentiality framework

COMMON METHODOLOGIES

All Members of the consortium have agreed on **commons methodologies** to accelerate supply chain traceability.
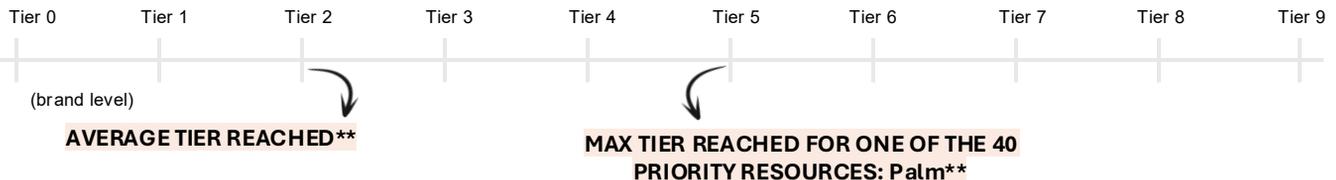
➡ Common KPIs to measure traceability progress

➡ Definition of a Transparency-score implemented on Transparency-One

➡ First discussions on aligning risk analysis approaches and audit policies

PILLAR 2 : BETTER UNDERSTAND COSMETICS SUPPLY CHAINS

LEVERAGE COLLECTED DATA TO STRENGTHEN INDUSTRY KNOWLEDGE OF KEY SUPPLY CHAIN STRUCTURE

Since November 2023, TRASCE has onboarded **951 suppliers and 8,838 products***. **Onboarding speed has been ~1.5 times faster** in the last 6 months *(Sept. 2024 – Feb. 2025),* compared to the previous period *(Feb. – Sept. 2024).*

Tier 0	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5	Tier 6	Tier 7	Tier 8	Tier 9

(brand level)

AVERAGE TIER REACHED**

MAX TIER REACHED FOR ONE OF THE 40 PRIORITY RESOURCES: Palm**

3 TARGET TIERS REACHED

For virgin plastics and glass (carbonates).

67% AVERAGE TRANSPARENCY SCORE, *ALL TIERS AND PRODUCTS INCLUDED*

The Transparency Score encourages suppliers to share key product information relevant to risk analysis. It reflects how much of the requested data a supplier has provided for each product on the platform, but it does not indicate the extent to which the supply chains have been mapped.

Traceability progress is still ongoing in terms of depth reached in the supply chains; hence all target tiers have not been reached. The consortium conducts regular interviews and surveys among suppliers and is capable of identifying various challenges and solutions to better engage suppliers beyond Tier 2.

ONGOING CHALLENGES

→ Build trust to enable data sharing
→ Raise awareness of traceability as a priority to build resilient supply chains
→ Avoid supplier overload from multiple tools

ACTIONNABLE SOLUTIONS

→ Transparency-One to be certified ISO27001 & contractual engagement of Members towards confidentiality of data
→ Make traceability a sourcing criterion
→ Try & test traceability platforms collaboration

Most recurrent traced activities on TRASCE 10 priority resources*

Manufacturing	*Distribution*	*Other*
76%	16%	8%

Most recurrent traced facility countries on TRASCE 10 priority resources*

41%	21%	15%	6%	5%

The current traceability progress is confirming some insights about specific supply chains, for example:

- Coconut and palm supply chains have highly similar, if not identical structures, with comparable supplier activity profiles at each tier.***
- The data highlights fewer intermediary activities for packaging than for some ingredients, which made reaching target tiers easier.

*across all tiers and products among TRASCE suppliers traced on Transparency-One so far.
**identification of products and target tiers is dependent on the Raw Material field that must be completed by the supplier on the platform. If a supplier has not completed the field as it is optional, or has completed it with another resource, then the product will not be considered in the analysis.
***for now, the data collected covers primarily Europe, and we have reached up to Tier 4 in these chains.

PILLAR 3 : ANALYSE RISKS TO SUSTAINABLY TRANSFORM SUPPLY CHAINS

ASSESS SOCIAL AND ENVIRONMENTAL RISKS AND DEVELOP A COLLABORATIVE DIALOGUE THROUGH A TEST & LEARN APPROACH

The TRASCE consortium has developed **a test and learn approach by commodity,** aiming to leverage concrete supply chain insights to drive sustainable transformation. This initial approach focused on **two key commodities**: timber and coconut oils and its derivatives. To support this ambition, a dedicated pathway was developed, with **open dialogue and collective intelligence at its core**.

GETTING READY

1 Consolidate the understanding of the supply chain structure (theoretical vs traced), **its key stakeholders, and its current and future main ESG risks.**

THE « COMMODITY DAY »

2 Engage in dialogue with diverse supply chain stakeholders during a **collaborative day** to brainstorm remediation action plans for addressing the main identified risks.

MOVING FORWARD

3 Build a concrete remediation action plan for each commodity based on the outcomes of the "Commodity Day".

COCONUT SUPPLY CHAIN

« COCONUT » COMMODITY REPORT

This report is intended for TRASCE Members & external stakeholders who helped building this analysis.

It summarises the knowledge acquired on the coconut sector through a literature review and interviews with experts of this sector: CIRAD, Earthworm, Fairtrade Max Havelaar, Rainforest Alliance.

It is strictly confidential and cannot be forwarded.

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KEY ESG RISKS HIGHLIGHTED

- **TREE HEALTH AND LONGEVITY**

- **WORKER RIGHTS AND HEALTH AND SAFETY IN PLANTATIONS**

STAKEHOLDERS GATHERED

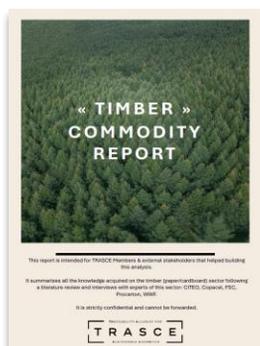**19 organizations involved**: Members, suppliers, NGOs, certification bodies, professional alliance.

> "*The working session was truly enriching and gave us a new perspective on the downstream segments of the coconut value chain. As researchers, we are more accustomed to engaging with coconut growers, researchers, and genebank curators, so having the opportunity to interact directly with industry stakeholders was both valuable and appreciated.*"

Andrea Garavito-Guyot and **Laurence Ollivier,** researchers at **CIRAD**

FUTURE ACTIONS TO BE EXPLORED

→ Conducting analysis on mass balance and credits **certification schemes** to address fragmented supply chains,

→ Exploring the potential interest of joining a **collective initiative focused** on **sustainable coconut**,

→ At a later time: start addressing the **plantation level**, for example by making accessible **grievance mechanism**.

TIMBER SUPPLY CHAIN

« TIMBER » COMMODITY REPORT

This report is intended for TRASCE Members & external stakeholders that helped building this analysis.

It summarises all the knowledge acquired on the timber (paper/cardboard) sector following a literature review and interviews with experts of this sector: CITEO, Copacel, FSC, Procarton, WWF.

It is strictly confidential and cannot be forwarded.

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- **ENERGY INTENSITY IN MANUFACTURING PROCESS**

- **FOREST MANAGEMENT AND BIODIVERSITY CONSERVATION**

22 organizations involved: TRASCE Members, suppliers, NGOs, certification bodies, other initiatives.

> "*This day, rich in dialogue, was both informative and constructive. The strength of this initiative lies in its ability to bring together a wide range of stakeholders around the same table to engage in open and transparent discussion. The day also helped to define priorities and establish an action plan to improve the traceability and sustainability of these materials.*"

Bénédicte Oudart, Environment Director at **Copacel**

→ Investigating the possibility to align on **common ESG sourcing criteria** across Members,

→ Conducting a pilot on **ESG questionnaires alignment** sent to suppliers onboarded on Transparency-One,

→ Looking into the potential interest and added value of using an **existing certification standard** for the **protection of forest ecosystems**.

ACCELERATING TOGETHER: MAIN TAKEAWAYS & THE ROAD AHEAD

Two years into the TRASCE initiative: key lessons have emerged, highlighting both the progress made and the challenges that remain to achieve the consortium ambition.

WORKING TOGETHER

Collaboration within a consortium is challenging, particularly when it comes to **reaching consensus on strategic decisions** such as commodity prioritization or means of action. Nevertheless, **TRASCE governance framework has proven effective, and a strong collaboration spirit has developed among Members.** The "Spot and Solve" workshops allow Members to level up on best practices while remaining vigilant of avoiding a "two-speed progress".

TRACING TOGETHER

Tier 1 suppliers have significantly improved their understanding and use of Transparency-One, resulting in **faster onboarding speed and strong transparency scores**. However, **onboarding suppliers beyond Tier 2 level remains a challenge**. We are continuing to work with Tier 1 suppliers to trace the supply chain back to origin. Sectors where TRASCE holds strong leverage have progressed well, while others are advancing more slowly due to limited influence. Transparency-One is the primary tool for TRASCE members' traceability program, continuing **to reduce complexity and overload for suppliers** in data declaration. Additionally, TRASCE has opened dialogue with similar initiatives and is working on synergies.

TRANSFORMING TOGETHER

Notable progress has been made in the Coconut and Timber sectors, where collaborative efforts have been actively developed as part of the TRASCE initiative. TRASCE is committed to fostering **open** and **collaborative dialogue** with suppliers and external stakeholders, including NGOs and subject-matter experts. Collective progress will depend on TRASCE ability to align around **clear, actionable transformation roadmaps** and maintain transparent, consistent dialogue with suppliers.

WHAT'S NEXT FOR TRASCE?

1. **Continue onboarding Tier 2 and beyond,** by making traceability a core sourcing criterion, actively engaging procurement teams, and encouraging key suppliers to trace further down their supply chains.
2. **Broaden outreach across sectors,** through targeted dialogue with other industry federations.
3. **Keep sharing experiences and good practices** on supplier engagement, to collectively drive further progress across supply chains.
4. **Begin implementing TRASCE first remediation plans,** starting with the Timber and Coconut supply chains, to turn insights into concrete improvements.

COME JOIN US!

TRASCE welcomes all companies, brands, and suppliers involved in the cosmetics industry. If you would like to explore how to get involved, visit **our website** for more information and contact details.