

-2022





In a nutshell

some of our 2022 achievements:

- Two Plenary Meetings, one virtual and one in-person, bringing together industry, Health, Sustainability and Trade Authorities, and relevant stakeholders: June 2nd (virtual), and November 30th and December 1^{sh} (in-person in Buenos Aires, Argentina) with over 1.200 participants.
- Industry training: 6 Webinars for our industry on topics of interest with over 50 participants.
- O3 Institutional strengthening with 1 new Company Member: COTY. Reaching the number of 35 direct Members (18 Companies and 17 Local Associations).
- O4 5 new industry position papers.
- Adherence to 2 international industry fora: EcoBeauty Score Consortium and International Collaboration on Cosmetics Safety ICCS.
- O6 Strengthening of the three main working Commissions Sustainability, Regulator/Sanitary, and Trade, reaching a number of over 300 industry participants, and 21 working groups and sub-commissions.
- 7 Public Consultations CASIC responses (2 local and 5 International) to support to local, Regional and International industry positioning.
- Update of documents and databases:
 updates to CASIC's database on regulator
 /sanitary information, to CASIC's
 sustainability regulatory/ legislation
 database, and, to CASIC's Dashboard
 on Business Intelligence.
- Continuity and strengthening of the participation at international industry fora (IAC and INCPA).
- CASIC was key-note speaker and panelist at several events from Association and Company Members, from sub-regional and Regional Authorities, and from Regional and International stakeholders.
- Continuity and strengthening of the Subregional and Regional agenda: Andean Community, Central America, Pacific Alliance, Mercosur, and ALADI.
- Along with supporting the local and sub-regional agenda undertaken by the local Industry Associations, CASIC continued positioning as the Regional Industry Association, a reference partner for international stakeholders, Regional and Local Authorities and industry itself.

We are CASIC

The Council of the Latin American Cosmetic, Personal Care and Home Care Industries. With over 23 years of experience and representing a total of 35 direct Members, 18 multinational Companies and 17 local Associations, the Council is thoroughly recognized as the voice of the industry in the Latin American Region, with over 1.200 companies participating in the local industry Associations.

This annual report aims to summarize the activities that CASIC carried out during 2022, in it you might find all sorts of challenges, opportunities and achievements in the Latin American Region, during a year marked by slow post-pandemic economic recovery and challenging political times:

CASIC's regional vision and strategy, coherent with our Code of Ethics and policies, is currently focused towards the promotion of best practices in the sustainability, trade facilitation and regulatory agendas, aiming to foster well-being for consumers and continue to promote employment and growth for our industry, that represented over 100 billion USD in 2022.



2022 EVENTS WITH AUTHORITIES:

2022 CASIC Plenary (Virtual) Meeting and General Assembly – June:

Due to some remaining travel restrictions in the Region, the Council's first Plenary Meeting and Annual Assembly was held virtually, in June 2022. The General Assembly was also the opportunity to held the election of CASIC's Commissions' Presidents and Vice Presidents for the period 2022-2024:



Fabian Flores Presidente



Ariadne Morais Vice-Presidente



Germán Ortiz



Fernando **Alarcón** Vice-Presidente





Ricardo de Nobrega Rosa Maria Sánchez Vice-Presidente

The Plenary Meeting was also the opportunity to hold, on June 1st and 2nd, a Virtual Event with International Stakeholders, relevant Speakers and Health and Trade Authorities from all over the Region.

The event, named "THE COSMETICS AND HOME CARE INDUSTRY: ITS ROLE IN THE REGIONAL AND GLOBAL FUTURE"



06 speakers

O7 panellists

And was the opportunity to address topics such as industry figures and trends, No Animal Testing, Cannabis in Cosmetics, Socio-economic panorama in Latin America after the pandemic, Trade Facilitation and Regulatory Cooperation for our industries in the Region, Circular Economy, regulatory framework on cosmetic ingredients in LatAm, amongst other:



Donna Macmillan Regulatory Science Advisor Research an Toxicology Department Human Society International



John Chave
Director General
Cosmetics Europe



Jorge **Zúniga**Manager Insights
Consultant of
sustainability
global
Euromonitor



Andrés Espejo
Consultant of the
Division of Social
development,
Economic
Commission for
Latin America
and the caribbean



Francine Lamoriello Executive Vice President Global Strategies, Personal Care Products Council

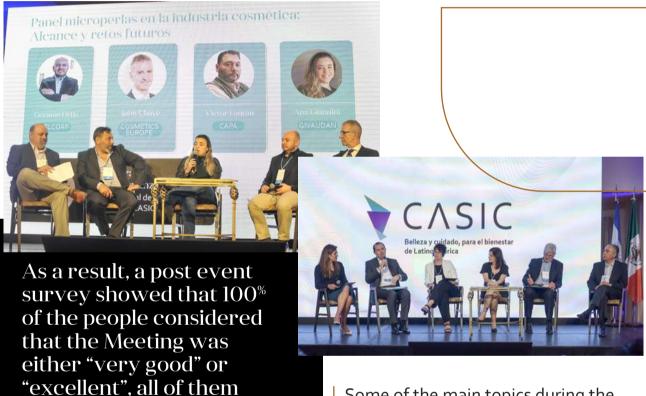


Barth **Heldreth** *Executive Director, Cosmetic ingredient*CIR



On November 29th and 30th, and December 1st, CASIC carried out its first in-person event since 2019. After three and a half years of virtual meetings, finally the travel restrictions allowed for members, international sister Associations, and speakers to get together in Buenos Aires, Argentina.

With over 90 people participating in the event, 2 local Authorities participating in-person (Argentina and Paraguay), 11 Authorities participating in a virtual format, 13 high level speakers and 14 panellists from industry, sister Associations and allies, the event was a great opportunity to assess the Council's agenda, set the guidelines for its future strategic plan, learn about new issues and topics around the World and strengthen links and relationships after such a long time with key industry stakeholders.



found the meeting to be

of high added value, and

in CASIC's future events.

also 100% would participate

Some of the main topics during the event were: the economic, trade and political environment in LatAm, Sustainability, microplastics, cosmetic, personal care and home care product safety, in-market control, No Animal Testing, amongst other.





La industria cosmética innova hacia productos más sustentables y cruelty free



a

The event delivered very positive internal results for our members, as well as strengthened the relations with international stakeholders.



In terms of communication, 13 press releases were issued, reaching over 9 million readers in Argentina, in local printed and online media, such as Forbes, C5N, Sustentable Argentina, Qi, Mercado, amongst other:

Mercado

Casic

La cultura del cuidado

Carlos Berzunza, presidente

Ya no alcanza con promesas de gran desempeño o precios competitivos, ahora los beneficios de los productos de cuidado están sometidos a más exigencias por quienes los consumen. Para la industria de cosméticos y aseo personal la sustentabilidad, la belleza y el bienestar forman un trinomio que se sos-



América RETAIL

Argentina: estrategias de las empresas de cosméticos e higiene para no perder



De acuerdo al portal de noticias Forbes Argentina, La Industria de cosméticos, aseo personal y cuidado del hogar es una de las más estables en la región. El mercado está ya por encima de lo que era antes de la pandemia.





CASIC PARTICIPATION IN REGIONAL AND INTERNATIONAL EVENTS

- STAKEHOLDER COMMUNICATION AGENDA:

In terms of international relations with our industry colleagues around the world, CASIC participated in all the virtual meetings of the Global Networks of INCPA (International Network of Cleaning Product Associations), and IAC (International Associations Collaboration), throughout the year, as well as the in-person meeting of IAC in September, 2022, being the first in-person industry gathering since the beginning of 2020. Those participations allowed to continue to share the developments of our industries throughout the World, as well as work together with sister associations to face challenges and regulatory updates.

International Association Collaboration



CASIC presenting project at IAC meeting. Sept 30th, 2022

FEB

Participation of the Council's Executive Manager and Executive Director in an event with the Board of Directors of Procosmeticos, opportunity to present the Regional Industry strategies and CASIC's Dashboard – including market value, imports and exports data.

MAR

Participation of CASIC's Executive Manager in an event with Colombian Health and Trade Authorities, organized by ANDI, aiming to promote a solution to the cyberattack suffered by INVIMA in the beginning of 2022.

APR

Participation of CASIC's Executive Manager in an event with Ecuadorian Health and Trade Authorities, organized by Procosmeticos, aiming to promote best regulatory practices in the country.

Participation of the Council's Regulatory Affairs Coordinator in a conference, organized by the National University of Colombia, addressed to the Cosmetic Product Safety Evaluation Diploma.





Participation of the Council's
Executive Manager and Executive
Director in a meeting with ALADI
(Latin American Integration
Association) with the purpose of
supporting, on behalf of the industry,
the beginning of negotiations for a
Regional Agreement on the
elimination of Technical Barriers to
Trade for the Cosmetics industry.

Participation of the Council's Sustainability and Regulatory Affairs Coordinators in the framework of the IV congress "THE SCIENCE BEHIND COSMETICS AND HYGIENE PRODUCTS" organized by Procosmeticos, in order to share regulatory and sustainability updates and agenda for 2022.





Participation of the Regulatory Affairs Coordinator in an Associations' Panel, during the Annual Virtual Event of the Latin American Regulatory Cooperation Forum (LARCF), on rational management of chemical substances.

JUN & AGO

The Regulatory Affairs Committee prepared and delivered two webinars to the Salvadorian Health Authority (Dirección Nacional de Medicamentos - DNM). The webinars were opportunities to share technical information and best regulatory practices on Nanoparticles in cosmetic products (June 21st), and the use of cannabis ingredients in cosmetic products (August 30th), with the support of Fabian Flores from L'Oréal, and Carlos Caro, from Genomma Lab, respectively, as key-note speakers.

SEP 1st

CASIC's Executive Manager participated in a meeting with the Costa Rican Health Authority (MINSA), organized by CACECOS, in order to promote best regulatory practices and the use of international references on cosmetic products ingredients in the country.

SEP 15th

CASIC Sustainability Coordinator and the President of the Council's Sustainability Commission, supported the preparation and participated as panelists at the Webinar "Transition towards a Circular Economy in Panama: challenges for the cosmetic and personal care industries", organized by the Chamber of Commerce and Industry of Panama.

SEP 26th

CASIC's Regulatory Coordinator and the President of the CASIC's Regulatory Commission participated as listener in the 162nd Expert Panel of the Cosmetic Ingredient Review -CIR, being the first time that CIR extends this invitation to CASIC.

SEP 27th

CASIC Sustainability Coordinator participated as panelist in the Panel about Sustainable Development organized by APLA – Regional Chemical Association, sharing the industry perspectives and priorities in the Sustainable Development Agenda. The panel was shared with Company Members of CASIC.

SEP 28th and 29th

CASIC's President and Executive Manager participated in the Personal Care Products Council Leadership Summit, aiming to continue to strengthen international relations with sister industry Associations and having the opportunity to learn about: Public policy that impacts the sector today in the United States; the Biden administration's trade priorities and impact on business globally; US Congress and industry priorities on diversity and inclusion; Environmental, social, and governance (ESG) commitments in response to consumer demands; and regulations and the priorities of the FDA and its efforts to strengthen the safety and innovation of cosmetic and personal care products.

In response to an invitation received by PCPC, and once the trip was approved by the Board of Directors of CASIC, the Executive Manager of the Council visited PCPC in the week of October 3rd, 2022 (after the IAC meeting). The visit was the opportunity to meet with PCPC's different areas Vice-Presidents and its teams, as well as with relevant government and industry stakeholders such as, USTR, Department of Commerce, US Chamber of Commerce and Advamed.

CASIC had also the opportunity to visit the American Cleaning Institute headquarters and meet with its CEO and Regulatory lead, in order to strengthen relations with Home Care Industry Associations and to discuss relevant issues concerning the industry worldwide.





OCT

The Council's Executive
Director was invited to
participate in the 8th
Argentine Conference on
Detergency, Surfactants
and Related – JADTA, sharing
the industry perspective
during a discussion panel.

NOV

NOV_{8th}

CASIC's Executive Manager participated, amongst with the local industry Associations of the Andean Community, ANDI, PROCOSMETICOS and COPECOH, in a meeting with the Director General of the Andean Community General Secretariat, aiming to promote public-private dialogue and progress in key industry negotiations. Relevant achievements were made in the meeting, such as the reactivation of industry participation in the "room next door" during rounds of negotiation of the Andean Community.

NOV 8th to 10th

The Council's President participated in IFRA Global Fragrance Summit, attending the invitation as a panelist during the event "The Scent of Change: getting fit for the future" sharing the regional industry's perspective.

NOV 9th

After the IFRA Global Fragrance Summit, CASIC's President and the Chair of the Companies Council, visited ABIHPEC, a space that allowed the exchange of ideas for the strengthening of the Council.



NOV 9th and 10th

The Council Executive Manager and President, visited the factories of Yanbal and Natura, respectively, in an effort to further approach to its members.

NOV 29th

CASIC's President held an interview with In-Cosmetics Connect assessing the current trends in the cosmetics market in Latin America. Click in the following link to read the full interview: Presidente do CASIC avalia as atuais tendências do mercado de cosméticos na América Latina | in-cosmetics Connect



DEC

DEC 15th

The President of CASIC's Andean Subcommittee, the Council's Executive Manager and the Regulatory Affairs Coordinator participated in a training session with over 40 people of the Ecuadorian Health Authority (ARCSA), sharing information about the process of amendment of Andean Decision 516 and the new Andean Decision 833. The event was organized by Procosmeticos.

Throughout the year, CASIC also attended the invitation of Local Association and Company Members as key-note speaker on specific industry events and Board of Directors meetings for the socialization of CASIC's advocacy in the Region.



Internal development



Membership

In terms of internal development and institutional strengthening process, during 2022, one new Member joined CASIC (COTY), reaching the number of 35 direct Members (18 Companies and 17 Associations) throughout the Region.



Participation in new industry Global Fora

During 2022, CASIC Board of Directors approved the Council's participation in the following Global Fora:

Ecobeauty Score Consortium

In July, the Council became full Associate Member of the Consortium. Initiative aiming to develop a common environmental footprint evaluation system for cosmetic products, providing consumer transparency and further data to enhance purchase decision. Additionally, as part of the Consortium, EcoBeautyScore the Council seeks to have available tools that allows us to promote a culture of eco-design.



International Collaboration on Cosmetics Safety – ICCS

Global initiative dedicated to promoting research, widespread use, and regulatory acceptance of animal-free safety science.



Working Commissions

CASIC continues to work on the basis of three main working Commissions - thet involve over 300 participants: Trade Facilitation, Regulatory Affairs, and Sustainability. Reaching 21 working groups, and sub-commissions, that address the various issues of the agenda, the Council continues to advocate towards best practices in the Region. Some of the newly created working groups during 2022 were:



Other new partnerships with relevant stakeholders

After continuing strengthening relations and cooperation with international stakeholders and Fora such as ALADI, IADB, IAC, INCPA, APLA, as well as other industry Associations, CASIC began to work with new allies, aiming to continue to promote best international practices, those are: AFSA – the Animal-Free Safety Assessment Collaboration; and LARCF – the Latin American Regulatory Cooperation Forum.



Look good, feel better

Our social responsibility program

CASIC continued to support the program in Latin America, which is already present in 8 countries of the Region. In addition, CASIC hosted the first-ever in-person meeting of all the LGFB local representatives in the Region, during the Council's XXXI Plenary Meeting in Argentina. The representatives shared information about their local programs, and exchanged ideas to foster the development of the program in the Region.





Industry training

During 2022, CASIC continued to provide specialized training services for its members. The Council hosted 6 Webinar for its Members, on topics of interest for the industry - in partnership with member companies, sister Associations and key-note speakers, which reached over 750 participants/connections all over Latin America.

O1 webinar on E-commerce

With the "E-commerce institute" as main speaker, regarding the "New digital and physical ecosystems in the world of pharma and beauty".

03 a a a webinars on Sustainability topics

With 6 experts on eco-design – sustainable packaging, bio-economy, water management.

O1 webinar with
Trade Authorities

(SIECA Central America) on Trade Facilitation.

01

webinar on cosmetic ingredients safety assessment and its impact in LATAM

With 5 international speakers on the evaluation of cosmetic ingredients safety.



Support to local, sub-regional and global agenda:

During 2022, CASIC supported the local, sub-regional and global agenda by issuing position papers and communications to Trade, Environmental and Health Authorities, as well as by replying to local and international Public Consultations regarding specific topics in order to avoid barriers to trade, as well as to promote best international practices. The Council's Staff supported and was present throughout the year in relevant meetings with local/sub-regional Authorities, in support of the different negotiations held by the different Subregions. See the prioritized agenda in the different sub-regions as follows:

Andean Community

CASIC participated in six (6) rounds of negotiations throughout the year, representing the industry positioning, together with Local Associations of Bolivia, Colombia, Ecuador and Peru, before the Group of Government Experts for the Harmonization of Health Legislation (Human Health). Some of the most relevant finalized documents and regulations during the year were:

December 16th, 2022 that publishes the new Andean Technical Regulation for Labelling of Cosmetic Products. The new regulation is the result of over 6 years of work and advocacy before Authorities to modernize cosmetic regulation, and includes best international regulatory practices.

December 29th, 2022. Amending Decision 706 "Harmonization of legislation on domestic hygiene products and personal hygiene absorbent products". The Decision eliminates Free Sales Certificate for home care and personal hygiene absorbent products, and allows the presentation of the electronic document of the notification issued by the authority of the country of origin, for the notification recognition in other country, facilitating access of products to the market.

Central America

CASIC, supported the Central American industry (local and subregional Associations), by providing industry position on trade and regulatory related topics. Having had 4 webinars/training sessions with Central American Authorities (Costa Rica, El Salvador and Panamá), and achieving to provide access to the INCI ingredients platform for all the local Health Authorities, CASIC continued to promote best regulatory practices. Central America finalized one document/regulation during the year:

RESOLUTION 467

By the Council of Ministers of the Economic Integration (COMIECO), June 29th, 2022. Central American Technical Regulation 71.03.36:21 for Cosmetic Products Labelling.



Mercosur

CASIC participated in the two (2) Regular Meetings of the Cosmetic Subcommitte No. 11 "Health" / Commission of Health Products, in April and October, supporting industry position and the local Associations advocacy to promote best practices in the Subregion. Mercosur finalized the following documents during 2022:

RESOLUTION 48/21

March 2nd, 2022. "Mercosur Technical Regulation on General Mandatory Labelling for Personal Hygiene, Cosmetic and Perfume Products".

RESOLUTION 36/22

December 3rd, 2022. "Mercosur Technical Regulation for Home Care Products" (Supersedes GMC No. 25/99, 26/96, 27/96, 35/99, 56/00 y 24/05).



Pacific Alliance

CASIC continued to support the implementation processes related to the Annexes for the elimination of Technical Barriers to Trade – Regulatory Convergence for the Cosmetic and Home Care industries. Amongst other, CASIC held several meetings with local Authorities and local Associations to solve doubts and support the correct implementation of both Annexes in the countries.

ALADI AR-8

CASIC, amongst its Industry Association Members, supported the beginning of negotiations of an Agreement for the elimination of Technical Barriers for cosmetic products in the framework of the Latin American Integration Alliance – ALADI. The agreement will potentially include all LatAm countries – ALADI members. By December 2022, 8 countries had joined the negotiation.

Given that ALADI gathers 13 countries of the Latin American Region, this proposal is of high relevance for our industry, because it could mean that over 95% of the regional market would be able to implement the Best International Practices for regulation of Cosmetic Products, via the elimination of Technical Barriers to Trade.

Local and international public consultations

CASIC supported throughout the year, local and international sister Associations, by replying to relevant public consultations on:

LATAM:

DOMINICAN REPUBLIC: Draft Technical Regulation for the commercialization of Cosmetic, Personal Hygiene and Home Care Products.

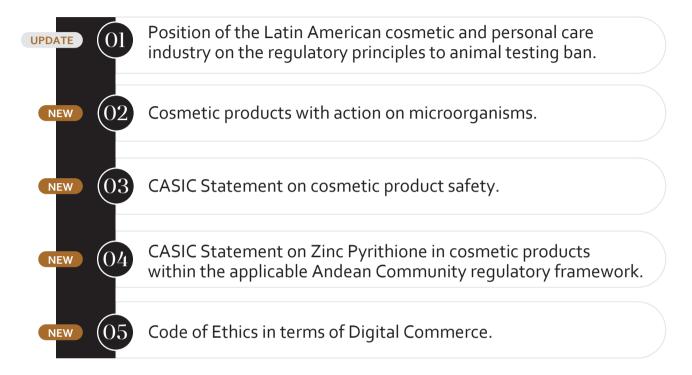
ECUADOR: Draft Technical Sanitary Regulation for the Control of Finished Products for Human Use and Consumption containing Non-Psychoactive Cannabis or Hemp.

International – European Green Deal: Chemicals Strategy for Sustainability

- Proposal amending Annex XVII to Regulation (EC) No 1907/2006 of the European Parliament and of the Council concerning the Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) regarding the synthetic polymer microparticles.
- Proposal amending Regulation (EC) No 1223/2009 of the European Parliament and of the Council regarding labelling of fragrance allergens in cosmetic products.
- Proposal amending Regulation (EC) 1272/2008 as regards hazard classes and criteria for the classification, labelling and packaging of substances and mixtures (CLP).
- Survey: Public consultation for the targeted revision of the Cosmetic Products Regulation.
- Survey: Public consultation on the targeted revision of the REACH Regulation ((EC) 1907/2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals).

Relevant documents in support to our industry's advocacy:

CASIC continued to work on different key topics, generating position papers for the assessment of regulatory/sanitary, environmental, sustainability and trade facilitation issues. **CASIC issued the following five (5) position papers in 2022:**



Additionally, CASIC continued to be a source of relevant information for its members, with the development and update of the following documents and databases:

UPDATE OF THE DATABASE ON REGULATORY/SANITARY INFORMATION

Registration, times and costs.

· UPDATE OF THE SUSTAINABILITY REGULATORY/LEGISLATION DATABASE

Including over 210 regulations in all countries of LatAm.

UPDATE OF CASIC'S DATABASE ON BUSINESS INTELLIGENCE

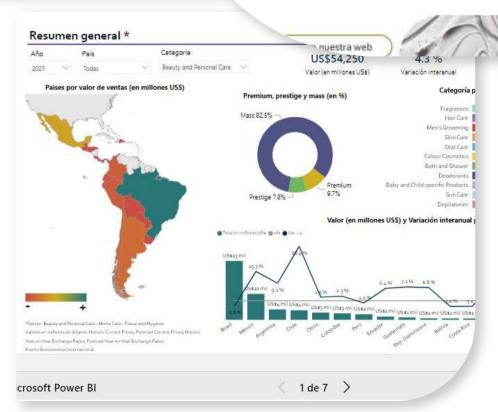
Dashboard with market size, category and distribution channel data (Euromonitor), socio-economical information of every country, import-export database of the Region, projections for the categories, amongst other data, all for both cosmetic, personal care and home care industries.

Communications strategy

New formats and contents: institutional video, newsletters, increased LinkedIn publications, infographics on position papers and interest topics, updated







Abril 2022







