

# UNLEASHING BIOTECH AND BIOMANUFACTURING IN THE EU THROUGH BETTER POLICIES



## THE PERSPECTIVE OF IFF

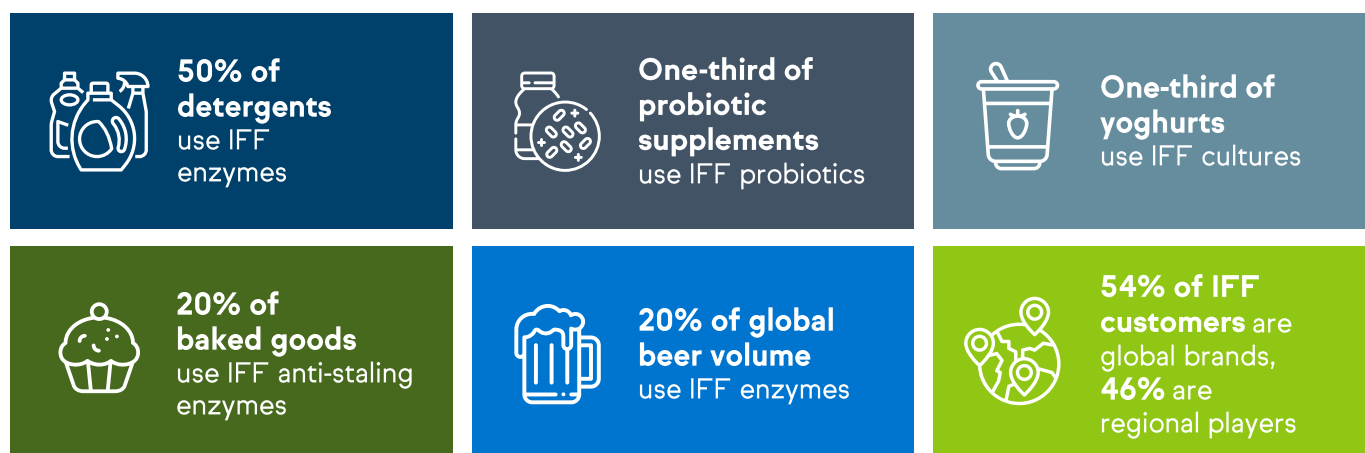
In its Strategic Agenda for the new legislature, the European Council has highlighted the benefits of the bioeconomy in the context of developing a more circular and resource efficient economy. Likewise, European Commission President von der Leyen made the Biotechnology a centre-piece of the new plan for Europe's sustainable prosperity and competitiveness, as announced in her Political Guidelines, which foresee the adoption of a dedicated Biotech Act to "make it easier to bring biotech from laboratory to factory and then onto the market". These developments, together with Draghi's report on "The future of European competitiveness" which highlights Biotech as a STEP technology, bring additional political impetus to the Biotech sector.

As a long-standing actor in the bioeconomy IFF (International Flavours and Fragrances) is excited about these political statements, since the current EU policies and legislations are limiting the sector's potential to contribute to both the EU's competitiveness, resilience and strategic autonomy, while fulfilling its climate mitigation goals.

This document gives an overview on IFF's innovative solutions and shares our concerns with current policy approaches as well as our perspective on where the EU can adopt better policies in the new EU legislature.






## IFF: A LEADER IN BIOSCIENCES

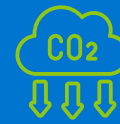
IFF solutions are found in many consumer products:



# OUR APPROACH TO INNOVATION

All our innovations aim to improve the sustainability of the products of our customers. More specifically, our innovations:

- ↓  **Reduce** the use of most harmful chemicals and processes
- ↓  **Reduce** the use of raw materials and energy
- ↓  **Reduce** waste
- ↑  **Improve** productivity, product quality and/or effectiveness
- ↑  **Improve** animal health and wellbeing



IFF innovations **save 50 times more CO<sub>2</sub>e** in the products of our customers than they generate

*Do More Good Report. IFF's 2023 ESG+ Progress*

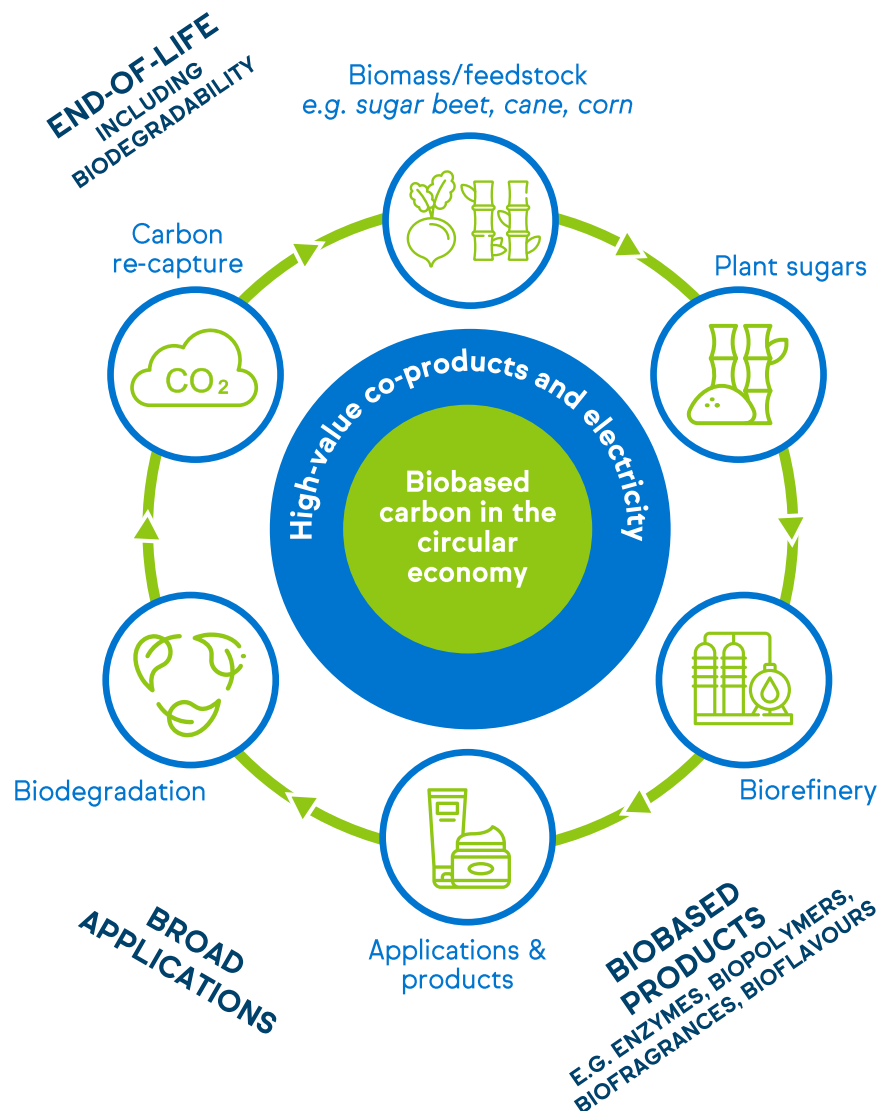


Instead of fossils, IFF innovations make use of **renewable feedstock, sustainably sourced**

## OUR ASK

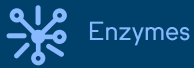
Put the EU on track in the global race for Biotech and Biomanufacturing, with policies that favour biobased solutions over fossil incumbents, and that are scientifically focused and based on risk-benefit analysis.

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**Public policy impacts all aspects of the value chain.**



# OUR IFF SOLUTIONS

Our business is highly diversified: it covers health & biosciences, food & beverages and scent. Please find some examples of how we support our customers below.



Enzymes



Biofuels



Performance tracking & Analysis



Sustainability

## GRAIN PROCESSING

Sustainable, Innovative Solutions



Health



Texture



Recipes



Appearance



Taste



Regulatory, Sustainability, Affordability



## IFF PRODUCT DESIGN™

Value Added End-to-End Product Design



Enzymes



Hygiene



Upcycling



Sustainability

## HOME & PERSONAL CARE

Sustainable, Innovative Solutions



Enzymes



Nutrition



Probiotics



Sustainability



## ANIMAL NUTRITION

Sustainable, Innovative Solutions

## PROBIOTICS AND CULTURES

Sustainable, Innovative Solutions



Texture



Upcycling



Taste



Appearance



Health



Probiotics



End-to-end Capabilities



## CONSUMER FRAGRANCES

Awakening the Extraordinary Senses



Malodor Control



Science of Performance



Augmented Perfumery



Consumer-centric Design



Fragrances with Benefits



Delivery Systems



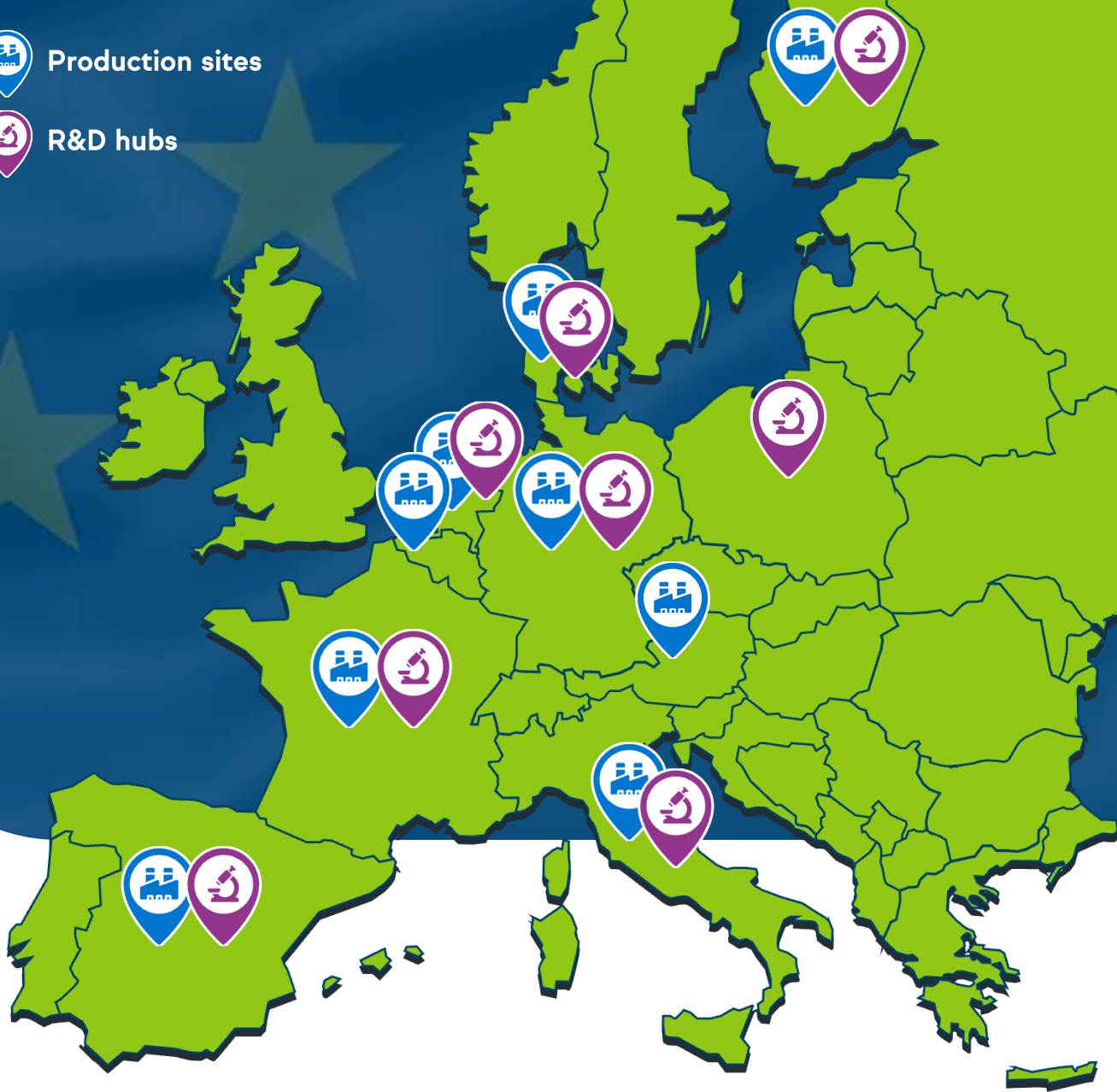
Mindful Design



# OUR FOOTPRINT IN THE EU

 Production sites

 R&D hubs



## GLOBAL FOOTPRINT DATA 2023



**21,500**  
employees



**\$11.5B**  
sales

NORTH AMERICA 30%  
LATIN AMERICA 13%  
EAME 34%  
ASIA-PACIFIC 23%



**~190**  
manufacturing facilities,  
creative centres &  
application laboratories



**~27,000**  
customers



Shipping to  
**>175**  
countries

EU Policies 2024-2029 that support Biotech and Biomanufacturing need to:

**CREATE A PREFERRED PLAYING FIELD FOR BIOBASED OVER FOSSIL-BASED INCUMBENTS**

- **Reward sustainable feedstock** - set consistent sustainability criteria for all feedstock (fossil and biobased)
- **Update the PEF methodology** for all products according to science-based criteria
- **Define biodegradability** duration targets, depending on the use of the biobased product
- **Incentivize market creation** through EU funding for biorefineries, public procurement and tax credits for biobased, as well as biobased targets in legislations such as PPWR

**REWARD AND PROTECT INNOVATION AND ENABLE MARKET ACCESS**

- **Amend definition of 'natural polymers'** - to include natural polymers made industrially
- **Distinguish** between fossil-based incumbents and biobased products in taxonomy
- **Update consumer-facing labelling and claims** requirements to reflect the sustainability benefits of biobased products, and to exempt natural polymers made industrially from being labelled as "plastics"

**ENSURE FAIR TREATMENT FOR ENZYMES AND GENETICALLY MODIFIED MICROORGANISMS**

- By ensuring **safety-based scientific assessments** and reducing regulatory uncertainty
- By **integrating sustainability** considerations in existing regulations, such as **REACH**

Key policies such as the planned Biotech Act and the revision of REACH are vehicles to address these concerns, and to enable the Biotech sector to contribute to the EU's competitiveness and resilience ambition.

**FURTHER INFORMATION**

I hope we will remain in contact and continue the dialogue. For comments and questions, please get in touch with me.

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**ANNEX: ENZYMES AND POLYSACCHARIDES**

Many of our innovations rely on **enzymes and polysaccharides**.

**Enzymes** are biocatalysts that help reduce energy consumption and raw material inputs, improve process efficiencies and replace chemical pollutants across a range of industrial, professional and consumer applications in food, feed, and industrial sectors. They are made with microorganisms, which are sometimes genetically modified (GMM) as processing aids used in a closed system.

**Polysaccharides** are biopolymers made with plant sugars which are industrially manufactured by replicating processes found in nature. They are biodegradable and do not create persistent microplastics at any point in their lifecycle.

