

EFFA REPORT

EU Code of Conduct on Responsible Food Business and Marketing Practices

EFFA'S ACTIONS PLEDGED UNDER THE CODE OF CONDUCT DUTIES

EFFA, the European Flavour Association, signed the **EU Code of Conduct on Responsible Food Business and Marketing Practices** in October 2021.

EFFA, the European Flavour Association, is a non-profit trade association representing European national associations and companies in the flavour industry based in Brussels. Our membership consists of 12 national associations and 11 company members. In total, EFFA is representing over 300 companies in Europe, ranging from smaller SMEs to stock market listed companies.

EFFA's main objectives are to promote and support a consistent European-wide strategy for flavour issues and to elaborate scientific dossiers, for evaluation by the EU Institutions – Scientific Committees, to stimulate, coordinate and monitor best practice in regulatory, safety, technical and scientific issues, between members of the flavour sector and related industries through standards, guidelines, and codes of practice. EFFA is registered in the Transparency Register under the following number: 7102243339711.

A full list of the EFFA members, companies and national associations, are on the EFFA website (www.effa.eu).

THE ASSOCIATION PROMOTION OF THE CODE WITH OUR MEMBERS

Since the signature, EFFA communicated its commitment to the Code of Conduct and informed on its values and objectives, through its:

- Website
- Social Media channels in particular in LinkedIn and Twitter
- Regular (external) Newsletter (sent to 473 stakeholders, such as customer/sector associations and policy makers).

Internally, EFFA communicated its engagement on the values and objectives of the Code through through its internal member network and its internal newsletter (492 recipients).

The Code of Conduct is since 2021 a standard reporting item internally with its members within its structure and EFFA Committees: the **Communication Committee** (CC), the **Public Affairs Committee** (PAC), as well as during the EFFA **Board meetings** and in the annual **General Assembly** (GA).

In EFFA's 2021 Annual Report, our association highlighted the importance of being a signatory of the Code, and it clearly stated the specific areas that EFFA would like to focus on:

- Responsible sourcing.
- Reducing the environmental footprint.
- Employee wellbeing.
- Production safety.
- Transparency and partnership with other key actors within the food chain.

In addition to the company initiatives and sustainability programs, EFFA as an association developed an European event series, called **FlavourDays**, held in different European cities since 2017 (and virtually during Covid).

In this event series, EFFA members underlined the importance of sustainable development, and highlighted how the European flavouring industry is contributing to a more responsible business, and to the development of best practices to be shared among other actors in the food supply chain.

For more information: https://effa.eu/flavourings/brussels-flavourday

ENCOURAGING MEMBERS TO ALIGN SUSTAINABILITY ACTIONS AND BUSINESS PRACTICES WITH THE CODE

Our members publish their individual sustainable initiatives and achievements within their annual company reports. A full list of EFFA members can be found on the EFFA website. In case of request, EFFA can illustrate the high commitment of EFFA company members within the context of the Code and report on some examples of our company members.

All the above-mentioned initiatives lead to a high involvement by the EFFA company members in the search and development of best practices to foster sustainability in their businesses, especially considering the commitment pledged also under the IFRA-IOFI Sustainability Charter.

ENDORSEMENT OF THE ASPIRATIONAL OBJECTIVES SET OUT IN THE CODE & GLOBAL CHALLENGES

Supported by the EFFA Board, the signature of the Code of Conduct is in continuity with EFFA's commitment pledged under the IFRA-IOFI Sustainability Charter, an initiative started back in 2020 by the 'International Fragrance Association' (IFRA) and the 'International Organisation of the Flavor Industry' (IOFI) committing its respective membership to voluntarily put in place sustainability practices in their businesses.

The IFRA-IOFI Sustainability Charter has 17 specific, clear and achievable commitments, allowing companies of all sizes to make a contribution to improving the overall sustainability of our industries. The choice of commitments was based on the discussions within the IFRA-IOFI Sustainability Task Force and the feedback provided by 'reality check' exercises with both internal and external stakeholders. We worked to frame the concept of sustainability and tailor it to our industry's activities.

The Charter has to date 126 signatories.

The results in the 2020-21 IFRA-IOFI Report will form the baseline for future reports, allowing the industries to track progress. The Report also highlights a series of collective actions taken since the launch of the Charter, as well as partnerships and initiatives undertaken by IFRA and IOFI on behalf of the industries.

The Charter continues to be open to signatories from fragrance and flavor companies around the world. Signatories will provide data on progress in 2021 ahead of the publication of the next report in mid-2022.

Under the EU Code of Conduct on Responsible Business and Marketing Practices, EFFA committed to endorse the following aspirational objectives:

- An optimised circular and resource-efficient food chain in Europe.
- Sustained, inclusive and sustainable economic growth, employment and decent work for all.
- Sustainable value creation in the European food supply through partnership.
- Sustainable sourcing in food supply chain.

In particular, the focus areas of the Charter are:

- Ensure responsible sourcing throughout the value chain.
- Reduce the environmental footprint and address climate change.
- Enhance the well-being of employees and ensure a rewarding labour environment.
- Ensure product safety.
- Be a transparent and reliable partner for society.

Those areas match with the EU's Code's aspirational objectives:

- Number 3 (climate neutral food chain in Europe by 2050),
- Number 4 (optimised circular and resource-efficient food chain in Europe),
- Number 5 (sustained, inclusive and sust. economic growth, employment and decent work for all),
- Number 6 (sustainable value creation in the European food supply chain through partnership) and
- Number 7 (sustainable sourcing in food supply chains).

The **first IOFI-IFRA Sustainability Report** was published in 2021 and its outcomes are available to the general public on the IOFI (and IFRA) websites.

On *environmental footprint and climate change*, the overall footprint of the flavour industry is relatively small, and the industries has a solid environmental profile. More than 90% of the flavour market by market share, have a global environmental strategy, implementing eco-design measures and acting to reduce consumption and waste.

Concerning *employee well-being and offering a rewarding labour environment*, the flavour industry already demonstrates high standards. More than 70% of the companies have occupational health and safety strategies that go beyond implementation of regulatory requirements in place and nearly half are using internationally recognized evaluation tools.

When it comes to *transparency and partnerships*, more 75% of flavour companies have a global responsive governance strategy in place. More than 60% of the companies employ anti-corruption measures that go beyond legal requirements and approximately two-thirds are engaged in ongoing dialogue with political stakeholders, with almost every signatory company involved in some form of dialogue.

On **responsible sourcing**, the awareness and level of active engagement in the flavour industry is high. More than 70% of companies - including those that make up the vast majority of the market - engage in dialogue with farmers and local communities, supporting equitable practices, community development and education.

EUROPEAN COMMISSION'S ADVISORY GROUP ON SUSTAINABILITY OF FOOD SYSTEMS

EFFA has applied and was recently admitted to take part in the **European Commission's Advisory Group on Sustainability of Food Systems**, an informal consultive group.

This EC advisory group will:

- Provide assistance to the EC in drafting food-related proposals and policy initiatives.
- Assist DG SANTE in the preparation of delegated acts and in the early preparation of implementing acts in food-related issues.
- Establish cooperation between the EC and stakeholders on questions relating to the implementation of Union legislation, programmes, projects and policies in food-related issues.
- Encourage exchange of experience and share best practices.

EFFA is looking forward to continue to work closely with the EC Code of Conduct team. For further questions on the EU Code of Conduct and the commitment of the European flavour industry or more information, please contact the EFFA Secretariat.

EFFA Secretariat 25 July 2022