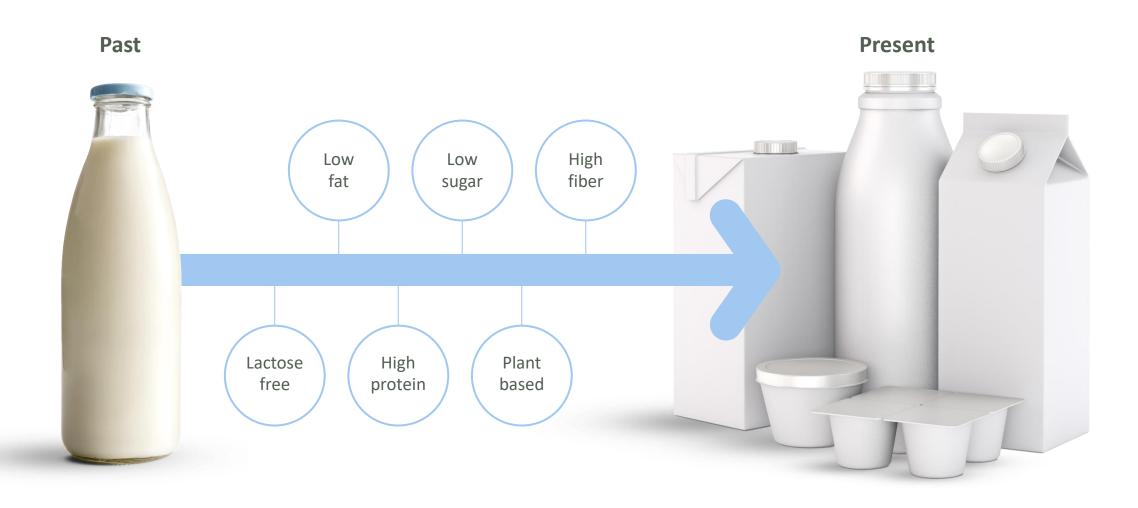






## Consumers are now spoilt for choice





## This means a new challenge for dairy suppliers



Health focused



**Explosion of SKUs** 



Market saturation



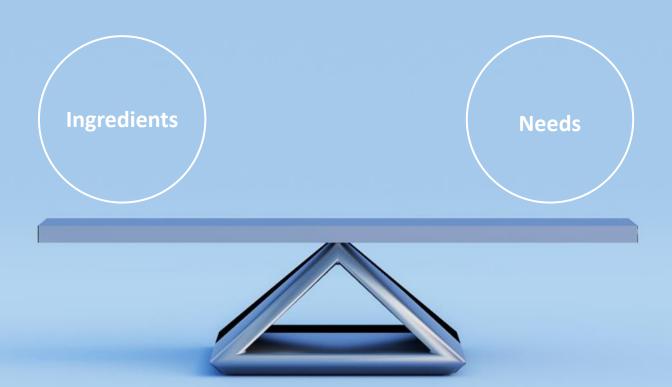
## Today you're forced to sacrifice one or more success factors in expense of another

Artificial sweeteners

Added nutrients

Expensive milk powders

Label-unfriendly texturizers



Nutritional profile

Taste & texture

Clean label

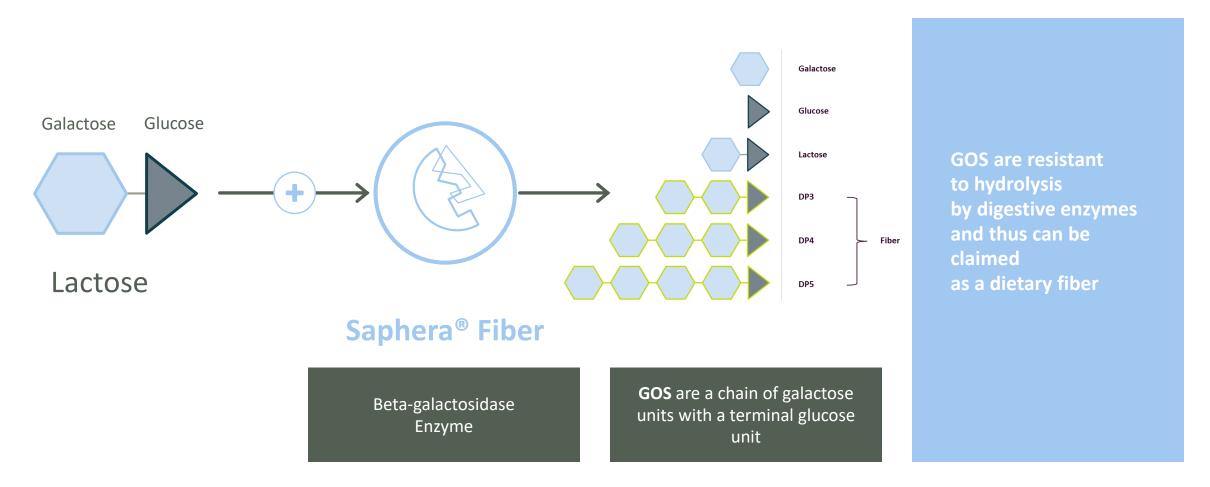
Cost and formulation

Ingredient availability



What if the answer was right in front of you?

## Boost nutrition directly in your raw milk with a new lactase enzyme





## GOS is categorized as a dietary fiber in the US

- FDA guidance on non-digestible carbohydrates designates that GOS meets the definition of dietary fiber
- Carbohydrates that qualify under the definition can be added to the "Dietary Fiber" total on the nutrition facts label

\*Definition - non-digestible soluble and insoluble carbohydrates (with 3 or more monomeric units), and lignin that are intrinsic and intact in plants; isolated or synthetic non-digestible carbohydrates (with 3 or more monomeric units) determined by FDA to have *physiological effects that are beneficial to human health* (21 CFR 101.9(c)(6)(i)).

Caloric value of isolated or synthetic non-digestible carbohydrates (GOS) is 2 calories per gram as compared to 4 calories per gram for carbohydrates from traditional sources i.e. fruits, vegetables whole grains etc. (Insoluble fiber is zero calories)

## GOS-Enriched skim milk nutrition facts (US) Theoretical values

#### Non-treated with GOS enzyme

#### **Nutrition Facts** 1 servings per container Serving size 240 mL **Amount Per Serving** 90 Calories % Daily Value Total Fat 0g 0% Saturated Fat 0g 0% Trans Fat 0g Cholesterol < 5mg 2% Sodium 125mg 5% Total Carbohydrate 13g 5% Dietary Fiber 0g 0% Total Sugars 12g Includes 0g Added Sugars 0% Protein 8a 16% Not a significant source of vitamin D, calcium, iron, and The % Daily Value (DV) tells you how much a nutrient in a serving of food contributes to a daily diet. 2,000 calories a day is used for general nutrition advice

#### **Treated with GOS enzyme**

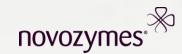
Serving size	240 mL
Amount Per Serving	00
Calories	90
	% Daily Value
Total Fat 0g	0%
Saturated Fat 0g	0%
Trans Fat 0g	
Cholesterol < 5mg	2%
Sodium 125mg	5%
Total Carbohvdrate 13g	5%
Dietary Fither 3g	11%
Total Sugars 9g	
Include <mark>s 0g Add</mark> ed Sug	jars <b>0</b> %
Protein 8g	16%

day is used for general nutrition advice.

#### **BENEFITS**

- Good source of fiber (11% DV), 3 grams of dietary fiber per serving
- Reduction of 25% of sugar
   (3 grams of sugar per serving)

\*Calories are the same due to rounding rules for labels



## Fiber Claims Enabled by Saphera Fiber

- Reference Daily Intake (RDI) or Daily Reference Value (DRV) for fiber is 28 g
- Claims are based on one serving size for the specific food, as defined by the FDA

"Good Source", "Contains" or "Provides": at least 10-19% of the RDI/DRV for fiber

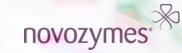
2) Example: One serving of milk = 240 ml; 10% - 19% of the RDI/DRV = 2.8 g to 5.32 g

Qualifier: each serving of milk must contain at least 2.8 to 5.32 g of fiber to make these claims

"More", "Added", \*"Fortified", \*"Enriched", "Extra" or "Plus": at least 10% more of the RDI/DRV for fiber (see Example 1 above) as compared to an appropriate reference food, i.e. a similar food without added fiber

3) Example: "10% more fiber than regular yogurt"

\*Fortified or Enriched are potential claims for fiber, but there are additional regulatory qualifiers for these claims. FDA's Fortification Policy must be considered.



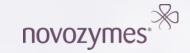
## Sugar Claims Enabled By Saphera Fiber

- No Reference Daily Intake (RDI) or Daily Reference Value (DRV) for <u>Total Sugar</u>
- RDI/DRV for <u>Added Sugar</u> is 50 g
- Claims are based on one serving size for the specific food, as defined by the FDA

"Reduced Sugar", Reduced in Sugar", "Sugar Reduced", "Less Sugar", "Lower Sugar" or "Lower in Sugar":

- The food contains 25% less sugar per serving
- Must be labeled with a comparison statement referencing a similar food e.g. 25% less sugar per 3 oz as compared to our regular XXX

\*Note: qualifiers and disclaimers apply



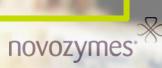
Labeling: Galacto-oligosaccharide is declared as fiber ingredient; Enzyme is a process aid

The lactase complies with processing aid definition (21 CFR 101.100) because:

- 1. It performs its technological function (catalytic activity) during dairy processing
- 2. It is not intended to and does not exert its technological function in the final food
- 3. It is used at an insignificant level

\*GOS fiber would need to be included in the ingredient declaration list, if making a fiber claim.

**NOTE**: The information provided in this document is accurate to the best of Novozymes' knowledge based on the current situation. Nevertheless, it is and remains the **responsibility of the customer** to ensure that its specific use of Novozymes' products does not infringe relevant laws or regulations and does not infringe third party intellectual property rights. Without a separate, specific, written agreement between the customer and Novozymes to such effect, this document does not constitute a representation, warranty or guarantee of any kind, and Novozymes shall in no event be held liable for the adherence by the customer to the information herein. Customer may only disclose the information herein to a 3rd party subject to Novozymes' prior written consent. The content of this document is subject to change without notice.



GOS has favorable consumer perception from a labelling perspective

64%

of yogurt consumers rate

Galacto-oligosaccharides (GOS) as

healthy and good for digestion

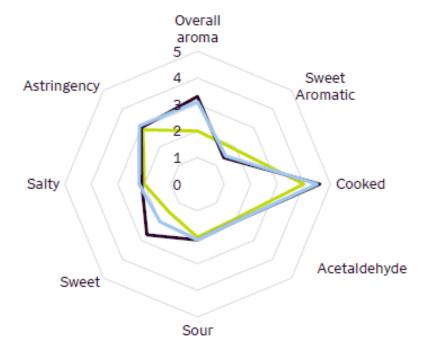


Source: Novozymes consumer research, Performed by Conjoint.ly 2021 (2400 consumers, US, Canada)

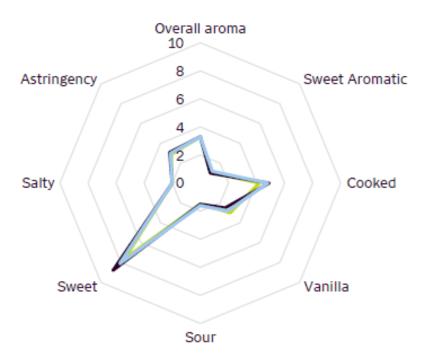
## Sensory profiling validates clean flavor in yogurt beverages

- Skim milk + 3.3% SMP (or a vanilla formula), with no enzyme, Saphera 2600 L or Saphera Fiber incubated 24 h at 5 °C and inactivated at 90°C for 5 min
- · Descriptive analysis performed at the North Carolina State University Sensory Services Center
- Attribute intensities were scored on a 0-15 pt universal intensity scale (Meilgaard et al., 2007)

### Unsweetened yogurt beverage



### Vanilla yogurt beverage





Plain

Lactose-free

Saphera® Fiber

# Saphera® Fiber increases fiber content and reduces sugar, maintaining a clean label!

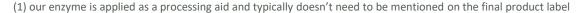
#### **Differentiators**

#### **Compared to fiber ingredients**

- In-situ conversion i.e. smaller ingredient list <sup>(1)</sup>, simple food recipes, naturality <sup>(2)</sup>
- Double benefit of fiber enrichment and sugar reduction
- No negative effects on taste and texture. Reducing sugar without reducing sweetness.
- Positive consumer perception of GOS

#### **Compared to other GOS enzymes**

High fiber yield, stable and easy to handle solution



<sup>(2)</sup> in most countries, the immediate interpretation would be that the application of enzymes as processing aids in the production of foods does not in itself restrict the use of the term 'natural'



