

A conversation with Dr. Thomas Satzinger, Global Director Strategy Personal Care, Evonik and Dr. Franck Michoux, Head of Evonik Advanced Botanicals



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Global Director Strategy Personal Care, Evonik*



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Head of Evonik Advanced Botanicals*

EURO COSMETICS: *Dr. Satzinger, you recently bought the French company Alkion Biopharma SAS. What prompted that decision?*

Dr. Thomas Satzinger: The investment in Alkion is in line with our strategy of strengthening and expanding our specialties portfolio. The acquisition gives us access to sustainably sourced extracts, which broaden our Active Ingredients portfolio. Alkion technology provides us with a competitive edge over conventional agriculture. We can specifically target active molecules from plants and produce them under controlled conditions at a fraction of natural resource input.

EURO COSMETICS: *What is the advantage of the acquisition?*

Dr. Thomas Satzinger: The technological advantages over agriculture are clear: less

water consumption, no pesticides, independent of seasons, batch-to-batch reproducibility and no global sourcing needed. Just to name a few.

In addition to the technological advantages, the acquisition also improves our position in France. We are now a member of the Cosmetic Valley, where we can benefit from the cosmetic companies network.

EURO COSMETICS: *How can your customers benefit from the acquisition?*

Dr. Thomas Satzinger: Alkion developed plant stem-cell products and hyperactive extracts on an exclusive basis for its customers. We will continue offering these exclusive development services. However, thanks to Evonik's global Personal Care organization, we can offer these kinds of exclusive development services to a broader number of customers.

In addition to exclusive development services, we will also launch standard products based on plant stem-cell and hyperactive extract technology. This will meet the needs of customers who are not willing, for various reasons, to have ingredients specially developed for them. These products will be listed in our product catalog and will be promoted globally.

EURO COSMETICS: *Alkion is one of the leading producers of cosmetic active ingredients manufactured using biotech methods. What makes your company special?*

Dr. Frank Michoux: Alkion can offer its customers a wide range of active ingredients based on plant biotechnologies. Unlike our competitors, we have the technologies, expertise and intellectual property rights to produce plant stem cells, as well as plant organs and even somatic embryos on an



industrial scale. Moreover, the team is made up of six researchers, all of whom have Ph.D.s in plant biotechnology, which explains why Alkion is considered within the industry to be a technically and scientifically driven company. This reputation allows us to deal directly not only with the largest finished product cosmetic companies in France, but also with those in Europe, the US and even Japan.

EURO COSMETICS: *You also developed a special process for harvesting extracts from plant biomass. Can you tell us more about this?*

Dr. Frank Michoux: By applying state-of-the-art technologies – non-GMO of course – and a deep understanding of phytochemistry, we have been able to influence the plant genome and induce it to produce more of a specific molecule, or less of a toxic compound. We have also managed to identify new molecules never described in certain plant species. We are pushing the boundaries of what we know about plant metabolites. I like to say that the plasticity of the plant genome is like an iceberg: today we know the tip, but at Alkion we are digging deep and discovering incredible potential that we can harvest and offer to our customers.

EURO COSMETICS: *Resource-saving processes and sustainable products are part of your strategy. What projects do you have going in this area?*

Dr. Thomas Satzinger: We have several ongoing projects. The most exciting one is the development of biosurfactants, which represent a potential game changer not only in terms of sustainability. These are surfactants produced using biotech methods in which microorganisms convert natural carbon sources to high-value products. Biosurfactants combine outstanding performance with an unprecedented level of environmental and skin compatibility. With decades of experience both in surfactant technology and industrial biotechnology, Evonik has all of the competencies you need for successfully developing and commercializing this highly promising product class. The first product based on sophorolipids has already been introduced on the market for household care applications, and a large-scale pilot plant for the next generation of products based on rhamnolipids is under construction at our production site in Slovenská Ľupča, Slovakia.

EURO COSMETICS: *What does your growth strategy look like?*

Dr. Thomas Satzinger: Over the last five years, we have developed our Personal Care organization into a global player in the cosmetic supplier industry. We have expanded our production setup, which includes now production operations in China and Brazil. At the same time, we have also established technical labs in South Africa, Brazil, and China to be closer to our customers with technical service and support.

For the future, I still see the importance of sustainability increasing. More sustainable, biotechnology-based products will find their way into consumer products. Here we are right on time with the development of our biosurfactants; the Alkion acquisition also fits this development very well.

Our goals for the future are very ambitious. Besides our intention to grow organically, we also want to grow continuously through external acquisitions. We have made two small acquisitions this year (Alkion and the Personal Care part of Air Products) and we are looking for others to come.

EURO COSMETICS: *Where will you be placing greater emphasis going forward and how will you pass that along to your customers?*

Dr. Thomas Satzinger: As I said, sustainability is on the rise and will be one of the greatest influencing factors in our industry in the years to come. Consumers expect more and more truly sustainable personal care products. They are concerned about the sourcing of raw materials, the harm caused by a product and social responsibility within the supply chain. Sustainability will therefore be one of our focus areas.

EURO COSMETICS: *Thank you for talking with us.* ■