



Press Information

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DSM invests in knowledge and innovation in the Netherlands

Royal DSM, the global Life Sciences and Materials Sciences company, today announced that it is going to invest approximately €100 million in three new R&D facilities in Delft and Sittard-Geleen (both in the Netherlands) over the next two years. The investment confirms DSM's commitment to the Netherlands, where the Life Sciences and Materials Sciences company was founded over 110 years ago. The investment in Delft concerns a new laboratory for biotechnological research as well as a DSM contribution to the recently formed consortium for the Bioprocess Pilot Facility (BPF) for bio-research. In Sittard-Geleen a new materials sciences research building will be realized on the Chemelot Campus. Since the new R&D units will closely collaborate with knowledge institutes, government bodies and other companies (including SMEs), the investments will have a major impact on the strengthening of the Dutch knowledge-based economy, precisely in the fields that the Dutch government has designated as key top sectors for the future.

The laboratories in Delft and Sittard-Geleen are expected to open their doors in 2014. Some 700 researchers will be working there on innovative solutions to major global challenges in fields such as energy & climate and food & health. As such, the investments fit in with the Netherlands' position as a front-runner in the field of sustainability.

Feike Sijbesma, CEO and Chairman of the Managing Board of Royal DSM, says the investments demonstrate a clear commitment to DSM's innovation efforts: *"Innovation is one of the key growth drivers of the new DSM, and we are increasingly seeing the importance of open innovation involving cooperation with customers and various other parties. One of the strengths of the Netherlands is the close cooperation between companies, universities and government. This should also involve ensuring that the Netherlands remains competitive, because in the longer term manufacturing and R&D will always have to go together. These investments will enable DSM, together with our partners, to develop innovative and sustainable solutions to the major challenges of our time."*

Maxime Verhagen, the Dutch Minister of Economic Affairs, Agriculture and Innovation, is excited about DSM investment's: *"This will strengthen the position of the Dutch knowledge-based economy and secure our position among the world leaders in sectors such as agro/food, chemicals and energy. Moreover, the investment will generate jobs and revenues in economically difficult times."*

Atzo Nicolai, president of DSM Netherlands, adds: *"These investments demonstrate that for DSM the Netherlands is not just its birthplace but also a knowledge platform as well as a springboard to the future. The Netherlands is important for DSM's innovation ambitions. These investments, which dovetail with the top sectors that the Netherlands has chosen as its research and innovation spearheads, show that DSM is taking these ambitions seriously. Both the Dutch government and the provinces of Limburg and South Holland facilitate these investments based on the top sectors approach."*

High performance materials in Sittard-Geleen

The new R&D building on the Chemelot Campus in Sittard-Geleen will be a major R&D base for DSM Engineering Plastics. Historically, DSM's high performance materials research has been centered in Sittard-Geleen, which has led to a clustering of key technological competences and unique expertise. The presence on the Chemelot Campus furthermore offers opportunities for open innovation thanks to the proximity of other (start-up) companies and research and education institutes.

Roelof Westerbeek, president of DSM Engineering Plastics, considers the investment a major step in DSM's strategy: *"Innovation is one of the main elements of DSM Engineering Plastics' profitable growth strategy. We have recently started expanding our expertise in other regions, such as the United States and Asia. But at the same time we continue to invest in the competences in Sittard-Geleen, which we will exploit globally for our customers and our business, for example in developing new polymers for the automotive and electronics industries. The unique combination of technologies and expertise built up here remains the core around which we will grow our business further and with which we can continue to achieve profitable growth."*

The new building will house about 420 employees.

Together with regional organizations, the province of Limburg has made out a strong case for these investments. According to Mark Verheijen, Provincial Executive member for economic affairs, this is a huge boost for the ambitions Limburg has for the Chemelot Campus: *"Through innovation we want to develop Limburg into a flourishing region of international importance that offers good living and working conditions. These investments show that DSM and Limburg look forward to this picture of the future with full confidence."*

Biotechnology in Delft

The Delft-based DSM Biotechnology Center supports the innovation processes of DSM Food Specialties, DSM Sinochem Pharmaceuticals, DSM Biobased Products & Services and DSM BioSolutions. The new laboratory in Delft will house the R&D processes of the DSM Biotechnology Center, offering working space for 285 people and meeting the highest standards for biotechnological research. The province of South Holland contributes to the realization of the research building in the form of an agreement under which there will be scope for the development of an open campus on the DSM site. This will give biotech start-ups a place for rapid growth in the Northern part of Delft. A number of facilities in the new building will also be available to these companies.

Hans-Christian Ambjerg, president of DSM Food Specialties: *“DSM Food Specialties has chosen an aggressive growth strategy in which innovation plays a key role. Delft is a very important location for DSM Food Specialties’ biotechnological research, which offers innovations with high added value to our worldwide customers for new innovative products for the food industry, such as the recently introduced new food enzymes for the bakery and beer-brewing industries. The site in Delft is the cornerstone of our global innovation network. The addition of a new state-of-the-art laboratory to our DSM Biotechnology Center not only enables us to leverage and reinforce the competences there, but also makes us an even more attractive employer for biotechnological talent.”*

Besides realizing a new laboratory in Delft, DSM also is a partner in the recently opened ‘Bioprocess Pilot Facility’ (BPF) on the DSM site in Delft. This consortium, in which DSM, CSM/Purac and Delft University of Technology collaborate, boasts facilities for upscaling biotechnological processes that can be used for both R&D and educational purposes. The BPF is of key importance for upscaling fermentation and purification processes as well as for the pretreatment of vegetable residues to convert them into fermentation feedstock, for instance as used for second-generation biofuels.

The BPF is an open facility in which other companies, universities, institutes, etc. can conduct their upscaling research for bio-processes. DSM, CSM and Delft University of Technology are joining forces to create a world-class facility for testing new bio-processes that are upscaled from laboratory and pilot plant to industrial production. Thanks to a joint contribution from the province and municipalities of South Holland the BPF will also be available for use by smaller start-ups.

Govert Veldhuijzen, Provincial Executive member for economic affairs: *“With DSM’s investment and the expansion of possibilities for small biotech companies in Delft we are making a major step in the development of a bio-based cluster of a European scale in our region. This is the first result in the implementation of the economic agenda for Zuidvleugel, the southern part of the Randstad conurbation, which we started at the end of November last year. It is a very apt illustration of good cooperation by industry and government in innovation policy. I am very pleased with this.”*

DSM - Bright Science. Brighter Living.™

Royal DSM is a global science-based company active in health, nutrition and materials. By connecting its unique competences in Life Sciences and Materials Sciences DSM is driving economic prosperity, environmental progress and social advances to create sustainable value for all stakeholders. DSM delivers innovative solutions that nourish, protect and improve performance in global markets such as food and dietary supplements, personal care, feed, pharmaceuticals, medical devices, automotive, paints, electrical and electronics, life protection, alternative energy and bio-based materials. DSM’s 22,000 employees deliver annual net sales of around €9 billion. The company is listed on NYSE Euronext. More information can be found at www.dsm.com.

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