DSM Personal Care & Aroma Ingredients – The expert partner you can count on

• **Personal Care & Aroma Ingredients** provides innovative solutions for sun, skin and hair care as well as for the fragrance and flavour industry. These solutions are used by many of the world’s best-known consumer brands.

• **DSM’s extensive portfolio of key ingredients** includes peptides, natural bio-actives, UV filters, hair polymers, vitamins and (specialty) aroma ingredients (such as lavenders & ionones).
  - The product portfolio is complemented by a unique range of services in the areas of **formulation, sensory, technical, quality** and **regulatory expertise**.
Introduction

Personal Care & Aroma – total 2021 sales of €463m

#1 Supplier of QUALI® Vitamins for a broad range of Personal Care applications

#2 Supplier of a broad portfolio of UV- Filters under the PARSOL® brand

Top 6 Player in Skin Bio-actives including a market-leading product ranges such as SYN® Peptides and ALPAFLOR®

70% In Net Promoter Score (NPS) in 2020 with an improvement of 13% vs. last year

~10 New product and commercial innovations and concepts brought to the market per year on average, across the entire range of innovation portfolio

1st A leading player in Sustainability: Platinum ranking with a score of 83 by EcoVadis in 2021, A rating for CDP Climate and A for CDP Water
Global Presence and Distribution Network
To support reliable, end-to-end delivery and service

- 165 Employees*
- 51% Female Employees
- 34 Different Nationalities

*Excludes Pentapharm Operations
Personal Care & Aroma Ingredients - Key Products

DSM’s pioneering ALPAFLOR® portfolio offers a full range of high performing bioactives extracted from rare alpine plants that are cultivated organically in a pristine environment high in the Alps. Every step of our supply chain is traceable and is an excellent example of sustainability and fair trade in action.

Our dedicated AMPHISOL® portfolio offers a bedrock of emulsifiers for maximum formulation versatility in sun and skin care. We pay careful attention to the emulsifier and emulsion stability, enabling our customers to harness the power of robust emulsification to create creams with superior sensorial qualities.

Our bright science helps fragrance houses to continue innovating and producing products of the highest purity and quality that put a smile on consumers’ faces. Targeted molecules include products already known to the industry, brand new molecules, or equally important intermediates, which support the industry’s drive for success.

As well as being pioneers in the organic beauty market, DSM offers a wide-ranging portfolio of 55 natural ingredients certified at various levels from Organic to ISO 16128. This House of Naturals originates from edible vegetables, herbs, oils, milk, silk or marine algae. Some are extracted from natural botanical sources while others are produced sustainably using biotechnology.

Delivering the power of UV Protection. Crafted by our bright science, the PARSOL® portfolio offers the world’s broadest range of high performing UV filters, and a globally recognized expertise on which our customers can build their brands.
Personal Care & Aroma Ingredients - Key Products

DSM’s QUALI® vitamins help provide skin protection, lightening and other cosmetic benefits. DSM is leading an exciting revolution in vitamins. Bringing the power of vitamins to health and beauty and showing the incredible difference that quality vitamins can make to people’s skin and hair.

The agility of DSM, our people’s expertise in skin biology and our advanced synthetic peptide and extraction technologies enable us to deliver in the targeted benefit areas and set new standards for improved skin appearance and ultimate skin sensation.

SYN®-Peptides offer specific skin benefits based on substantiated efficacy. The range is proven to be highly effective in the fight against ageing and our in-depth knowledge of peptide processing technology ensures quality and flexibility over the whole production process - providing tailored peptides for visible, targeted effects.

Our 50-plus years of expertise in polymer technologies is dedicated to designing tailored, high quality TILAMAR® products that deliver outstanding hair care and styling benefits to help our customers stand out in their markets.

VALVANCE® is DSM’s answer to consumer and customer demand for immediate, strongly perceived effects and for desirable formulations that couple cosmetic elegance with extra comfort. Specially designed with DSM’s customary expertise to deliver on people’s everyday beauty aspirations in skin care and sun care.
PC&A: supercharge our customers' success with our suite of services and ingredients

Tailored to the evolving needs of your customers and the planet
DSM PC&A Business Results
2021 Financial Results

• 5Y CAGR % at 8% (double of vs market growth of 4%)
PC&A has a strong record delivering above-market growth

5Y CAGR % at 8% (double vs market growth of 4%)
3 key trends shaping PCA ingredients market

**Digitization** along the value chain

*PC Ingredients:* B2B players adopt digital solutions both to drive value in their core operations (e.g., lead generation, productivity enhancing solutions, e-commerce) and launching digital products “in their own right”

*Retail:* significant uptick in online consumption and commerce: 20-50% growth in online customers (post vs. pre Covid) for most PC categories

**Sustainability** incl. natural, upcycling, biotech

Increasingly informed consumers make more conscious choices: “What is in it? Where does it come from? What is it?” As consumers continue to realize that not all synthetic ingredients are detrimental and can offer a more sustainable alternative, biotechnologies increasingly impact beauty ingredients’ production

**Integrated solutions** incl. new services, e.g., customization

While product customization (B2B) and personalization (B2C) aren’t new trends, beauty brands continue to adopt new tech and refine their methods to create increasingly customized formulations for consumers — from tailor-made lip colors to individualized hair treatments, and seek integrated support from their suppliers in doing so
Our aspiration: **become a leading solution provider** ...

- **Premium/specialized**
- **Basic portfolio supplier**
  - Players focused on high value ingredients
  - PCA today
- **Solution Provider**
  - Ingredients
  - Solutions

**Extent of portfolio coverage**

**Strategy**
Personal Care 2022-2025 growth initiatives along 3 pillars

1. **Defend and Grow Core Products**
   - Skin Care
   - Sun Care
   - Hair Care

2. **Deliver on Innovation promise**
   - Skin Care
   - Hair Care
   - Color Care
   - UV Filters / Sun Care Solutions Provider

3. **Expand New Business Models**
   - Note: necessary foundation for post-2025 growth
   - Renewable solutions
   - New services
   - Digital solutions

Enablers & Foundational Competencies
3 Pillars of DSM’s Aroma Intermediates Strategy 2022-2025

Be THE Partner for accelerating our Customers’ Success, that provides the Highest Product Quality, the most Reliable Supply and The Best-in-Class Services

1. **AROMA BASE BUSINESS**
   - Maintain and Grow Aroma Lavender and Specialties
   - Defend Ionones

2. **RENEWABLE INGREDIENTS**
   - Enable customers to succeed in their renewability challenges with unique high value solutions

3. **MARKET SOLUTIONS**
   - Expand aroma portfolio with market solutions through collaborations and external alliances with selected partners
Our Promise
The solutions that do good – and do it well

We bring together...

- In-depth Scientific Knowledge
- Always-on Innovation
- Commitment to Sustainability
Making innovations for beauty and personal care possible ...

**TILAMAR® Boost 150**
Invisible action for visible volume with an extra touch of care
- Unique and innovative mechanism of action
- Proven volume and care benefits via instrumental and hair dresser tests (up to 300% volume boosting vs shampoo base when combined with conditioning polymer)
- Easy to add in your existing formulation

**PARSOL® ZX**
Mineral fusion for broad protection
- PARSOL® ZX’s particle size ensures:
  - SPF & UVA best performance
  - Blue light protection
  - Optimized sensory
- 3 new all-mineral formulations: with high pigment load but also for daily care of make-up

**EPIBIOME BEAUTY™**
The new level of skin well-being!
- EPIBIOME™ BEAUTY combines our expertise in CORNEOCOLON™, which builds a strong epidermal barrier, with the skin microbiome.
- For the first time in one clinical study, DSM scientists demonstrated the seen and unseen: the complex relationship between normal, dry or oily skin, and its microbiome.
- In total, more than 200 different bacteria species were identified: predominantly
  - CUPRABACTERIUM ACNEI - an important gatekeeper that influences sebum production.
  - STAPHYLOCOCCUS EPIDERMIDIS - a keystone for healthy skin.
  - CORYNEBACTERIUM KUHNPETTESTI - a novel target for the control of skin redness

**PEPHA®-AGE**
Stimulates skin’s own defense against blue light
- Proven efficacy against blue light induced skin hyperpigmentation (-30%) and irritation (-25%)
- Prevents the skin premature aging by reducing ROS level (-35%) and carbonylated proteins (-40%)
- Protects the fibroblasts viability and boosts the collagen synthesis (+34%)

Skin benefits:
- Reduces skin damage caused by sun light
- Offers even skin tone
- Minimizes the appearance of ageing after exposure to blue light and UV
Innovations

... while taking great care of sustainability

**PRODUCTS**

**Quali®-E vitamin**
The lowest carbon footprint.

**ALPAFLOR®**
Organic and fair trade farming, green chemistry, traceability from seed to bioactive, certified.

**PENTAVITIN®**
100% renewable, low carbon footprint, 100% natural origin, certified.

**Panthenol**
CEFIC award for production process: energy efficiency, reduced emissions, reduced and reused waste.

**PROGRAMS AND TOOLS**

**Quali®-E footprint calculator**

**The House of Naturals**

**Skin Cancer Prevention initiative**

**DSM SUNSCREEN OPTIMIZER™**
Safe harbor

This presentation may contain forward-looking statements with respect to DSM’s future performance and position. Such statements are based on current expectations, estimates and projections of DSM and information currently available to the company. DSM cautions readers that such statements involve certain risks and uncertainties that are difficult to predict and therefore it should be understood that many factors can cause actual performance and position to differ materially from these statements. DSM has no obligation to update the statements contained in this presentation, unless required by law. The numbers included in this presentation have not been audited.

A more comprehensive discussion of the risk factors affecting DSM’s business can be found in the company’s latest Annual Report, which can be found on the company’s corporate website, www.dsm.com