

# Personal Care & Aroma Ingredients

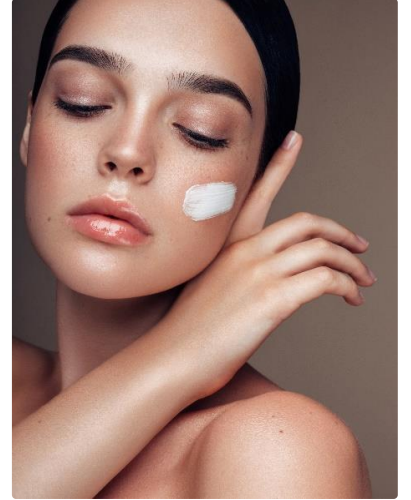
Factbook for Investors  
April 2022

HEALTH · NUTRITION · BIOSCIENCE

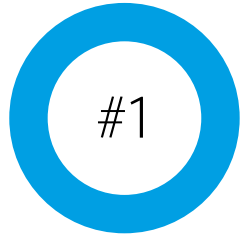


# DSM Personal Care & Aroma Ingredients – The expert partner you can count on

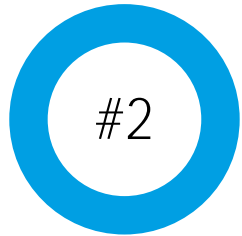
- **Personal Care & Aroma Ingredients** provides innovative solutions for sun, skin and hair care as well as for the fragrance and flavour industry. These solutions are used by **many of the world's best-known** consumer brands
- **DSM's extensive portfolio of key ingredients** includes peptides, natural 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**



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



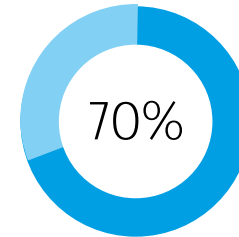
Supplier of **QUALI®-Vitamins** for a broad range of Personal Care applications



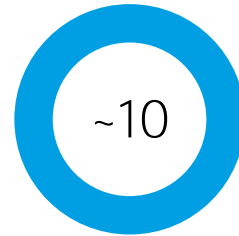
Supplier of a broad portfolio of **UV-Filters** under the **PARSOL®** brand



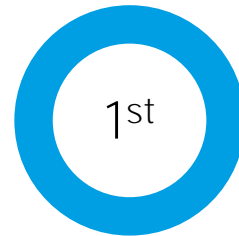
Player in **Skin Bio-actives** including a market-leading product ranges such as **SYN®-Peptides** and **ALPAFLOR®**



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



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



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



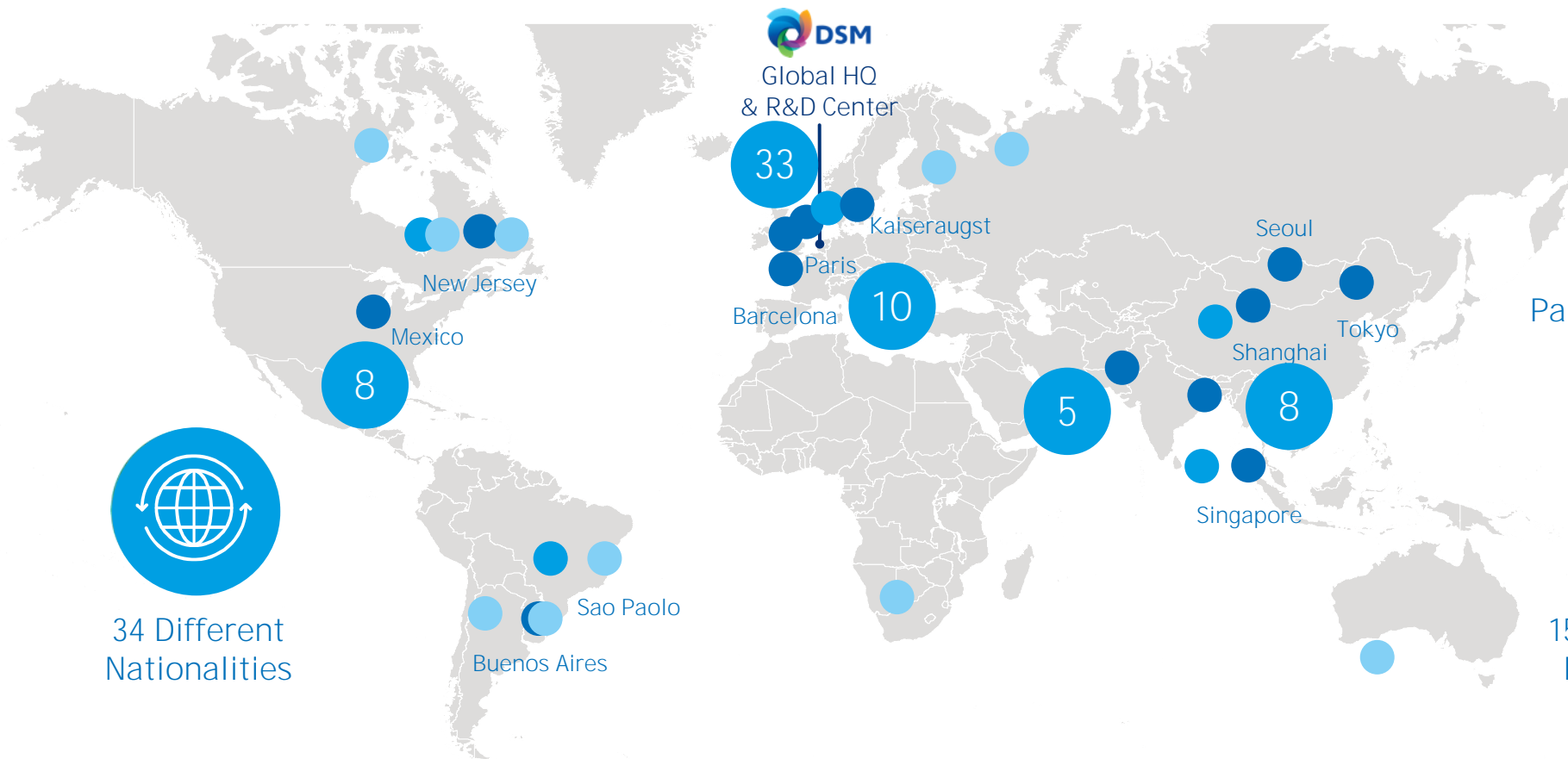
165 Employees\*



51% Female Employees



34 Different Nationalities



50+

Distribution Partners Worldwide



15 Locations with PCA Employees

\*Excludes Pentapharm Operations

- Regional & Local Office
- Regional Technical Lab
- Distribution Partners



# Personal Care & Aroma Ingredients - Key Products



ALPAFLOR®

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



AMPHISOL®

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

Aroma  
Ingredients

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

Natural  
ingredients

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



PARSOL®

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



QUALI®-Vitamins

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



Skin Bioactives

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

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



TILAMAR®

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®

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

Sustainability



Skin Care

- Vitamins
- Synthetic
- Natural
- Biotech
- Skin microbiome



TECHNICAL & PERFORMANCE INGREDIENTS & Hair Care

- Emulsifiers
- Sensory & visual modifiers
- Conditioning agents
- Styling agents
- Film formers
- Multifunctional ingredients



Sun Care

- Organic
- Inorganic (mineral)



AROMA INGREDIENTS

- Synthetic
- Natural
- Biotech



Customer Documentation Center



Global Application & Formulation Service



Sensory Expertise



Consumer & Market Insights



Scientific Expertise



Product Regulatory & Quality Assurance



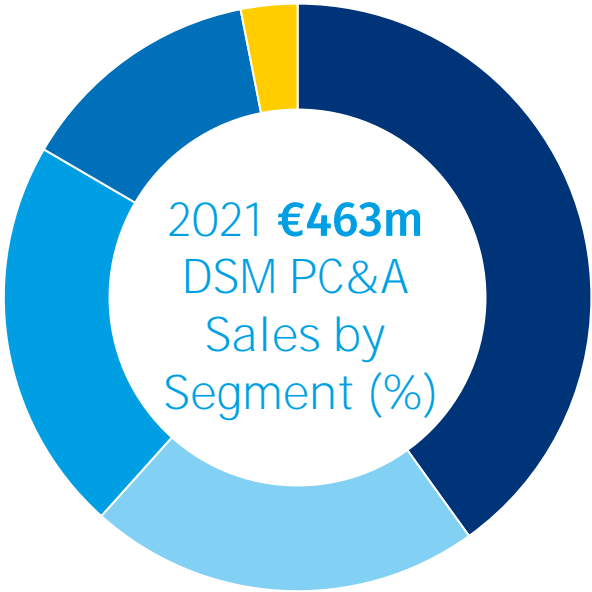
Customer Care

*Tailored to the evolving needs of your customers and the planet*

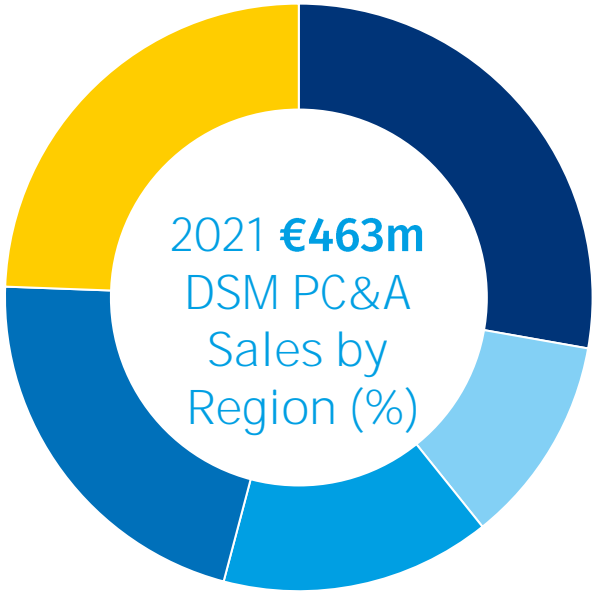
# DSM PC&A Business Results

## 2021 Financial Results

- 5Y CAGR % at 8% (double of vs market growth of 4%)



- Aroma Ingredients
- Vitamins
- UV-Filters
- Skin Bioactives
- Technical & Performance Ingredients



- EMEA
- Latin America
- China
- Asia Pacific
- North America

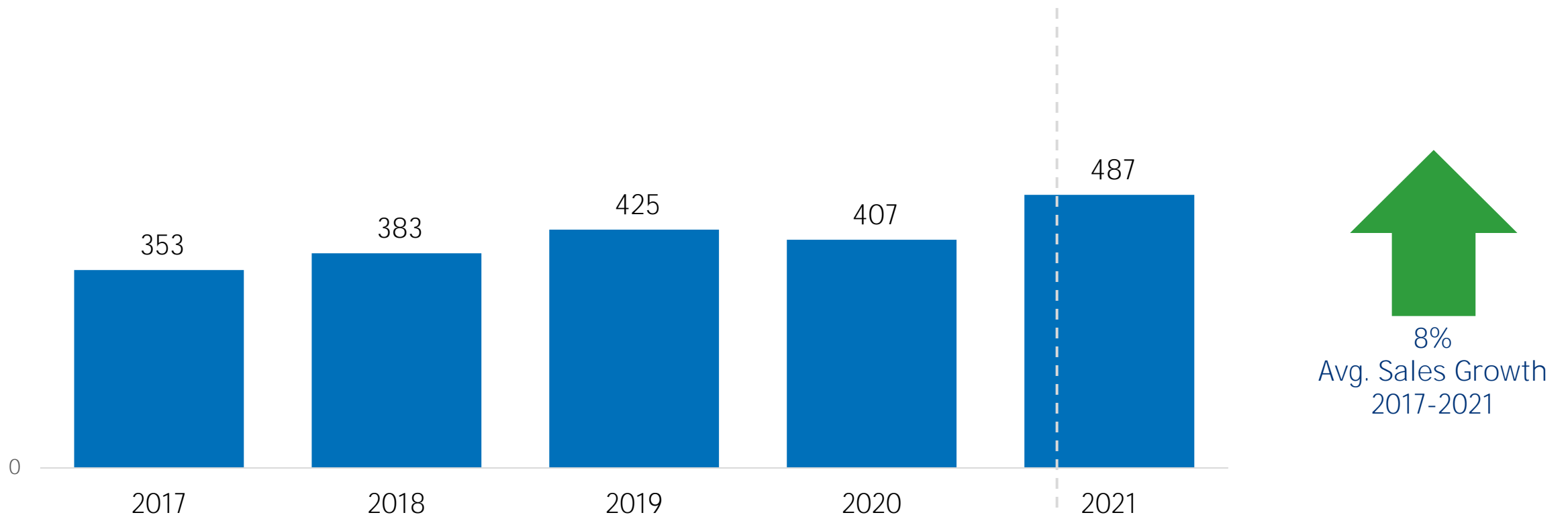
(1) Excludes Pentapharm Operations & Farnesene sales to Amyris



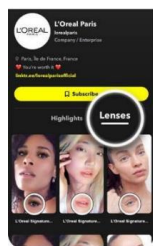
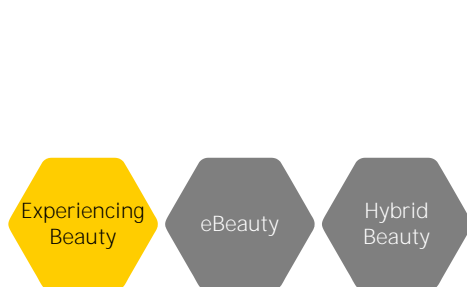


# PC&A has a strong record delivering above-market growth

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"

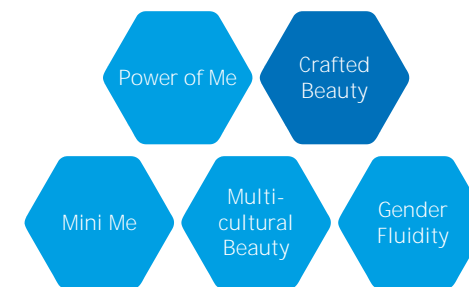
Retail: significant uptick in online consumption and commerce: 20-50% growth in online customers (post vs. pre Covid) for most PC categories



Sustainability  
*incl. natural, upcycling, biotech*

Increasingly informed consumers make more conscious choices: "What is in it? Where does it come from? What is it?"

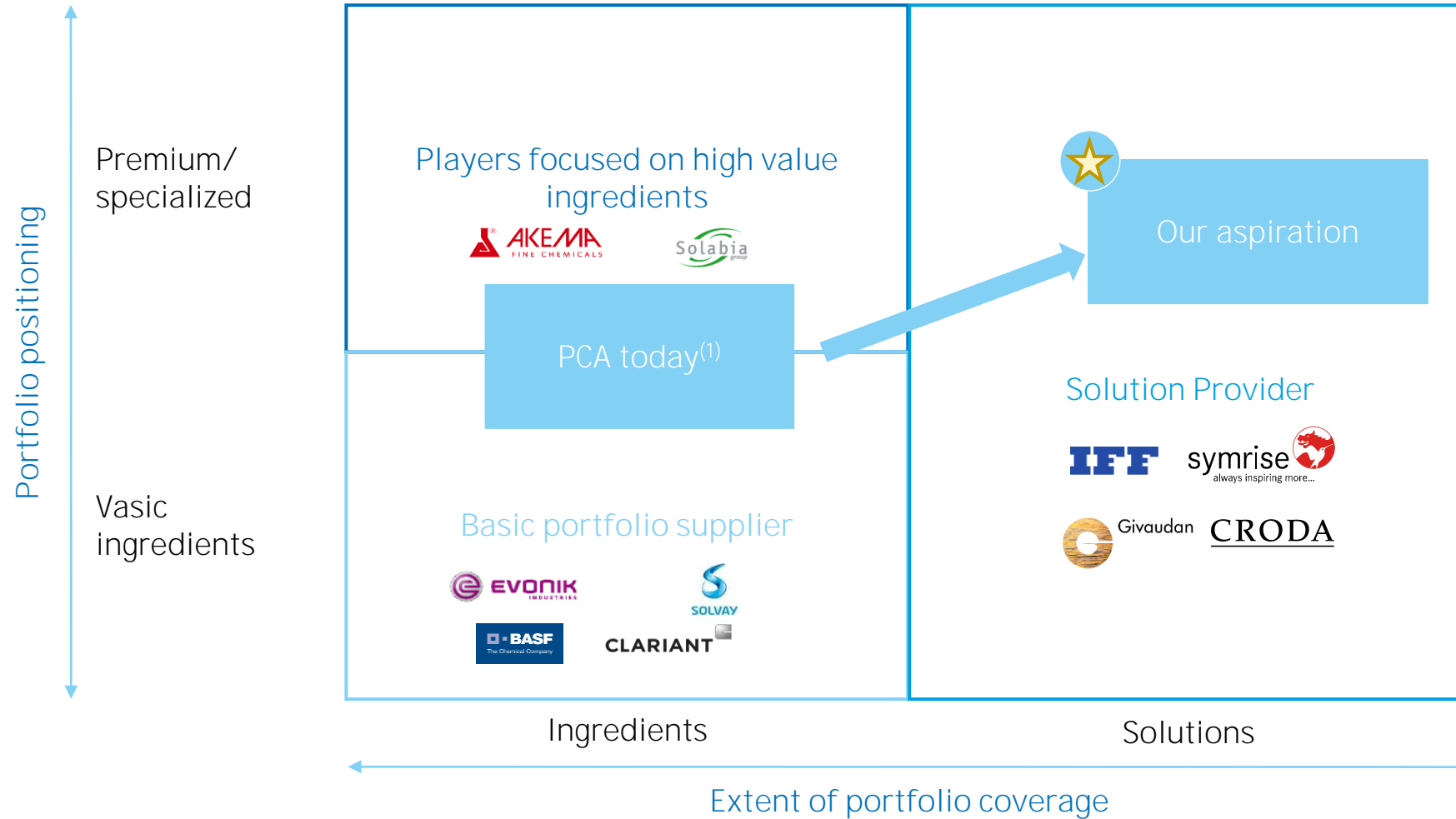
As consumers continue to realize that not all synthetic ingredients are detrimental and can offer a more sustainable alternative, biotechnologies increasingly **impact beauty ingredients' production**



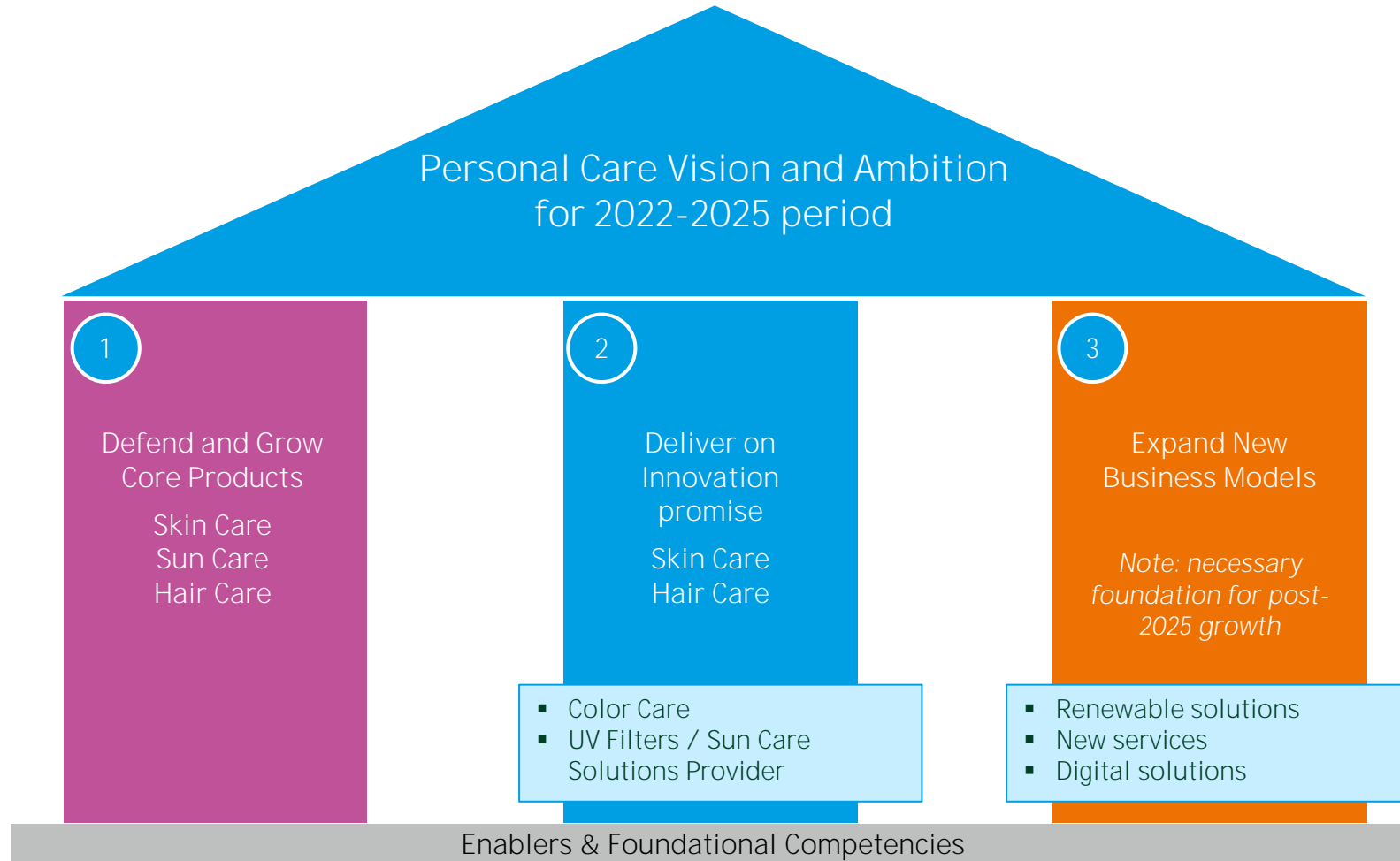
Integrated solutions  
*incl. new services, e.g., customization*

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

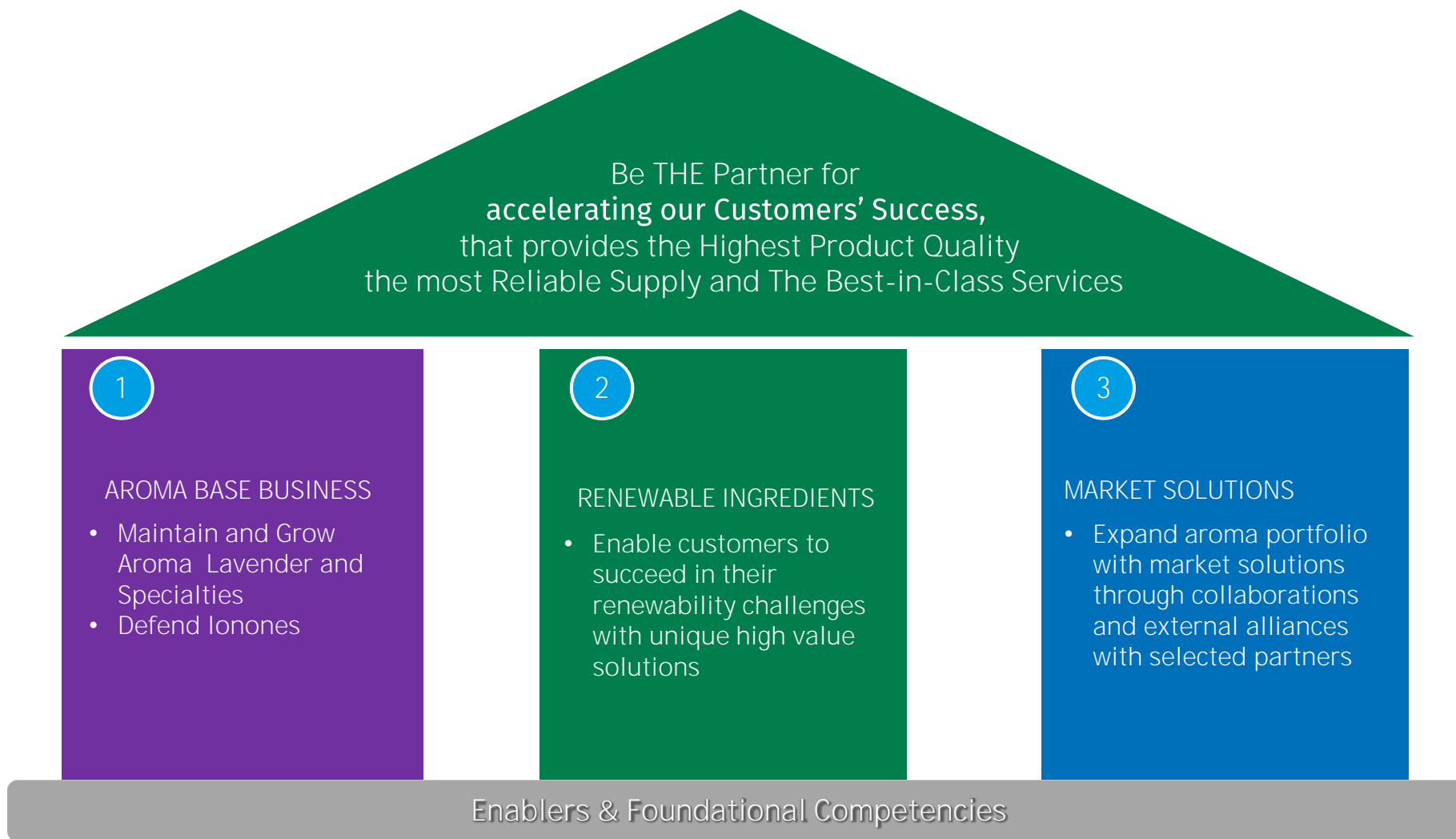
# Our aspiration: become a leading solution provider ...



# Personal Care 2022-2025 growth initiatives along 3 pillars



# 3 Pillars of DSM's Aroma Intermediates Strategy 2022-2025



# Our Promise

*The solutions that do good  
– and do it well*

We bring together...



In-depth  
Scientific Knowledge



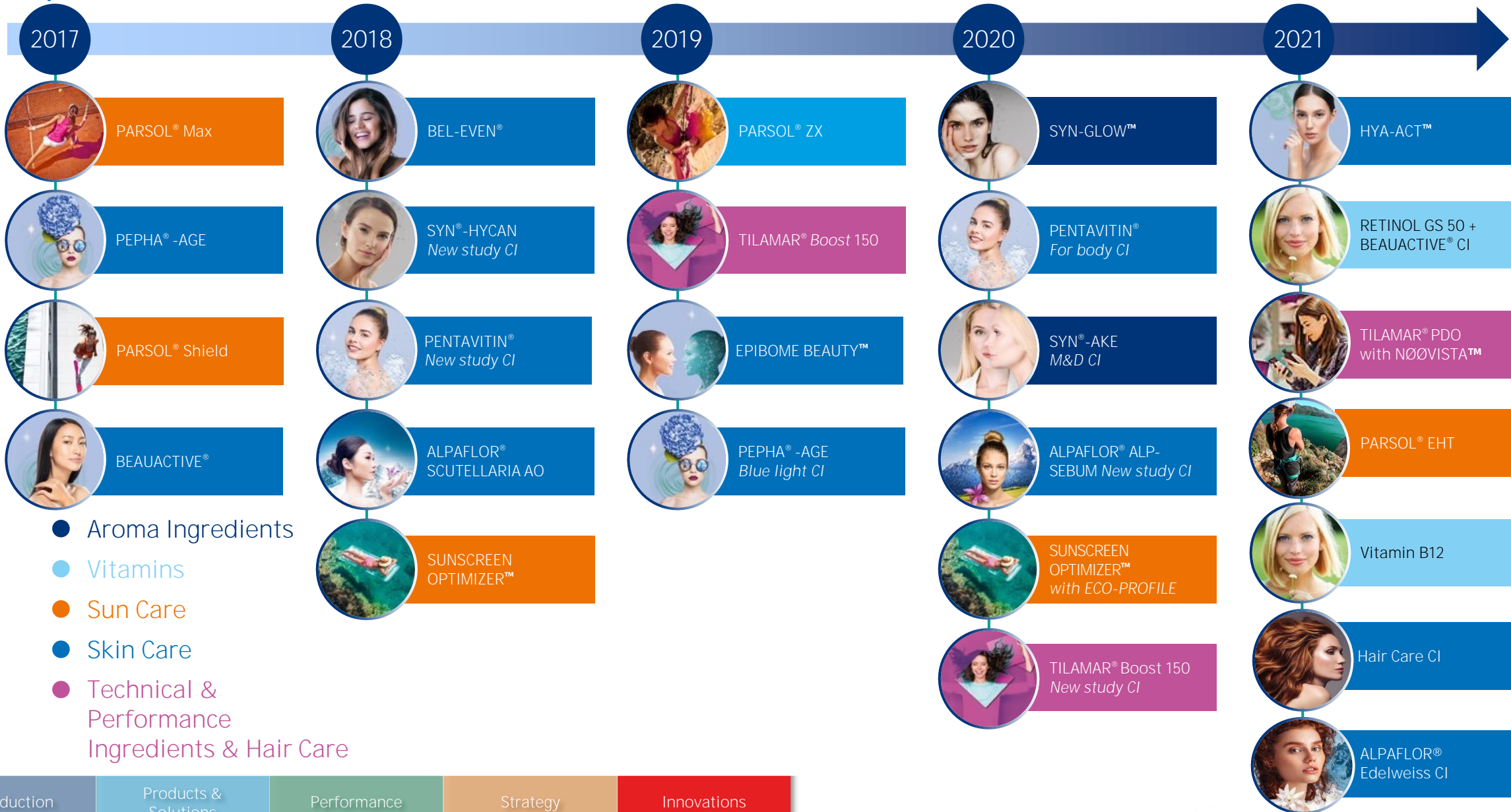
Always-on  
Innovation



Commitment to  
Sustainability



# Impressive innovation Track Record



- Aroma Ingredients
- Vitamins
- Sun Care
- Skin Care
- Technical & Performance Ingredients & Hair Care

# 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**

**VISIBLE**

**INVISIBLE**

- 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

Mineral Protection into the Blue SPF 30  
Sun protection cream based on only mineral UV filter with optimized sensory effect to look at their best.

Mineral fusion CC cream SPF 30  
For people who want UV mineral based formulation but with some light make-up effect to look at their best.

Mineral fusion BB cream SPF 30  
For people who want UV mineral based formulation but with some light make-up effect to look at their best.

## EPIBIOME BEAUTY™

### THE NEW LEVEL OF SKIN WELL-BEING!

- EPIBIOME™ BEAUTY combines our expertise in CORNEOCARE®, 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
  - ✓ CUTIBACTERIUM ACNES - an important gatekeeper that influences sebum production.
  - ✓ STAPHYLOCOCCUS EPIDERMIDIS - a keystone for healthy skin.
  - ✓ CORYNEBACTERIUM KROPPESTEDTII - 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 hyper pigmentation (-30%) and irritation (-25%)
- ✓ Prevents the skin premature aging by reducing ROS level (-35%) and carbonylated proteins (-60%)
- ✓ 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



# ... while taking great care of sustainability

## PRODUCTS

### Quali<sup>®</sup>-E vitamin

The lowest carbon footprint.



### ALPAFLOR<sup>®</sup>

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



### PENTAVITIN<sup>®</sup>

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<sup>®</sup>-E footprint calculator



### The House of Naturals



### Skin Cancer Prevention initiative



### DSM SUNSCREEN OPTIMIZER<sup>™</sup>



# 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

**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](http://www.dsm.com)



**BRIGHT SCIENCE. BRIGHTER LIVING.™**