DSM accelerates its purpose-led, performance-driven strategic journey

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DSM accelerates its purpose-led, performance-driven strategic journey

Global food systems face multiple challenges. DSM has the capability and responsibility to make a meaningful impact.

Addressing these food system challenges offer exciting new market opportunities for DSM.

DSM will be a fully focused Health, Nutrition & Bioscience company and realigns its global organization accordingly.

DSM is reviewing strategic options for the two Materials businesses.
With a growing global population, the world is facing multiple systemic and interconnected food system challenges that impact the health and wellbeing of people, animals, and the planet.
Global food systems face multiple systemic interconnected challenges

**People**
- (Hidden) Hunger and malnutrition
- Diet-related illnesses, overweight, obesity
- Vitamin and mineral deficiencies
- Immunity incl. anti-microbial resistance

**Planet**
- Emissions from livestock: Green House Gasses (e.g. methane), nitrogen, ammonia, phosphorus
- Loss of biodiversity, deforestation, loss ecosystem on land and in the ocean
- Food loss & waste

**Livelihoods**
- Inequality: Farmers not able to generate a *fair and stable income* in the value chain
- Lacking *basic needs* such as food, healthcare and education
Increased awareness of the critical role of food, supported by the rapid developments in science & technology

**Trends and societal challenges**

- **Consumer**
- **Society**
- **Environment**

**Bioscience & technology breakthroughs**

- **Biotechnology breakthroughs**
- **Data & Digital**
- **Precision & Personalization**

Market opportunity for solutions that offer Health and Nutrition

Science & technology enabling Unprecedented Precision
DSM has the capability and therefore the responsibility to make a meaningful impact on the global food systems, while this also creates exciting new market opportunities.

This way we are staying true to our purpose of creating brighter lives for all.
More than 150 years of deep scientific heritage, with biotech facilities around the world

- DSM is active in the major groups of microbial technologies, with bacteria, yeasts, fungi and microalgae
- Close to 50% of DSM’s current sales of nutritional ingredients is produced out of biobased or natural input materials
Enhanced leadership in Health, Nutrition & Bioscience through high quality M&A

- **Strengthened bioscience** position by adding a/o algae & fungi-based fermentation
- Added new product categories, building the most comprehensive portfolio of nutritional ingredients
- Expanded global geographic reach, becoming a global player
- Build a unique business model with solutions/premix and expanded this business model in precision and personalization
DSM has a rich innovation pipeline, predominantly bioscience-based

<table>
<thead>
<tr>
<th>Precision</th>
<th>Personalized Nutrition</th>
<th>Hologram Sciences, MixFit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Digitally enabled business models</td>
<td>Animal Precision Nutrition</td>
<td>Sustell™</td>
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<tr>
<td>Prevention</td>
<td>Healthy Gut</td>
<td>New HMOs, Culturelle® incl HMOs</td>
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<td>Healthy solutions provided by nature</td>
<td>Immunity</td>
<td>Ampli-D®, i-Health</td>
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<td></td>
<td>Sugar Reduction</td>
<td>Avansya</td>
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<td>Cultures Powerhouse</td>
<td>DSM-CSK</td>
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<td>Pharmaceutical Nutrition</td>
<td>Riboflavin for Hypertension</td>
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<td>Proteins</td>
<td>Personal Care</td>
<td>Naturals, F&amp;F Amyris</td>
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<td>Driving adoption of sustainable proteins to feed the population</td>
<td>Animal Gut Health</td>
<td>Eubiotics, Balancius®</td>
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<td>Pathways</td>
<td>Sustainable Food Proteins</td>
<td>CanolaPro®</td>
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<td>Sustainable ingredient manufacturing</td>
<td>Low-footprint Feed Proteins</td>
<td>Protease, Phytase, Cornzyme, Premix</td>
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<tr>
<td></td>
<td>Animal Emission Reduction</td>
<td>Bovaer™, VevoVitall®</td>
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<td></td>
<td>Bio-based Vitamins &amp; Carotenoids</td>
<td>Farnesene, vitamins</td>
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<td></td>
<td>Sustainable Lipids</td>
<td>Veramaris</td>
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DSM has created a unique business model

Precision & Personalization
Digitization & Bioscience as a know-how multiplier

Global Products
Science, Scale, Quality

Local Solutions
Global network offering local (customized) solutions
DSM is well positioned to make a meaningful impact on the food system transformation, and to capture the exciting growth opportunities. Therefore, DSM will exclusively focus on Health, Nutrition & Bioscience.
Accelerate to a fully focused Health, Nutrition & Bioscience company

- **Materials businesses** managed largely on a **standalone basis**; reviewing **strategic options**, including a possible change of ownership

- New **simplified** Health, Nutrition & Bioscience **organization** through:
  - **Creation of** 3 Business Groups with strong market focus
    - **Food & Beverage**
    - **Health, Nutrition & Care**
    - **Animal Nutrition & Health**
  - **Integration of innovation activities** of DSM Innovation Center in 3 Business Groups: Fully equipped to drive impactful innovations
  - **Alignment of global enabling functions** and **top structure**
DSM will realign its global organizational set up & reporting

Today

DSM Group

Nutrition
- Other Nutrition
- Food Specialties
- Personal Care & Aroma

Innovation Center

Materials
- Nutritional Products
- Animal Nutrition & Health
- Human Nutrition & Health
- Protective Materials
- Engineering Materials

1 January 2022

DSM Group

Food & Beverage
- Innovation

Health, Nutrition & Care
- Innovation

Animal Nutrition & Health
- Innovation

Materials
- Protective Materials
- Engineering Materials
Three BGs created with clear end-market orientation

Healthy diets for all through nutritious, delicious and sustainable solutions

Food & Beverage
€1.2bn*

Keeping the world’s growing population healthy

Health, Nutrition & Care
€2.3bn*

Radically more sustainable animal farming

Animal Nutrition & Health
€3.3bn*

* Based on 2 times H1 2021
Food & Beverage (F&B)
Healthy diets for all through nutritious, delicious and sustainable solutions

Sales €1.2bn*

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Dairy</td>
<td>30%</td>
</tr>
<tr>
<td>Baking, confectionary</td>
<td>15%</td>
</tr>
<tr>
<td>Savory</td>
<td>20%</td>
</tr>
<tr>
<td>Beverages</td>
<td>20%</td>
</tr>
<tr>
<td>Plant-based, sugar reduction</td>
<td>5%</td>
</tr>
<tr>
<td>Pet</td>
<td>10%</td>
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</table>

... in attractive markets

- 10% market share
- Strong biotechnology competences
- Top 3 player in Food Enzymes and Cultures
- Market leader in food premixes
- Integrated solutions supply capabilities

Food & Beverage €3 trillion (2020)

Pet Food €90bn (2020)
The opportunity for F&B
Serving a growing global population with healthy nutrition with the right taste and texture, sustainably produced

Key trends

- Consumer awareness of health and sustainability impact
  - Shift to plant-based proteins
  - Reduction of food waste
  - Use of label-friendly ingredients
  - Reduction of sugar, salt, and fat
  - Fortification, digestive health and immunity
  - Taste and texture

Offering new opportunities ...

- F&B companies seek new product solutions for tasty and at the same time healthier and sustainable products with fast time to market

- New innovative companies disrupting the market, e.g. with plant-based meat and dairy alternatives, seeking development partners that can supply integrated solutions

... for which DSM is uniquely positioned

- Ability to partner with customers to develop healthier products with the right taste and texture through integrated solutions

- Based on a broad ingredient portfolio for taste, texture and health, including new innovations such as EverSweet sweetener and CanolaPro

- Fueled by strong expertise in nutrition, F&B application, biotechnology, sustainability
Health, Nutrition & Care (HNC)
Keeping the world’s growing population healthy

Sales €2.3bn

Early Life Nutrition 20%
Nutritional improvement for the most vulnerable 5%
Dietary Supplements 35%
Pharma/ Medical Nutrition 15%
Personal Care & Aroma 20%
Biomedical Solutions 5%

DSM offering broad range of ingredients ...
... holding a strong market position ...
... in attractive markets

- Science leader in specialty nutritional and personal care ingredients and biomedical materials focusing on immunity, gut, brain and skin health, and solutions for orthopedics and cardiovascular
- 30% market share in attainable specialty markets
- Strong B2C business (i-Health) with globally leading brands (Culturelle®, AZO®, Estroven®)
- 40% of sales through solutions (premix, market-ready solutions, personalized nutrition solutions and B2C products)
The opportunity for HNC
Population growth & need for preventative and affordable nutrition and health drive growth

Key trends

- Increasing consumer focus on health and wellbeing and need for total solutions
- Increased awareness of importance of health and wellbeing and the role of proactive eating/living
- The power of natural fermentation/clean label
- Emerging markets
- Increased personalization
- B/C customers/value brands/e-commerce
- Need for total solutions

Offering new opportunities ...

- Ingredients and solutions for improving immunity, gut, brain and skin health
- Fermentative/advanced biotech technologies for replicating nature at scale and affordable cost in a sustainable way
- Advanced materials and proven solutions to improve orthopedic and cardiovascular interventions
- Opportunities for broadening the portfolio horizontally and vertically across the value chain
- Science-based, data-driven personalized nutrition & care solutions

... for which DSM is uniquely positioned

- Broadest science-backed portfolio of vitamins, lipids, pre- and probiotics, personal care & aroma ingredients, and natural materials for medical devices
- Leading player for fermentation/advanced biotech solutions
- Truly global business and premix network and global market-ready solutions capability across all activities
- Nutritional improvement for most vulnerable, supporting growth outside traditional markets (e.g., Africa)
- Personalized Nutrition (Hologram Science, Analytical/diagnostic services)
Animal Nutrition & Health (ANH)
Global population growth & need for radically more sustainable animal farming drive sales growth

Sales
€3.3bn

Poultry 45%
Swine 25%
Ruminants 20%
Aqua 10%

DSM offering broad range of ingredients...

... holding a strong market position...
- 30% market share
- Unique global premix network, strong representation in all regions in the world
- 65% of sales as solutions

... in attractive markets

Split by ingredient category
- Fat soluble vitamins
- Water soluble vitamins
- Carotenoids
- Feed enzymes
- Eubiotics - probiotics
- Minerals
- Mycotoxin Risk Management
- Other blending ingredients
The opportunity for ANH
Productivity & sustainability drive specialty feed ingredients

Key trends

- Professionalization of farming and ensuring farmers can earn a living
- Helping tackle antimicrobial resistance
- Reducing our reliance on marine resources
- Making efficient use of natural resources
- Reducing emissions from livestock
- Improving lifetime performance of farm animals

Offering new opportunities ...

- Digital:
  - Precision farming, labeling
- Advanced biotech
- Gut health sciences
  - Alternative for antibiotics
- Professionalization farming in developing countries
- Radical more sustainable farming

... for which DSM is uniquely positioned

- Sustell®, Verax, Erber Diagnostics (Romer Labs)
- Veramaris, Balancius, Midori US Inc.
- Probiotics, Prebiotics, enzymes and eubiotics for gut health
- Global network benefiting from higher inclusion rates. Strong position in LATAM and Asia
- We make this possible; with our current unique portfolio and our science-based innovation program
We will underpin our HNB journey by taking responsibility for our own footprint and people, and by taking care for the world through courageous food system commitments.

By doing so, we will build a sustainable growth company.
Building a growth company that delivers long-term, performance-driven profitable growth

Food systems face huge environmental and societal challenges and offer opportunities.

DSM uniquely positioned and has capabilities to capture these opportunities.

This creates long-term purpose-led positive impact on people and planet.

Responsibility for our own footprint and people:
- Management by our top performers
- Commitment to climate action
- Employee engagement
- Ongoing innovation
- Strong and inclusive organizational culture

Caring for the world: Ambitious food systems commitments:
- Health for People
- Health for Planet
- Healthy Livelihoods

Building a growth company that delivers long-term, performance-driven profitable growth.

Ambitious mid-term profit targets:
- MSD % organic sales growth
- Adj. EBITDA margins >20%
- HSD % annual adj. EBITDA growth

Great People, unique Culture
Taking full responsibility for our **OWN** footprint and people

- **GHG emission reductions**: 50% by 2030
- **Energy efficiency**: >1% avg. p/yr. till 2030
- **Purchased Renew. electricity**: 75% by 2030
- **Employee engagement**: >75% by 2021
- **Safety SFRI**: <0.25 by 2021
- **Female executives**: 25% by 2021
- **Brighter Living Solutions**: >65% by 2021

DSM top ranked in leading ESG-ratings
Accelerated our route to Net Zero by 2050

DSM is committed to achieve Net Zero GHG emissions across operations and value chains by 2050

- Validated science-based 2030 targets on Green House Gas emission reduction (scope 1&2) increased to 50% versus baseline 2016 (was 30%)

- Renewable electricity target China at 60% by 2030

- Increased internal price on carbon from €50 per mt of CO₂ to €100 per mt, to further guide its investments and operational decisions towards carbon neutral operations

- Biodiversity/water - reduction target set on water in H1- 10% efficiency improvement on water-intake in our water stress sites by 2030
Making positive impact on food systems
Contributing to the achievement of the UN Sustainable Development Goals

Health for People

Our ambitions
- Support affordable, accessible, aspirational healthy nutrition for a growing global population
- Fight hunger and malnutrition worldwide
- Provide for healthy diets and combat diet-related diseases such as type 2-diabetes and heart disease
- Support good health and immunity through good nutrition via diets and supplementation
- Reduce the risk of anti-microbial resistance

Our commitments
- Closing the micronutrient gaps of 800 million vulnerable people by 2030
- Supporting immunity of half a billion people by 2030

Health for Planet

Our ambitions
- Reduce greenhouse gas, ammonia and phosphorous emissions from livestock
- Limit the use of natural resources, reduce pressure on biodiversity: on land and in the oceans, conserve forests and oceans
- Drive sustainable animal proteins from within the livestock sector whilst improving animal health and welfare
- Develop and enable alternatives for animal proteins, that are nutritious, tasty and sustainably produced

Our commitments
- Double digits on-farm livestock emission reduction by 2030 by using our feed ingredients
- Reaching 150 million people with solutions for nutritious, sustainably produced plant-based protein foods by 2030

Healthy Livelihoods

Our ambitions
- Support farmers to generate a fair and stable income with sustainable farming practices
- Promote a healthy supply chain for food and feed production that provide welfare for the local communities in which they operate
- Promote education; equality; equity, human rights

Our commitments
- Supporting the livelihoods of 500,000 small-holder farmers across value chains by 2030
We are building a growth company that delivers long-term, performance-driven profitable growth

Ambitious mid-term profit targets:

- Mid-single digit % organic sales growth
- Adj. EBITDA margins >20%
- High-single digit % annual adjusted EBITDA growth

Adj. EBITDA DSM Nutrition (€m)

<table>
<thead>
<tr>
<th>Year</th>
<th>Adj. EBITDA</th>
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<tbody>
<tr>
<td>2015</td>
<td>822</td>
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<td>2016</td>
<td>931</td>
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<td>2017</td>
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<td>2018*</td>
<td>1117</td>
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<td>2019</td>
<td>1250</td>
</tr>
<tr>
<td>2020</td>
<td>1338</td>
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* Underlying business
We are building a growth company that creates brighter lives for all.
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