Presentation to Investors

Full year 2020 results
Content

- Q4 & Full Year 2020 results Presentation to Investors

- Annex:
  - ✓ Summary Key Financials Q4 and Full Year 2020
  - ✓ The strategic journey continues - *new growth opportunities*
Co-CEOs statement

“When faced with the unprecedented challenges from the pandemic, we remained determined to keep delivering for our customers, something that would not have been possible without the passion, resourcefulness and commitment of our exceptional colleagues. This enabled us to record a good financial performance in our Nutrition business, while Materials was significantly impacted by COVID-19. In Q4, business conditions in Human Nutrition remained strong, primarily in dietary supplements, reinforcing the importance of ‘health through nutrition’, while Animal Nutrition growth resumed after the mid-year destocking. Materials saw a very strong demand recovery driven by the automotive sector.

We continued to make good progress on the execution of our long-term strategic plan, including three specialty nutrition acquisitions that enhance our offering to customers, the divestment of Resins & Functional Materials, and delivering against our purpose-led sustainability ambitions in people and planet. With our innovation-focused growth platforms, we are firmly on track to deliver strong sales and earnings growth in coming years.

Whilst global uncertainty remains, looking ahead, we have a positive outlook for DSM in 2021.”

Geraldine Matchett and Dimitri de Vreeze
Full year 2020 financial highlights | Solid results
Solid results, led by good results in Nutrition and with a strong recovery in Materials in Q4

Net Sales* €8,106m
-2% organic sales growth

Adj. EBITDA* €1,534m
-1% Adj. EBITDA growth

Adj. Net Operating Free Cash Flow €955m
+19% Adj. Net Operating FCF growth

Continuing operations:
- Solid results in a challenging COVID-19 environment
- Group sales of €8,106m (+1%) and Adj. EBITDA of €1,534m (-1%)
  - Nutrition: sales +6%, organic sales +6%, Adj. EBITDA +7%
  - Materials: sales -13%, volumes -6%, Adjusted EBITDA -27%
- Adjusted net profit down 5% to €711m

Total Group:
- Net profit of €508m, Adj. net profit of €769m
- Adjusted Net Operating Free Cash Flow of €955m, up 19%
- Proposed dividend stable at €2.40 per ordinary share

* Continuing Operations
Q4 2020 highlights | A good Q4 despite significant negative FX

Continuing operations:
- DSM reports a good Q4 despite significant negative FX effects
- Group sales +8% and Adjusted EBITDA +5%:
  - Nutrition: sales +10%, organic sales +9%, Adjusted EBITDA +10%
  - Materials: sales +2%, volumes +14%, Adjusted EBITDA -10%
- Adjusted net profit up 2% to €167m

Total Group:
- Net profit of €55m, Adj. net profit of €178m
- Adjusted net operating free cash flow of €316m, +26% compared to Q4 2019

* Continuing Operations
Outlook 2021

- DSM expects to deliver an Adjusted EBITDA increase in Nutrition at the upper end of its mid-term strategic ambition of high single digit growth.

- Together with continued recovery in Materials, DSM expects an Adjusted EBITDA growth rate for the Group moving into double digits, with a continued good Adjusted Net Operating Free Cash Flow.

![Adjusted EBITDA DSM Nutrition (€m)]

* Underlying business
Nutrition | progress in 2020

- Completing a change program (‘Fit for Growth’)
  - Positioned DSM closer to its customers
  - Further reducing internal costs and complexities
- Expanding portfolio of specialty nutrition activities through 3 acquisitions for a combined outlay of around €2 billion
  - CSK in Food Specialties
  - Glycom in Early Life Nutrition
  - Erber in specialty Animal Nutrition & Health
- Advancing in innovation projects including Clean Cow/Bovaer®, Avansya, Veramaris
- Expanding innovation pipeline with new programs such as Ampli-D and CanolaPRO
- Refocusing innovation approach centered around 4 growth platforms:
  - Precision, Prevention, Proteins and Pathways
- Adding new opportunities in ‘Health through Nutrition’
  - Precision feeding in Animal Nutrition
  - Personalization in Human Nutrition (new venture called Hologram Sciences)
Nutrition FY 2020 | Highlights

Full year 2020 Sales
- Good performance in 2020
- Slightly positive impact from COVID-19 overall
- Strong increase in demand for immunity-optimizing products in Human Nutrition
- Good demand for packaged food applications in Food Specialties
- Good demand growth in Animal Nutrition, but COVID-19 caused volatility in sales over the quarters due to stocking-effects at customers
- Personal Care was weak due to lower demand for sun care and cosmetics. Demand for detergents and disinfectants was good

- Net Sales €6,365m
- Adj. EBITDA €1,338m
- Adj. EBITDA margin 21.0%

+6% organic sales growth
+7%
+30bps

Volums +5% Price/mix +1% FX -3% M&A +3%

Full year 2020 Adj. EBITDA
- 7% growth in Adj. EBITDA, supported by higher volumes, acquisitions (+4%) and partly offset by negative FX (-4%)
- Adj. EBITDA margin up at 21.0% owing to strong sales in Human Nutrition
Nutrition Q4 2020 | Highlights

Q4 2020 sales
- Continued strong demand in Dietary Supplements and Pharma in Human Nutrition
- Resumption of good demand after destocking of Q2 and Q3 in Animal Nutrition
- Food Specialties had a strong finish to the year with strong demand for beverages and dairy
- Aroma Ingredients continued to perform well, while Personal Care saw some improvement in sun care and cosmetics when compared to previous quarters

Q4 2020 Adjusted EBITDA
- Up 10%, with the contribution from acquisitions more than compensating the (-6%) negative FX especially from the Brazilian real and US dollar
- Adj. EBITDA margin was broadly stable at 20.3%

Net Sales €1,594m
- +9% organic sales growth

Adj. EBITDA €324m
- +10%

Adj. EBITDA margin 20.3%
- +10bps

Volumes +7%  Price/mix +2%  FX -7%  M&A +8%
Animal Nutrition FY 2020 | Highlights

Full year 2020 organic sales
- Q1 saw a strong COVID-19 accelerated purchasing effect that faded through Q2 and Q3 as customers unwound their inventories. In Q4, volumes were normalized at 5%
- Poultry saw good sales growth with higher demand for easy-to-prepare proteins. Growth was partly offset by softening demand in some emerging economies due to a general loss of household income
- Pork saw good demand with production in China picking up as the effects of African Swine Fever recede
- While global beef and aquaculture were in general soft due to significant exposure to food service channels, DSM performed well in these categories
  - Good sales growth in ruminants with strong Brazilian beef exports
  - Demand for farmed salmonids was solid
- Pet food saw strong demand

Net Sales
€3,025m

Organic growth
+8%

Acquisition of Erber’s Biomin and Romer Labs

+5% total sales growth

Volumes +4%  Price/mix +4%  FX -6%  M&A +3%
Animal Nutrition Q4 2020 | Highlights

Q4 2020 organic sales

- With the destocking completed in Q3, DSM saw strong demand in poultry and swine and a continued good level of beef exports out of Brazil
- The reported 2% higher prices were largely driven by higher pre-mix sales

Net Sales
€802m

Organic growth
+7%

Closing acquisition of Erber's Biomin and Romer Labs

+9% total sales growth

Volumes +5%  Price/mix +2%  FX -9%  M&A +11%
Animal Nutrition Q4 2020 | Highlights

- **Erber** was consolidated from 1 October 2020

- Strong contribution in its first quarter within DSM (Q4 2020)
  - ✔ realizing €81 million sales, with a total Adjusted EBITDA of €18 million

- **Erber acquisition:**
  - ✔ Gives DSM market leadership in mycotoxin prevention
  - ✔ Consolidates its position as one of the world’s largest and most innovative suppliers of eubiotics for animal health
  - ✔ Expands its capabilities in diagnostic technology and innovative testing solutions
Human Nutrition FY 2020 | Highlights

Full year 2020 organic sales

- **Dietary Supplements** and **Pharma** recorded a very strong performance throughout 2020, as COVID-19 drove strong consumer demand for immunity-optimizing products.
- **Food & Beverages** performed well with strong demand for packaged food recorded in the first two quarters normalizing in the second half.
- **Early Life Nutrition** sales were soft especially due to weak market conditions in China, the biggest market for infant formula.
- **Prices** significantly improved:
  - The lower vitamin C price effect faded during the year.
- **Total full year 2020 sales** were 5%, as the -2% foreign exchange effect fully offset the +2% contribution from the **Glycom acquisition**.

Net Sales

€2,143m

Organic growth

+5%

Acquisition of global leader in HMO's Glycom

+5% total sales growth

Volumes +7%  Price/mix -2%  FX -2%  M&A +2%
Human Nutrition FY 2020 | Highlights

- Acquisition of Glycom, the world’s largest developer and producer of human milk oligosaccharides (HMOs)
  - Consolidated as from 1 April 2020, delivered €43 million sales and Adjusted EBITDA of €21 million (Q2-Q4)
  - In Q4, Glycom delivered €14 million sales and Adjusted EBITDA of €7 million
  - Results reflected ongoing soft market conditions in Early Life Nutrition, with COVID-19 also impacting Glycom’s development work at customers

- The work on its second and third generation HMOs continued at pace, with Glycom strengthening its innovation pipeline and reinforcing its industry leadership in early life nutrition

- The exciting potential of cross-innovation outside Early Life Nutrition was highlighted in Q4 2020 through the launch by DSM’s i-Health business of a new Culturelle product range containing HMOs to support a healthy gut microbiome and helping the management of irritable bowel syndrome (IBS)
Human Nutrition Q4 2020 | Highlights

Q4 2020 organic sales

- Strong results in Dietary Supplements and Pharma
- Performance in Food & Beverages was solid
- Early Life Nutrition was weak
- Prices significantly improved, with a positive +2% effect in Q4
  - Early Life Nutrition still saw lower contractual prices
  - Q4 benefitted from lower levels of typical promotional activities in i-Health
- Total Q4 2020 sales were below the reported 9% organic growth at +5% due to a significant negative FX impact of -7%, only partly offset by the +3% contribution of Glycom

Net Sales €479m
Organic growth +9%
Strong demand for solutions optimizing immunity

+5% total sales growth

Volumes +7%  Price/mix +2%  FX -7%  M&A +3%
DSM sales from immunity optimizing ingredients are already more than 1 billion euros in 2020.
Other Nutrition activities FY 2020 | Highlights

Full year 2020 organic sales

- DSM's other Nutrition activities (Food Specialties and Personal Care & Aroma Ingredients) delivered +3% organic growth in 2020
  - Good performance in Food Specialties and Aroma Ingredients and a weak performance in Personal Care
  - Strong Q4 with +15% organic growth thanks to strong business conditions at Food Specialties, continued good conditions at Aroma Ingredients and some recovery in Personal Care

- Food Specialties delivered a good performance (+4%) with an overall neutral effect from COVID-19 on sales
  - Demand for savory and dairy was good throughout the year
  - Demand for hydrocolloids was soft
  - Q4 saw very strong demand across most product categories, with likely some stocking effects

- Personal Care & Aroma Ingredients recorded -4% organic sales development in 2020
  - Weak demand in sun protection and cosmetics which started to recover in Q4
  - Sales of Aroma Ingredients were good supported by increased demand for detergents and disinfectants
Other Nutrition activities FY 2020 | Highlights

- On December 30, 2019 DSM completed the acquisition of specialty dairy solutions provider Koninklijke CSK Food Enrichment C.V. (“CSK”)
  - Highly complementary combination of DSM’s dairy business and CSK’s business greatly strengthens DSM’s ability to serve the needs of dairy industries worldwide
  - Makes DSM well-placed to address the fast-growing and attractive dairy cultures market
  - Strengthened Food Specialties’ portfolio of taste, texture and bio-preservation solutions for semi-hard cheeses
- CSK recorded a strong performance in 2020, completing the integration ahead of schedule, delivering €69 million of sales and a total Adjusted EBITDA of €16 million, well ahead of the business plan for the initial year
- In Q4, CSK delivered €16 million sales and €4 million Adj. EBITDA
Materials
Materials | Progress in 2020

- In response to the sudden drop in demand at the end of Q1 owing to the pandemic, DSM acted promptly to minimize capex and operating costs.
- After the summer a new costs savings program started, part of an ongoing wider structuring initiative to leverage synergies and increase operating agility.
- DSM Materials continued to develop innovative solutions for Sustainable Living to create higher-growth, high margin opportunities.
- DSM announced an agreement to sell DSM Resins & Functional Materials, including DSM Niaga®, DSM Additive Manufacturing and the coatings activities of DSM Advanced Solar to Covestro AG for an Equity Value of €1.6 billion:
  - Transaction is expected to close in H1 2021.
  - DSM expects to receive approximately €1.4 billion net in cash.
  - As of Q3 2020, the divested businesses are classified as ‘held for sale’ and the net result from these discontinued operations is separately reported in the income statement.
Materials FY 2020 | Highlights (continuing operations)

Full year 2020 sales development
- Performance was significantly impacted by COVID-19
- Demand deteriorated abruptly at the end of Q1. Following a slow recovery over the summer, Materials saw a strong improvement from September onwards, especially in Engineering Materials, directly related to demand for automotive
- Volumes were down -6% in Engineering Materials, driven by automotive, and -9% in Protective Materials, driven by personal protection
- Prices were down 6% mainly reflecting lower input costs in DSM Engineering Materials

-12% organic sales development

Net Sales €1,518m
Adj. EBITDA €272m
Adj. EBITDA margin 17.9%
-Volumes -6%  Price/mix -6%  FX -1%  M&A 0%

Full year 2020 Adjusted EBITDA
- 27% Lower compared to previous year driven by a negative operational leverage and particularly lower volumes in high margin specialties which recorded a strong performance in the same period last year
- FX had a small negative impact. The Adj. EBITDA margin was 17.9%
Materials Q4 2020 | Highlights (continuing operations)

Q4 2020 sales development

- **Engineering Materials** reported an exceptionally strong quarter with +17% volume growth owing to a strong return in global car builds and stocking through the automotive value chain. Electronics continued to record good sales growth for personal computers and portable devices

- **Protective Materials** reported +6% volume growth. Personal protection activities were still significantly impacted by delays in large orders by local authorities and governments, despite a healthy order book

- **Prices** were down 9%, reflecting lower input costs in Engineering Materials and a negative mix in DSM Protective Materials. At the end of the quarter, raw material cost started to increase leading to price increase initiatives in DSM Engineering Materials

Q4 2020 Adjusted EBITDA

- Down 10% due to weak performance in personal protection compared to the strong performance in Q4 2019

- The Adj. EBITDA margin was 20.0% showing good recovery versus Q2 (12.6%) and Q3 (17.1%)

- **Net Sales** €426m

- **Adj. EBITDA** €85m

- **Adj. EBITDA margin** 20.0%

- +5% organic sales growth

- -10%

- -250bps

- Volumes +14%  Price/mix -9%  FX -3%  M&A 0%
Innovation Center | Highlights (continuing operations)

- In 2020, the Innovation Center continued to support the creation of innovation-based opportunities for future earnings growth throughout DSM.
- Full year sales were in line with the previous year. DSM Biomedical delivered a solid performance even with the postponement of elective surgeries due to COVID-19.
- Full year Adjusted EBITDA was below the prior year with a solid performance of Biomedical, offset by lower results in the back sheet business of Advanced Solar.
- Q4 2020 sales were in line with last year with Q4 2020 adj. EBITDA of €5 million, versus €7 million same period prior year.
- In Q4, DSM recorded a write down of €56 million on its solar assets following the sale to Covestro. This write down is expected not to impact the total net gain of about €500 million on the divestment of the Resins & Functional Materials businesses.
- Additionally, DSM recorded a €56 million impairment in its bio-based products and services activities, owing to an expected subdued market for biofuels.
Strong Cash generation & reduction Working Capital in 2020

- Adjusted Net Operating Free Cash Flow* is up 18% versus 2019 on the back of good working capital management throughout the year. With this strong performance, both in 2019 and 2020, DSM is well ahead of its strategic target of an average annual increase of 10%.

- Operating Working Capital and Total Working Capital: The strong collection efforts and good Q4 sales resulted in a 3% improvement in Operating Working Capital and Working Capital at the end of the year.

- Net debt increased in 2020 by €1,433m, from €1,144m at year-end 2019 to €2,577m. The main contributors to this increase were the acquisition of Glycom and Erber.

- 2020 ROCE from continuing operations was 10.4%, versus 12.3% in 2019. When excluding M&A, 2020 ROCE is 12.2%.

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* Continuing Operations
Purpose led | Performance driven

DSM fully committed to its *sustainability* ambitions
### Full year 2020 sustainability highlights

**DSM well on track achieving its sustainability ambitions**

<table>
<thead>
<tr>
<th>2021/2030 ambition</th>
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</tr>
</thead>
<tbody>
<tr>
<td>GHG reduction -30% by 2030 vs 2016</td>
<td>Energy efficiency &gt;1% avg. p.y. till 2030</td>
<td>Purchased renewable electricity 75% by 2030</td>
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<tr>
<td>18% reduction</td>
<td>5.7% improvement</td>
<td>Employee engagement favorable score &gt;75% by 2020</td>
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<td>Safety SFRI index &lt;0.25 by 2021</td>
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<td>0.24</td>
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<td>Female executives 25% by 2021</td>
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<td>21%</td>
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<td>Brighter Living Solutions &gt;65% by 2021</td>
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<td>63%</td>
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**2021/2030 ambition**

- MSCI ESG Rating AAA
- Sustainalytics Sector Leader
- Corporate ESG Performance
- CDP A for Climate A+ for Water
- FTSE4Good
- DSM
Introducing Team DSM: Being the best we can be

Purpose-driven partnership with pro-cycling Team DSM
## Key financials (continuing operations)

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
<th>% Change</th>
<th>Q4 2020</th>
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<tbody>
<tr>
<td>Sales</td>
<td>8,106</td>
<td>7,998</td>
<td>1%</td>
<td>2,080</td>
<td>1,934</td>
<td>8%</td>
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<tr>
<td>Adj. EBITDA</td>
<td>1,534</td>
<td>1,551</td>
<td>-1%</td>
<td>390</td>
<td>373</td>
<td>5%</td>
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<tr>
<td>Adj. EBITDA margin</td>
<td><strong>18.9%</strong></td>
<td>19.4%</td>
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<tr>
<td>EBITDA</td>
<td>1,368</td>
<td>1,457</td>
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<td>348</td>
<td>324</td>
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<td>ROCE (%)</td>
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<td>Adjusted Result - continuing operations²</td>
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<td>Result - continuing operations²</td>
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<td>Adj. net EPS</td>
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<td>Operating Cash Flow</td>
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<td>Adj. Net Operating Free Cash Flow</td>
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¹ Over Adjusted taxable result
² Including result attributed to non-controlling interest
## FY 2020 and Q4 2020 Sales & Adj. EBITDA (margin) - (continuing operations)

<table>
<thead>
<tr>
<th></th>
<th>Full year 2020</th>
<th>Full year 2019</th>
<th>% Change</th>
<th>Volume</th>
<th>Price/mix</th>
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<td>Nutrition</td>
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Adjusted EBITDA is an Alternative Performance Measure (APM) that reflects results from usual operations.
# Financial details by cluster

## DSM Nutrition

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<td>6,365</td>
<td>6,028</td>
<td>6%</td>
<td>1,594</td>
<td>1,455</td>
<td>10%</td>
</tr>
<tr>
<td>Adj. EBITDA</td>
<td>1,338</td>
<td>1,250</td>
<td>7%</td>
<td>324</td>
<td>294</td>
<td>10%</td>
</tr>
<tr>
<td>Adj. EBITDA margin (%)</td>
<td>21.0%</td>
<td>20.7%</td>
<td>7%</td>
<td>20.3%</td>
<td>20.2%</td>
<td>10%</td>
</tr>
<tr>
<td>Adj. EBIT</td>
<td>919</td>
<td>881</td>
<td>4%</td>
<td>202</td>
<td>194</td>
<td>4%</td>
</tr>
<tr>
<td>Capital Employed</td>
<td>8,308</td>
<td>6,731</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Average Capital Employed</td>
<td>7,315</td>
<td>6,347</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ROCE (%)</td>
<td>12.6%</td>
<td>13.9%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Working Capital</td>
<td>1,565</td>
<td>1,644</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Average Total Working Capital as % of Sales</td>
<td>27.0%</td>
<td>27.8%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

## DSM Materials (continuing operations)

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
<th>% Change</th>
<th>Q4 2020</th>
<th>Q4 2019</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>1,518</td>
<td>1,744</td>
<td>-13%</td>
<td>426</td>
<td>417</td>
<td>2%</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>272</td>
<td>372</td>
<td>-27%</td>
<td>85</td>
<td>94</td>
<td>-10%</td>
</tr>
<tr>
<td>Adjusted EBITDA margin (%)</td>
<td>17.9%</td>
<td>21.3%</td>
<td>-27%</td>
<td>20.0%</td>
<td>22.5%</td>
<td>-10%</td>
</tr>
<tr>
<td>Adjusted EBIT</td>
<td>168</td>
<td>270</td>
<td>-38%</td>
<td>56</td>
<td>66</td>
<td>-15%</td>
</tr>
<tr>
<td>Capital Employed</td>
<td>953</td>
<td>1,060</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Average Capital Employed</td>
<td>1,026</td>
<td>1,079</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ROCE (%)</td>
<td>16.4%</td>
<td>25.0%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Working Capital</td>
<td>215</td>
<td>250</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Average Total Working Capital as % of Sales</td>
<td>17.1%</td>
<td>17.1%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
# Financial details

## Innovation Center (continuing operations)

<table>
<thead>
<tr>
<th>in € million</th>
<th>2020</th>
<th>2019</th>
<th>Q4 2020</th>
<th>Q4 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>184</td>
<td>184</td>
<td>51</td>
<td>51</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>21</td>
<td>26</td>
<td>5</td>
<td>7</td>
</tr>
<tr>
<td>Adjusted EBIT</td>
<td>-17</td>
<td>-12</td>
<td>-4</td>
<td>-5</td>
</tr>
<tr>
<td>Capital Employed</td>
<td>436</td>
<td>599</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

## Corporate Activities

<table>
<thead>
<tr>
<th>in € million</th>
<th>2020</th>
<th>2019</th>
<th>Q4 2020</th>
<th>Q4 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>39</td>
<td>42</td>
<td>9</td>
<td>11</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>-97</td>
<td>-97</td>
<td>-24</td>
<td>-22</td>
</tr>
<tr>
<td>Adjusted EBIT</td>
<td>-141</td>
<td>-150</td>
<td>-35</td>
<td>-33</td>
</tr>
</tbody>
</table>

## Discontinued Operations

<table>
<thead>
<tr>
<th>in € million</th>
<th>2020</th>
<th>2019</th>
<th>Q4 2020</th>
<th>Q4 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>932</td>
<td>1,012</td>
<td>232</td>
<td>218</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>116</td>
<td>133</td>
<td>19</td>
<td>23</td>
</tr>
<tr>
<td>Adjusted EBIT</td>
<td>82</td>
<td>86</td>
<td>19</td>
<td>9</td>
</tr>
</tbody>
</table>

- Discontinued Operations captures the result of DSM’s Resins & Functional Materials businesses, which were previously included in the Materials and Innovation segment.
- Resins & Functional Materials saw continued good recovery of demand throughout the fourth quarter with volume growth at 21%. Adjusted EBITDA amounted to €19 million in Q4 2020 compared to €23 million in Q4 2019.
Cash Flow, Working Capital and ROCE%

Condensed Cash Flow statement and (Operating) Working Capital

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
<th>Q4 2020</th>
<th>Q4 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash provided by Operating Activities</td>
<td>1,360</td>
<td>1,265</td>
<td>454</td>
<td>400</td>
</tr>
<tr>
<td>Cash from APM adjustments</td>
<td>86</td>
<td>53</td>
<td>26</td>
<td>20</td>
</tr>
<tr>
<td>Cash from capital expenditures</td>
<td>-557</td>
<td>-568</td>
<td>-198</td>
<td>-184</td>
</tr>
<tr>
<td>Cash from drawing rights</td>
<td>-17</td>
<td>-14</td>
<td>-3</td>
<td>-6</td>
</tr>
<tr>
<td>Adjusted Net Operating Free Cash Flow</td>
<td>872</td>
<td>736</td>
<td>279</td>
<td>230</td>
</tr>
</tbody>
</table>

Operating Working Capital     | 2,052 | 2,137 |
Average Operating Working Capital as % of Sales   | 27.3% | 27.9% |
Operating Working Capital as % of Sales - end of period | 24.6% | 27.6% |
Total Working Capital         | 1,580 | 1,743 |
Average Total Working Capital as % of Sales   | 22.3% | 22.4% |
Total Working Capital as % of Sales - end of period | 19.0% | 22.5% |

Average Total Working Capital as % of Sales

ROCE (%)
Proposed Total Dividend for 2020: stable at €2.40 per ordinary share
The strategic journey continues

DSM sales from immunity optimizing ingredients are already more than 1 billion euros in 2020
Royal DSM @ a glance* (2020)

- History: Founded in 1902 (Netherlands)
- Sales: €8.1bn Sales, >80% in Nutrition
- Global: ~ 35% of sales to the Americas, ~ 35% of sales to Europe, ~ 30% of sales to Asia
- Workforce: ~ 21,000 employees
- Innovation: ~ 20% of sales (avg. last 5 years)
- Sustainability: ESG leader in MSCI, Sustainalytics

*continuing operations only
DSM’s global presence*

Well balanced across the globe

Sales by Origin (2020)

- Netherlands 19%
- Switzerland 27%
- Latin America 8%
- North America 17%
- Rest of Europe 13%
- Asia 4%
- China 11%

Sales by Destination (2020)

- North America 22%
- Latin America 13%
- Asia 16%
- Rest of Europe 26%
- Switzerland 3%
- Netherlands 5%

*continuing operations only
DSM’s Strategy - Growth & Value
Our Purpose led, Performance driven strategy stands firm

Our competences and purpose...

Our key competences + addressing megatrends and the UN SDGs:

provide growth opportunities in our focus domains...
a science-based company active in Nutrition, Health and Sustainable Living:

creating a growth company...

with targets that underpin our mission.

Our 2019–2021 targets:

- High single-digit % annual increase in Adjusted EBITDA
- ~10% average annual increase in Adjusted net operating free cash flow
- Value-creating M&A
DSM’s unique and successful business model in Nutrition

Broad, global portfolio in nutritional ingredients & local solutions

Global Products

- Vitamins
- Textures
- Colorants
  - Carotenoids
- Clean Cow
  - Veramaris
- Omega 3/6
  - Nutritional Lipids
- Enzymes
- Mycotoxin
  - Risk Management
- Yeast
  - (extracts)
- Other
  - Food/Feed Ingredients
- Natural
  - Preservatives
- HMOs
- Probiotics
- Cultures
- Stevia
- Sweeteners

Functionalities

Local Solutions

Regions

- N-AM
- L-AM
- EMEA
- Asia
- ROW

Market Segments

Animal

Human
We have built a unique & successful Nutrition business

Organic sales growth CAGR 2015-20\(^1\)

Adj. EBITDA growth CAGR 2015-20\(^1\)

EBITDA% improvement 2015 vs. 2020\(^1\)

\(^1\) Underlying business
Drivers Animal Nutrition
Global population growth & sustainability drive mid-single digit growth

Sales (DSM €3.5bn incl Erber)
- Poultry 45%
- Swine 20%
- Ruminants 20%
- Aqua 10%
- Pet 5%

Growing Population
7 Bn (2011) → 9.7 Bn (2050)

Ensure enough food for everyone within planetary boundaries

- Helping tackle antimicrobial resistance
- Reducing our reliance on marine resources
- Reducing emissions from livestock
- Making efficient use of natural resources
- Improving the quality of meat, milk, fish and eggs, while reducing food loss and waste
- Improving lifetime performance of farm animals

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Drivers Human Nutrition (incl Food Specialties and PCA)

Health solutions & end-market focus driving mid-single digit growth

<table>
<thead>
<tr>
<th>Sales (€3 Bn)</th>
<th>KSF</th>
<th>Innovation space</th>
</tr>
</thead>
<tbody>
<tr>
<td>Early Life Nutrition</td>
<td>€0.5 Bn</td>
<td>Quality</td>
</tr>
<tr>
<td>Food &amp; Beverage</td>
<td>€0.9 Bn</td>
<td>Application technology</td>
</tr>
<tr>
<td>Dietary Supplements</td>
<td>€0.8 Bn</td>
<td>Nutritional science</td>
</tr>
<tr>
<td>Pharma / Medical Nutrition</td>
<td>€0.3 Bn</td>
<td>Regulatory</td>
</tr>
<tr>
<td>Personal Care &amp; Aroma</td>
<td>€0.5 Bn</td>
<td>Consumer concept</td>
</tr>
</tbody>
</table>

- Mothers’ milk as gold standard
- Taste, texture & health
- Health benefits, e.g. immunity
- Supporting disease treatment
- Skin health
Acquisitions and innovations strengthen our value propositions
Health through Nutrition – developments in science & technology opening up exciting new opportunities in Nutrition

Trends and societal challenges

Consumer  Society  Environment

Lifesciences & technology breakthroughs

Biotechnology breakthroughs  Data & Digital  Precision & Personalization

Market opportunity for solutions that offer Health through Nutrition

Science & technology enabling Unprecedented Precision
Growth platforms support our innovation
Providing focus to our deep innovation pipeline

**Precision**
*Digitally enabled business models*

- Personalized Nutrition
- Animal Precision Nutrition

**Prevention**
*Prevent health issues, boost immunity*
*Healthy solutions provided by nature*

- Healthy Gut
- Immunity
- Sugar Reduction
- Cultures Powerhouse
- Pharmaceutical Nutrition
- Personal Care
- Animal Gut Health

**Proteins**
*Driving adoption of sustainable proteins to feed the population*

- Sustainable Food Proteins
- Low-footprint Feed Proteins
- Animal Emission Reduction

**Pathways**
*Sustainable (biotech-based) ingredients*

- Bio-based Vitamins & Carotenoids
- Sustainable Lipids

---

[Diagram showing stages of ideation, feasibility, development, scale up, and implementation]
Continuing to advance our innovation projects

While expanding its innovation pipeline with new programs
Next frontier for Nutrition: Precision & Personalization

Adding new dimension to business model

- **Customer relevance & Reach**
- **Science & Scale**
- **Broad regional network for Local Solutions**
- **Unique portfolio of Global Products**

Powered by Data & Bioscience as a know-how multiplier
Adding new opportunities in ‘Health through Nutrition’

Precision feeding in animal nutrition and personalization in human nutrition

Precision Farming - You can only act on what you measure

New DSM sustainability service creates transparency on environmental footprint for farmers
Nutrition – Attractive market delivering strong performance via “Health through Nutrition”

Attractive market + Unique position = Strong performance

Precision & Personalization

Global Products

Local Solutions

Mid single digit % organic sales growth

>20% adjusted EBITDA margin

High single digit % annual adjusted EBITDA growth
Materials | fully geared to benefit from global markets & customer megatrends

Trends:

Demand for lighter, stronger, high-performance materials

Demand and regulatory pressure for more circular and bio-based products with a reduced carbon footprint

Demand and regulatory pressure for safer materials

DSM Materials ideally positioned to benefit from this trend:

Increased offering of high-value, specialty, high performing polymer specialties

Bio-based and circular solutions for an increased range of our portfolio – with an improved carbon footprint

Safer solutions, free from hazardous substances
Materials | Accelerating Profitable Growth

Accelerating our profitable growth

... with continued commitment to our business strategies...

... will involve focusing on our key growth levers...

... across our key market segments...

Building on our strong foundation
DSM Group | Strategic priorities and key path forward

Deliver on current performance expectations....

1. Maintain strong purpose led performance and be partner of choice for customers
2. Deliver on our innovation promise
3. Synergize recent M&A

...and build the company of the future!

4. Build our future business model through digital & bioscience and M&A
5. Stronger branding focus on Health through Nutrition
6. People & Culture: flotilla organization

7. Align organization to future needs
DSM Group | Financial policies

1st
Disciplined capex for organic growth
~50-60% focused on growth

2nd
Dividend
Stable, preferably rising

3rd
M&A
Prudent & disciplined, value creation is key

4th
Share buy-backs
To be considered in the absence of value-creating M&A

Mid-term capital structure: 1.5-2.5x net debt / Adj. EBITDA
Committed to maintaining a strong investment grade credit rating
DSM is fully committed to its long-term sustainability ambitions

- GHG: -30% 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
- BLS: >65% by 2021
For more information on DSM’s portfolio, products & strategy, please visit our Factbook online

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.

More details on DSM’s 2020 performance can be found in the 2020 results press release, published together with this presentation. 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