

# Press Release

DSM (China) Ltd.  
DSM China Corporate Communications

476 Libing Road, Zhangjiang Hi-Tech Park  
201203 Pudong New Area, Shanghai,  
China

Date  
August 2 , 2013 Shanghai, China

## DSM in China publishes Integrated Annual Report 2012

Royal DSM, the Life Sciences and Materials Sciences Company, today published its 2012 annual report on three dimensions of People, Planet and Profit in China. This is the sixth year that the report has been published in the country. DSM has made good progress in China particularly on strategic investment and innovations while improve the environmental footprint of its own business and that of its stakeholders in the value chains. DSM in China also achieves public recognition for its investment in people and society.

As the supplementary report of DSM's global integrated annual report, the report in China demonstrates DSM's achievements in economic, environmental and social performance as well as indicating areas for further improvement. Against the global challenges from economic, environmental and societal perspective, DSM see these challenges as opportunities. DSM has made great efforts in providing innovative and sustainable solutions to help its customers address their current and future needs. DSM also invests in a strategic and proactive dialogue with its key stakeholders, not only to share thoughts and views, but also to deepen the company's insights into governmental, societal and customer trends, drivers and needs.

"With a solid foundation in the local market, DSM in China has made good progress in 2012 specifically in strategic investment and R&D activities, while successfully managing emissions," said Dr Jiang Weiming, DSM China President. "At the same time, we took major steps to enhance our efforts on societal engagement and employee development."

### People: ONE DSM Culture Agenda and safer work practices

DSM's human resources strategy contributes to the development of inspiring and collaborative leaders, creates an engaged and competitive workforce, and fosters an inclusive environment where people trust and respect one another, and where they encourage each other to achieve sustainable focused business growth. The approach is supported by the ONE DSM Culture Agenda.

In 2012, DSM transitioned its Change Agenda into the ONE DSM Culture Agenda. The themes of the ONE DSM Culture Agenda have been simplified and more aligned with DSM's business environment and business strategy, as well as with its global footprint. With the ONE DSM Culture Agenda, DSM is developing the culture required to achieve its strategic ambitions, to mirror the world it operates in, and to become a high performance organization. The four themes of the agenda are: External Orientation, Accountability for Performance, Collaboration with Speed, Inclusion and Diversity.

In China, the Frequency Index of Total Recordable Injuries further improved to 0.14 (including contractors) in 2012, which was a reduction by 26% compared to 2011. In comparison to other regions, DSM China's safety performance ranks top. The improvements are attributable to increased efforts at all levels and in all disciplines in the organization to focus on safe work practices. The renewed implementation of DSM's Life Saving Rules was a major program in 2012.

#### **Planet: operational improvement achieves higher energy efficiency and reduces emissions**

DSM is committed to continuously reduce its environmental footprints. DSM China sites have taken measures to reduce energy consumption by recycling energy and increasing efficiency. At the same time, efforts were made to reduce water use as well as emissions of pollutants and waste.

The energy efficiency of DSM China sites in 2012 improved from a year before due to a series of energy-saving projects. Emissions to air such as air pollutants including Nitrogen oxide (NO<sub>x</sub>) and Sulfur dioxide (SO<sub>2</sub>) significantly decreased due to the two coal-fired steam boilers at DSM Nanjing Chemical Company Ltd. (DNCC) were closed in July 2011. Greenhouse-gas emissions decreased from 0.92 million tons in 2011 to 0.88 million tons in 2012. A structural improvement was realized at DNCC, where an N<sub>2</sub>O abatement system was taken into operation in September 2012.

DSM China sites' water consumption, split up into surface water, ground water and tap water. Total water withdrawal decreased to 5.70 million m<sup>3</sup> in 2012, 17% decrease from a year before. Specific water project at DSM Engineering Plastics (Jiangsu) Ltd. in Jiangyin resulted in significant local reductions.

#### **Profit: investments on production sites and R&D to achieve sustainable growth**

In 2012 DSM China sales achieved USD 1.7 billion. DSM in China has boasted a full range of business portfolio both in Life Sciences and Materials Sciences areas, covering the market demand well.

DSM in China has invested both in production site and innovations. Part of that investment is being made in an expansion project to double the caprolactam capacity of DNCC, to 400 kilotons per year. The new facility is due to come on stream at the end of 2013 and is expected to operate at full capacity in early 2014.

DSM has stepped up major efforts in building on the world-class R&D facility in China. For example, DSM starts to build an animal nutrition and health center in Bazhou, Hebei Province. This center will provide important scientific data to the animal nutrition industry development in China. The company has also developed major activities in the performance material research center in Shanghai. The center will provide the first-class business solution to our customers on various applications.

To download the *DSM China Integrated Annual Report 2012*, please click [here](#).

#### **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 23,500 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](http://www.dsm.com).

DSM began trading with China in 1963 and established its first China sales office and first manufacturing facility in the early 1990s. The company currently has 40 affiliates in China, including 26 manufacturing sites, and employs about 3,500 people. The DSM China regional headquarters and China

Science and Technology Center is located in Shanghai. DSM's business is growing healthily and steadily in China, with revenue of USD1.7 billion in 2012.

**Media enquiries:**

Wendy Zhang  
DSM China Limited  
Tel: 021 - 6141 8003  
Email: [wendy.zhang@dsm.com](mailto:wendy.zhang@dsm.com)