

Purpose-led, Performance-driven

Factbook 2022

Introduction to DSM



DSM

BRIGHT SCIENCE. BRIGHTER LIVING.

Content

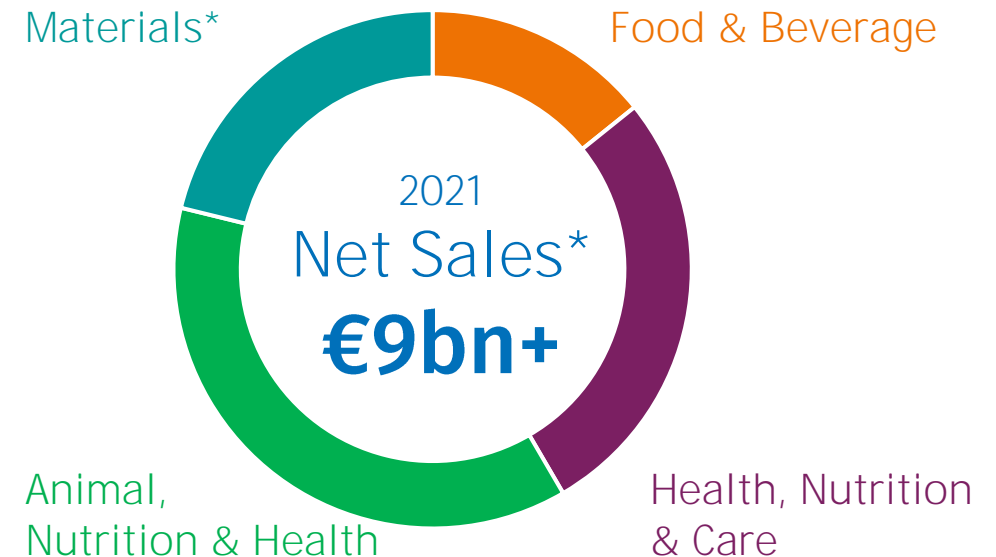
- DSM - Health, Nutrition & Bioscience
- **DSM's Strategy**
- **DSM's businesses** – with large addressable markets
- Annex I -Financial performance
- Annex II – Governance



DSM - Health, Nutrition & Bioscience

- DSM is a global, purpose led company active in Health, Nutrition and Bioscience, with a long-term focused, innovation driven, growth strategy
- **DSM's purpose is to apply its science to create Brighter Lives for All, with its products and solutions to create a positive societal impact on people, planet and livelihoods, while its operations have a best in class Environmental, Societal and Governance score. DSM want to create sustainable value for all stakeholders**
- DSM has a strong business model with a unique combination of Global Products , Local Solutions and Precision & Personalization
 - **Global Products:** core being world's largest portfolio of Nutritional ingredients
 - **Local Solutions:** global network of facilities offering local solutions and integrated product offering
 - **Precision & Personalization,** powered by data and biosciences as know-how multiplier

* DSM is currently reviewing the strategic options for its Materials businesses including a possible change of ownership



DSM has more than 150 years of deep scientific heritage, with bioscience facilities around the world

1902

Royal DSM

Chemical synthesis & biotechnology



1869

Gist-Brocades

Biotechnology



1930s

F. Hoffman La Roche's Vitamins

Chemical synthesis & biotechnology



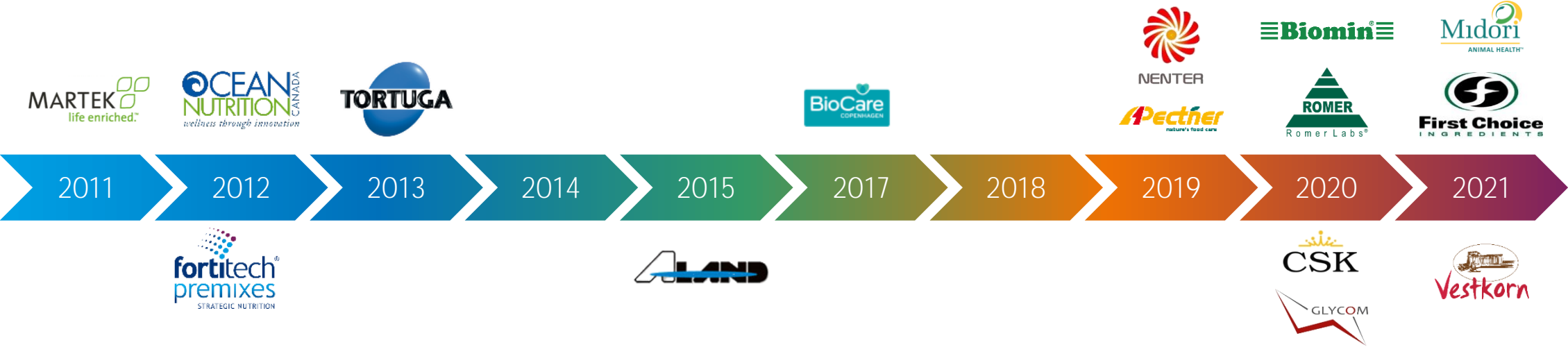
Today

~1,250 scientists in 20 bioscience research laboratories worldwide



- DSM is active in the major groups of biosciences including microbial technologies with bacteria, yeasts, fungi and microalgae
- Close to 50% of DSM's current (2021) sales of nutritional ingredients is produced out of biobased and/or input materials directly extracted from nature

Leadership in Health, Nutrition & Bioscience enhanced through high quality M&A

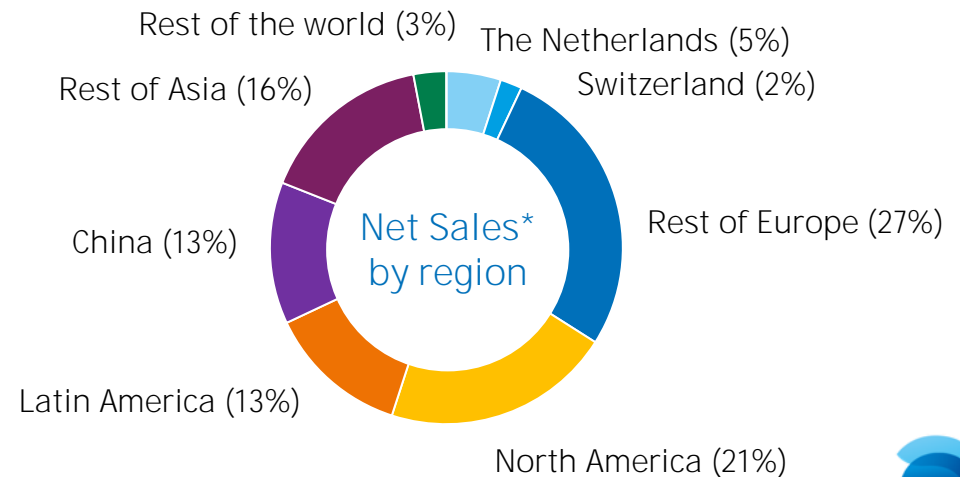
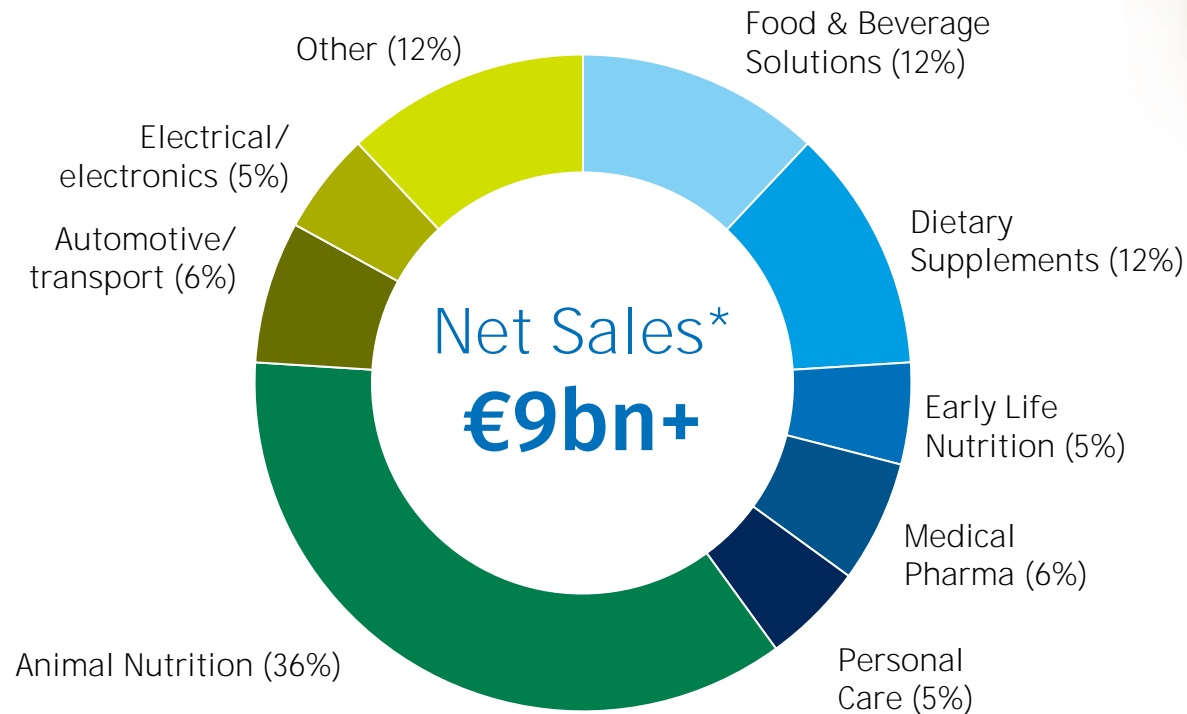


Added new product categories, building the most comprehensive portfolio of nutritional ingredients

Strengthened bioscience capabilities and expanded global reach

Built a unique business model with solutions/premix and extended this into precision and personalization

Today's global leader in Health, Nutrition & Bioscience



DSM has created a unique business model and rich innovation pipeline

Extending our value proposition

Precision & Personalization

Digitization & Bioscience as a know-how multiplier



Global Products

Science, Scale, Quality

Local Solutions

Global network offering
local (customized) solutions

Growth themes inform our innovation focus



Precision

Digitally-enabled business models



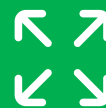
Prevention

Healthy solutions provided by nature



Proteins

Driving adoption of sustainable proteins
to feed the population



Pathways

Sustainable ingredient manufacturing

Our culture and how we live it

Purpose-led, Performance-driven

Courageous

Being courageous means we are willing to make tough decisions, own our actions, embrace new ideas, take a stand when needed, and support others to do the same.



Caring

Being caring means we look out for the people and environment around us, go the extra mile to value and strengthen our diverse relationships, and take care of others and ourselves, so that everyone can be their best.

Collaborative

Being collaborative means we always look for the best ways to work and innovate together and with others, to listen and find common ground, and to apply our knowledge and skills in an inclusive and agile way.

Taking responsibility

Taking responsibility means we act ethically and with integrity, always learning and improving, willing to be held accountable for our performance and the safety and wellbeing of the people and communities around us.

Delivering value

Delivering value means we use our speed, expertise and innovation to deliver results, meeting the needs and earning the trust of customers, employees, shareholders, communities and wider society.

Championing sustainability

Championing sustainability means we improve the quality of people's lives by embedding sustainability in all that we do, applying our scientific know-how to address the challenges of today and tomorrow

DSM's Strategy



DSM has accelerated its purpose-led, performance-driven 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

DSM's strategy is to deliver strong financial returns, creating a positive societal impact, while having best-in-class ESG performance

Food systems face huge environmental and societal challenges and offer opportunities



Consumer



Society



Environment



Biotechnology



Data & Digital



Precision & Personalization

DSM uniquely positioned and has capabilities to capture these opportunities



Great People, unique Culture

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

Responsibility for our own footprint and people



Caring for the world: Ambitious food systems commitments



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

Strong financial returns: a sustainable growth company that delivers long-term, performance-driven profitable growth

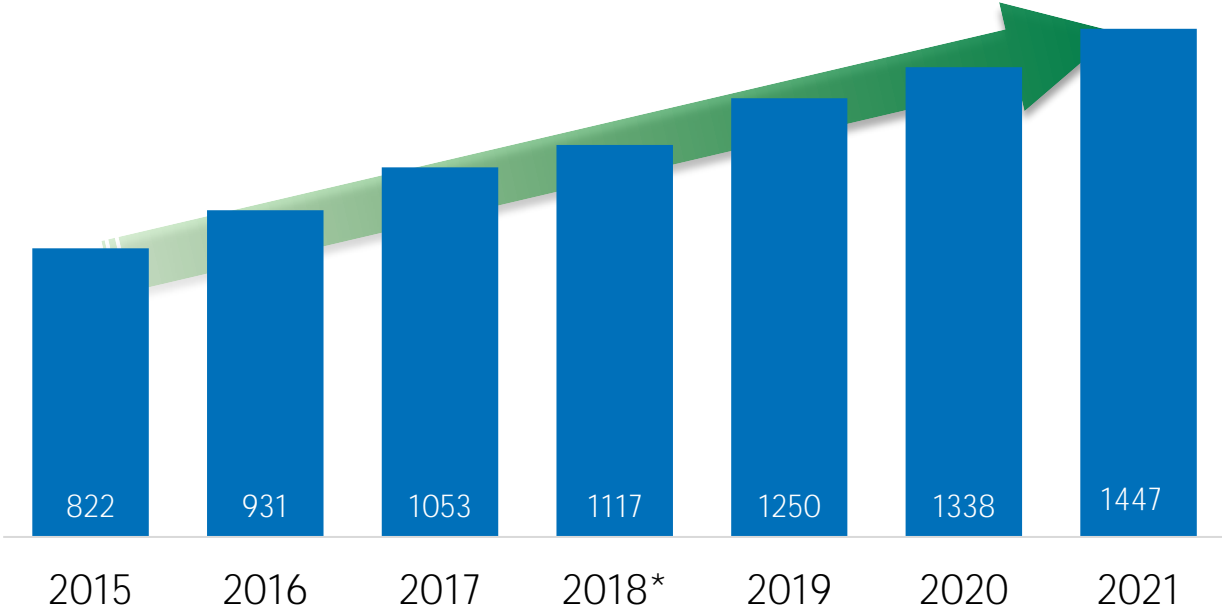
Ambitious mid-term profit targets:

Mid-single digit % organic sales growth

Adj. EBITDA margins >20%

High-single digit % annual adjusted EBITDA growth

Adj. EBITDA DSM Nutrition (€m)

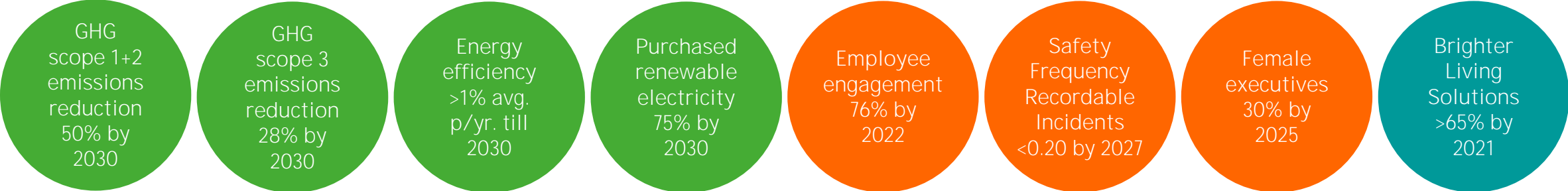


* Underlying business



Taking full responsibility for our OWN footprint and people

ESG ambitions (set in 2019) accelerated in 2021



2021 realization

2021 realization

23%

8%

6%

72%

76%

0.22

23%

64%

Absolute Reduction

Intensity Reduction

Improvement



A for Climate A for Water



Positive societal impact: creating a better world with its products and solutions

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**

Support good health and **immunity** through diets and supplementation

Reduce the risk of **anti-microbial resistance**



Reduce emissions from livestock: greenhouse gas (CO₂, methane), nitrogen/ammonia, phosphorous

Limit impact on natural resources, reduce pressure on biodiversity, conserve forests & oceans

Drive sustainable proteins from farming whilst **improving animal health & welfare**

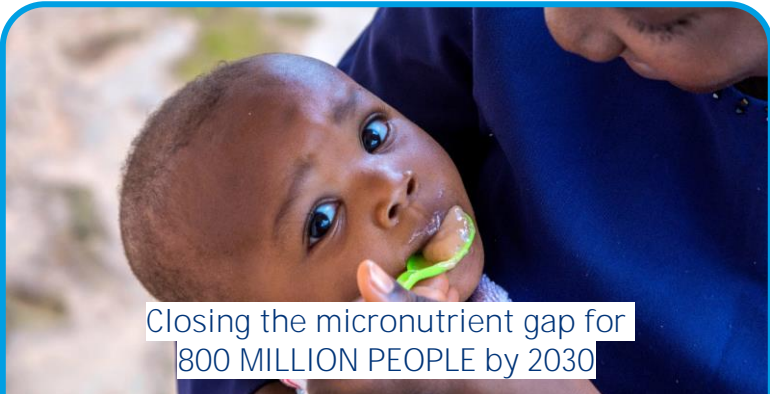
Develop and enable **alternatives for animal proteins**, that are nutritious, tasty and sustainably produced

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**

Caring for the world through our 2030 Food System Commitments



Closing the micronutrient gap for 800 MILLION PEOPLE by 2030



Supporting the immunity of 500 MILLION PEOPLE by 2030

Health for People



DOUBLE DIGITS on-farm livestock emissions reduction by 2030



Reaching 150 MILLION PEOPLE with solutions for plant-based foods by 2030

Health for Planet



Supporting the livelihoods of 500,000 SMALLHOLDER FARMERS by 2030

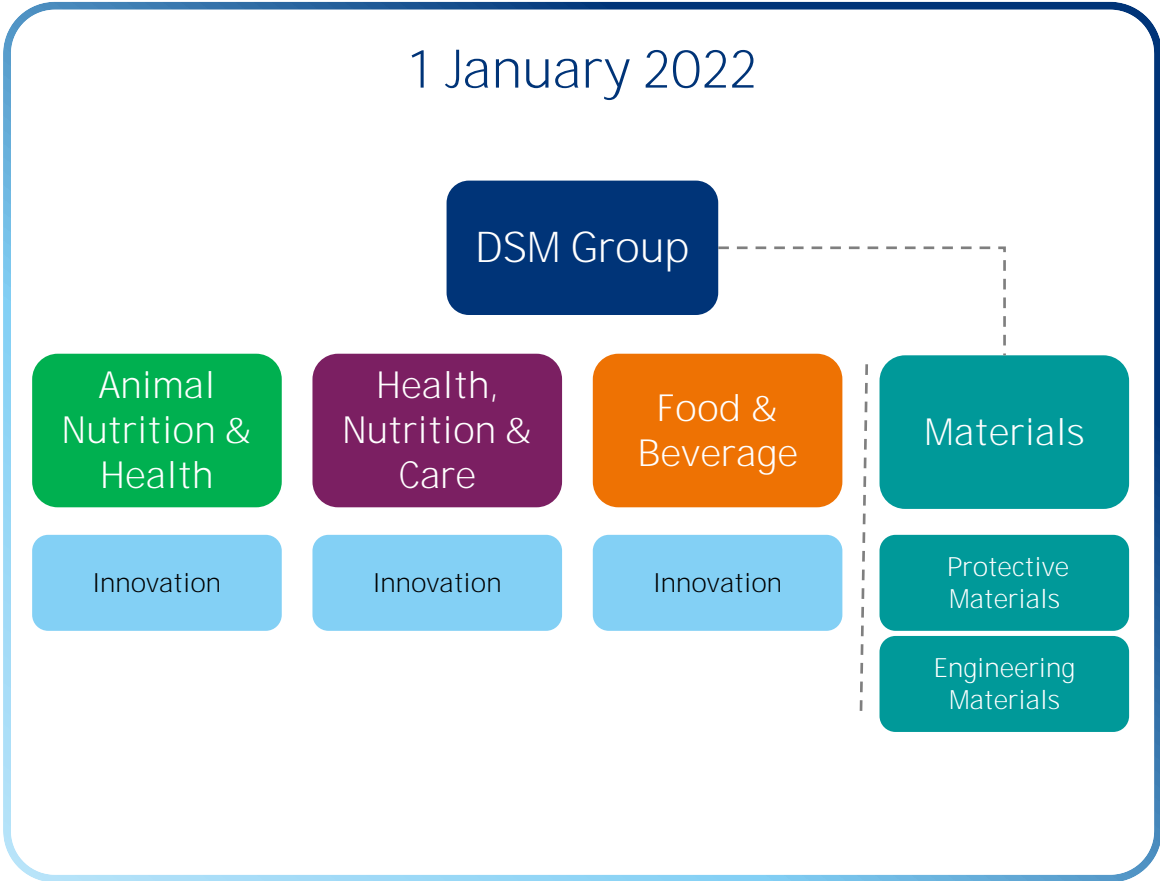
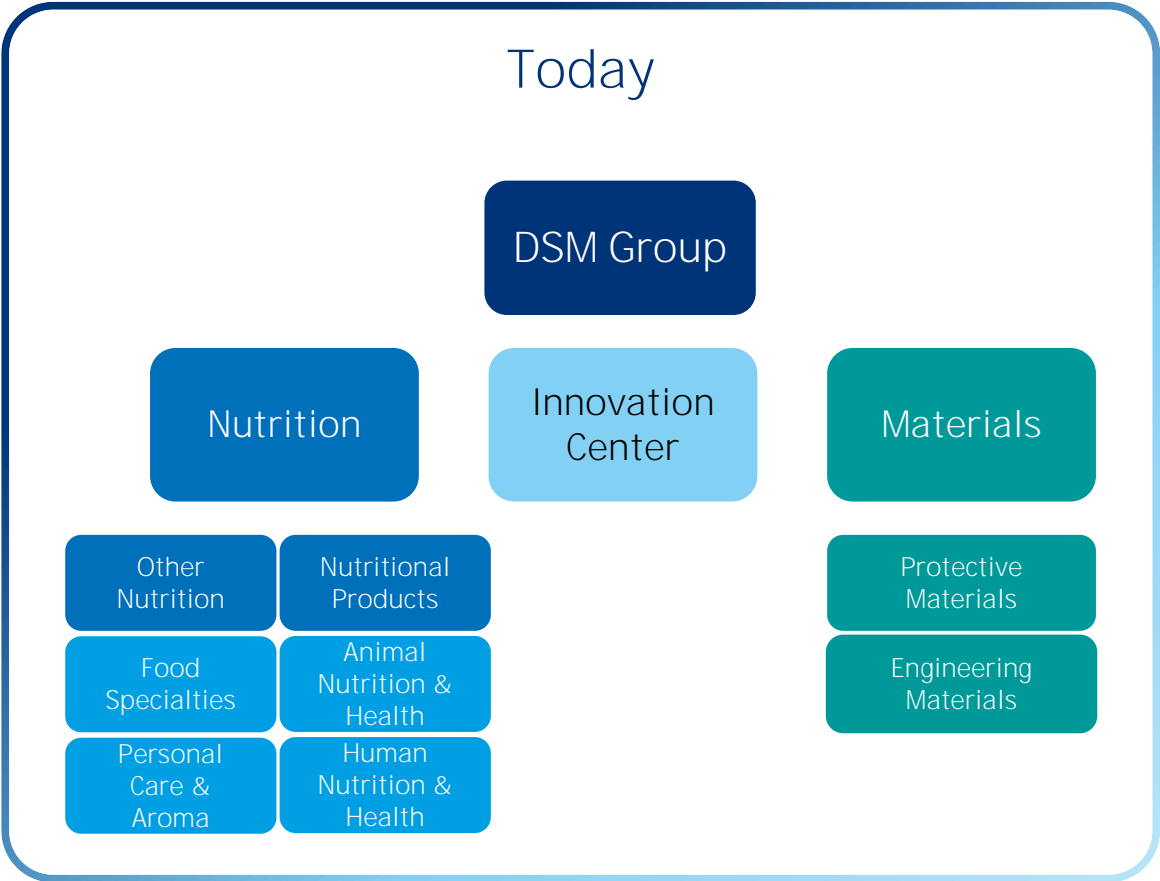
Healthy Livelihoods





DSM's businesses

DSM is realigning its global organizational set-up & reporting



Three BGs created with clear end-market orientation and large addressable markets



Animal Nutrition & Health

Radically more sustainable animal farming

€3.3bn



Health, Nutrition & Care

Keeping the world's growing population healthy

€2.6bn



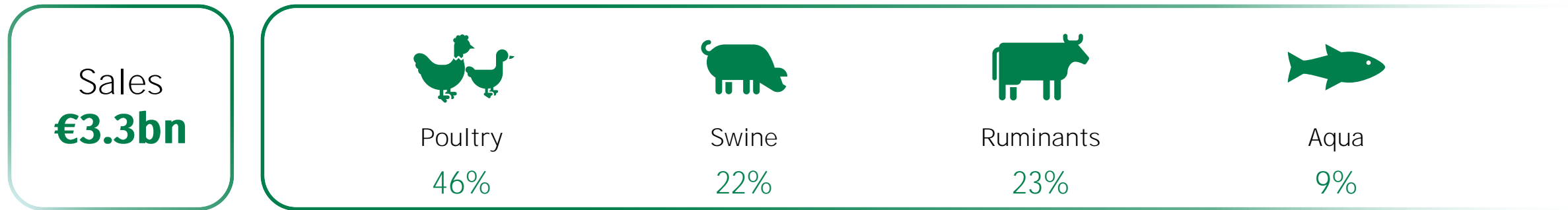
Food & Beverage

Healthy diets for all through nutritious, delicious and sustainable solutions

€1.3bn

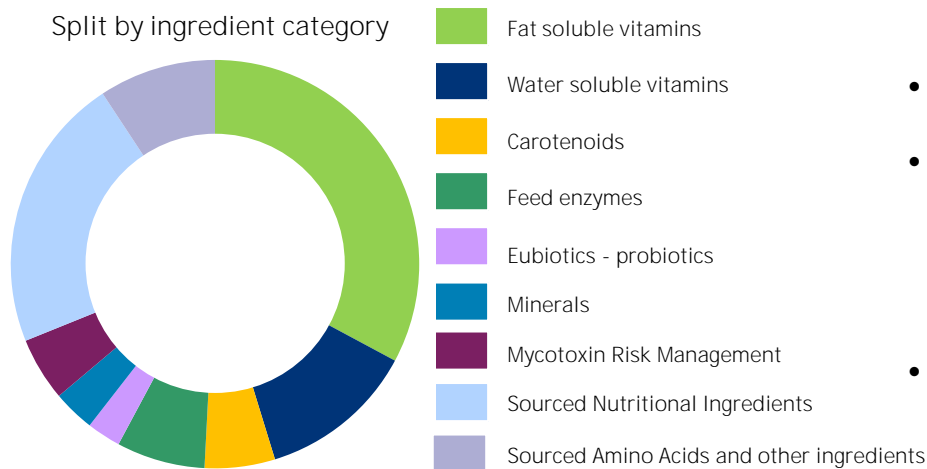
Animal Nutrition & Health

Radically more sustainable animal farming: We make it possible!



DSM offering broad range of ingredients ...

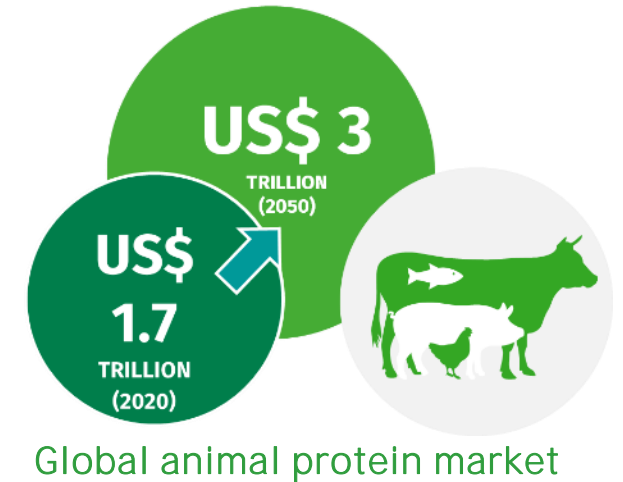
Split by ingredient category



... holding a strong market position ...

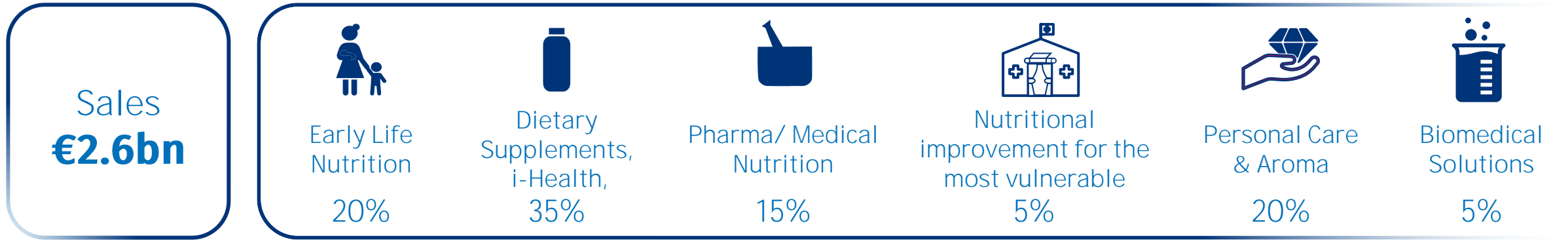
- ~30% market share in our markets
- Unique global premix network (>50 sites), strong representation in all regions in the world
- 65% of sales as premix solutions

... in attractive end markets



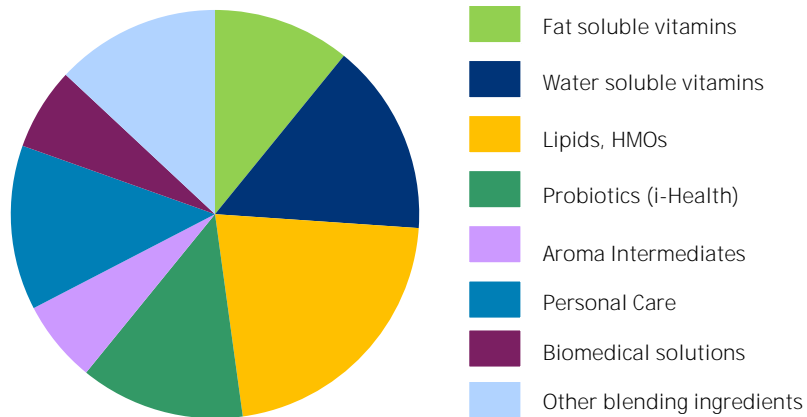
Health, Nutrition & Care

Keeping the world's growing population healthy



DSM offering broad range of ingredients ...

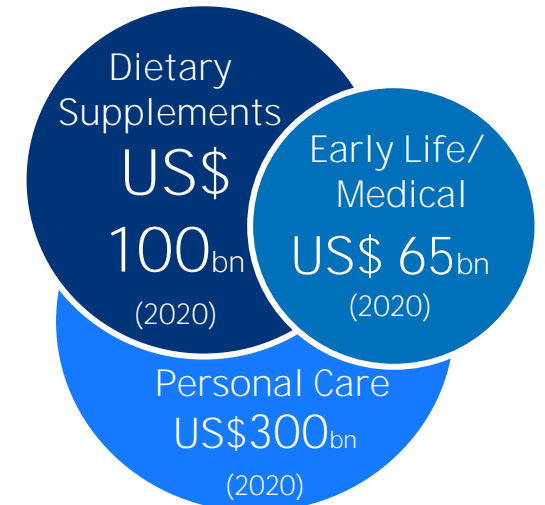
Split by ingredient category



... holding a strong market position ...

- 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®)
- 25% of sales through solutions (premix, market-ready solutions, personalized nutrition solutions and B2C products)

... in attractive end-markets



Personal Care & Aroma Ingredients

Supercharge customers' success with DSM's suite of services and ingredients

Sustainability



SKIN
BIOACTIVES

- Vitamins
- Synthetic
- Natural
- Biotech
- Skin microbiome



TECHNICAL &
PERFORMANCE
INGREDIENTS

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



UV FILTERS

- 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 customers and the planet



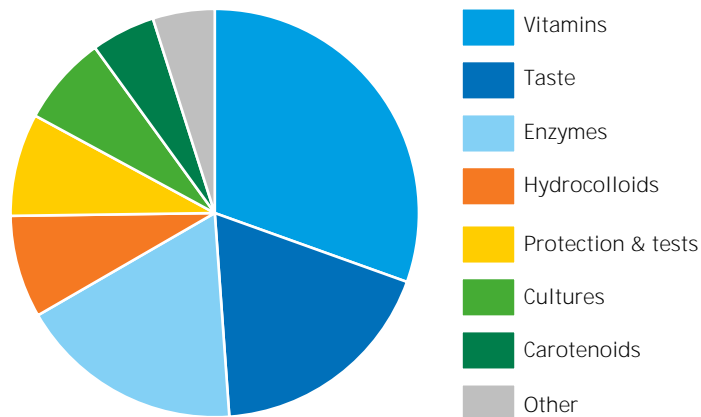
Food & Beverages

Healthy diets for all through nutritious, delicious and sustainable solutions



DSM offering broad range of ingredients ...

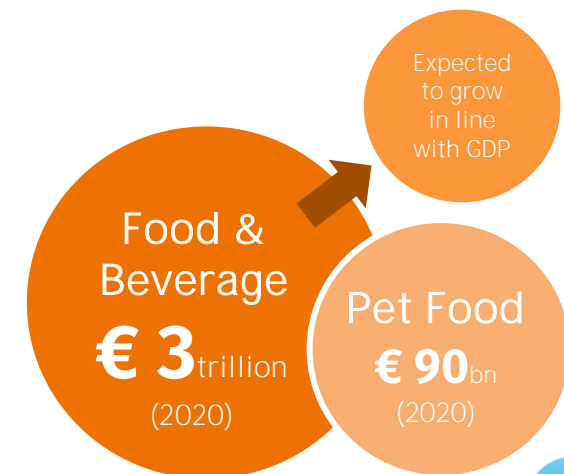
Split by ingredient category



... holding a strong market position ...

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

... in attractive markets



Examples of DSM's rich innovation pipeline addressing global food system challenge, contributing to sustainable growth

Supporting the Immunity of people with micronutrient supplements

- COVID-19 has highlighted the need for easily accessible dietary solutions that support proactive immune health: sufficient nutrient intake is vital for people's immunity
- Nutritional ingredients including Quali®-C, Quali®-D, Quali®-B, life's™OMEGA, ampli-D®, Culturelle®
- Available in reliable and efficacious formulations, premixes, market-ready solutions, B2C



EVERSWEET™ Stevia: Calorie-free sweetness, inspired by nature

- Reduced- and zero-calorie options for food & beverage
- No compromise on taste,
- Support good health and well-being in our societies
- Consumer end-products launched successfully by our customers, with many more product development projects underway



Nutritious, tasty and sustainably produced plant-based meat, dairy and fish alternatives

- Authentic taste
- Compelling texture & mouthfeel
- Improve nutritional profile
- Managed salt, sugar, fat, allergens



Examples of DSM's rich innovation pipeline addressing global food system challenge, contributing to sustainable growth

Bovaer™ - Reducing emissions from livestock

- Reducing methane emissions from ruminants by at least 30%
- Helping the dairy and beef value chain to significantly de-carbonize
- Supporting sustainable animal farming



Veramaris® - reducing our reliance on marine resources

- Contributing to preserving marine biodiversity
- Essential for health Human & Animal: Fatty Omega-3 acids EPA & DHA
- 1kg Veramaris oil is equivalent to 60kg wild catch



Balancius™ - helping tackle antimicrobial resistance

- Safe alternative to antibiotics use
- Improves feed conversion by ~3%, improves weight gain ~5%
- More efficient use of natural resources and reduction of emissions





Annex I

DSM's financial performance

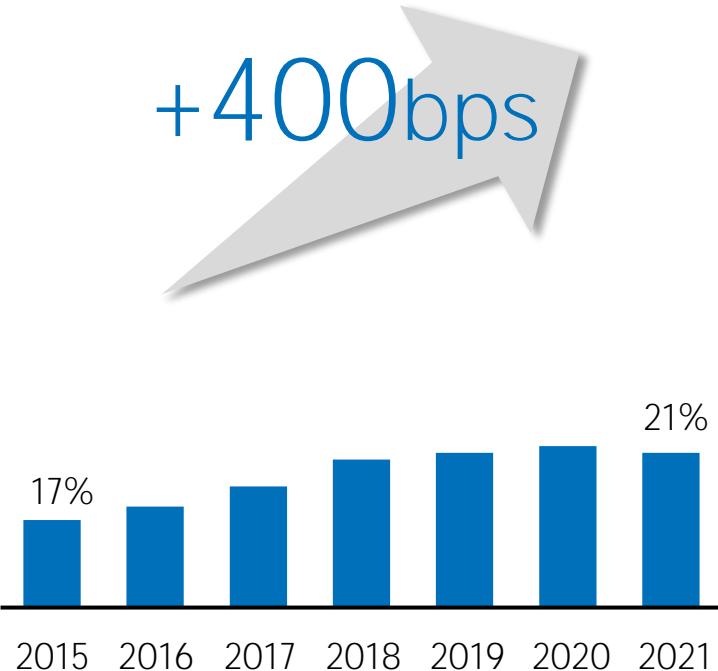
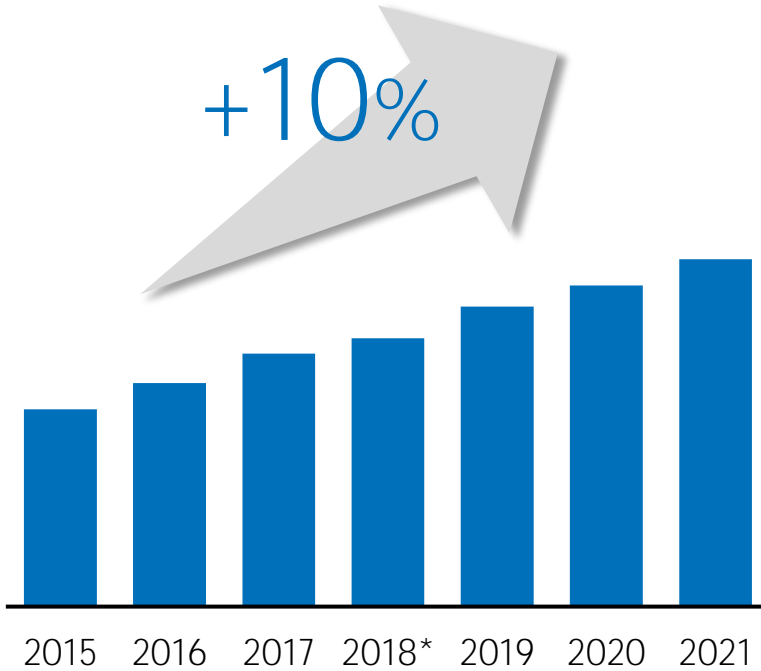
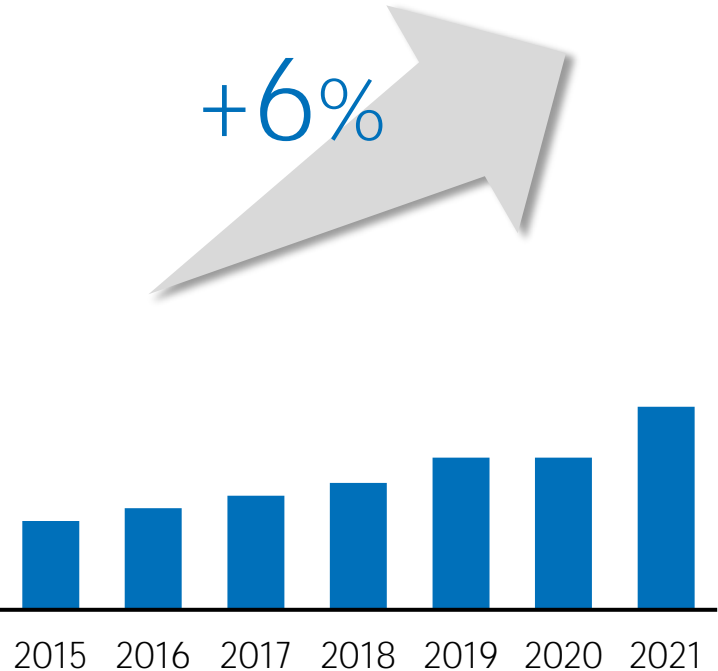
Key financials - Nutrition

Strong track record of delivering on financial targets

Organic sales growth
CAGR 2015-'21

Adj. EBITDA growth
CAGR 2015-'21

EBITDA margin % improvement
2015-'21



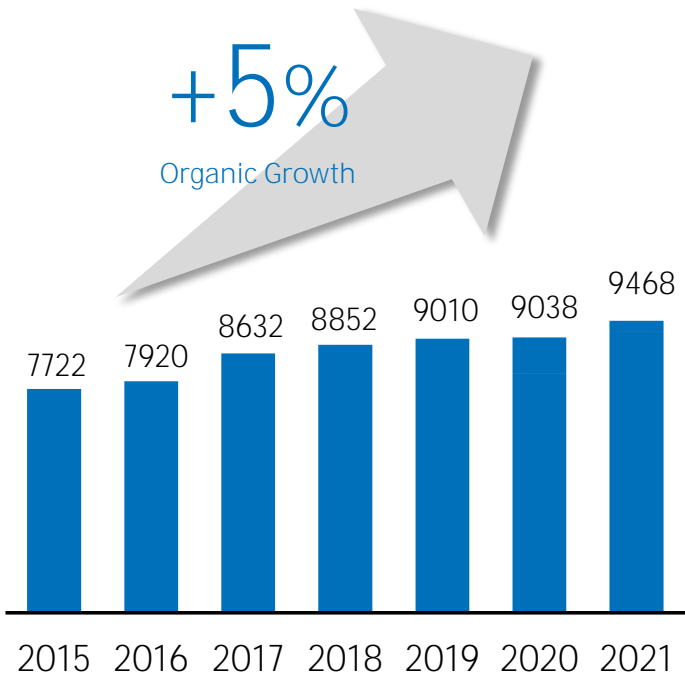
*2018 figures show the results of the underlying business. This excludes an estimated €295m additional Adjusted EBITDA contribution from an exceptional temporary vitamin price environment, due to a force majeure situation in the industry. See Integrated Annual Report 2018.



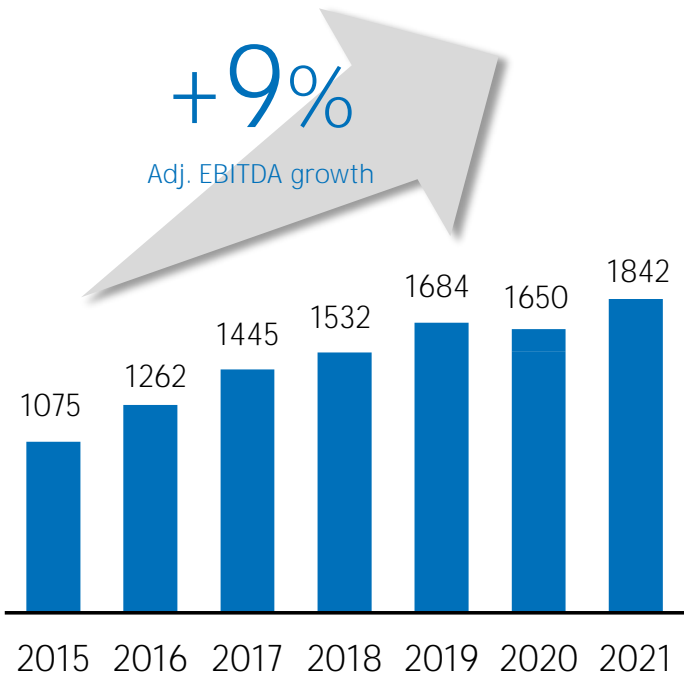
Key financials – DSM Group (incl. Materials)

Strong track record of delivering on financial targets

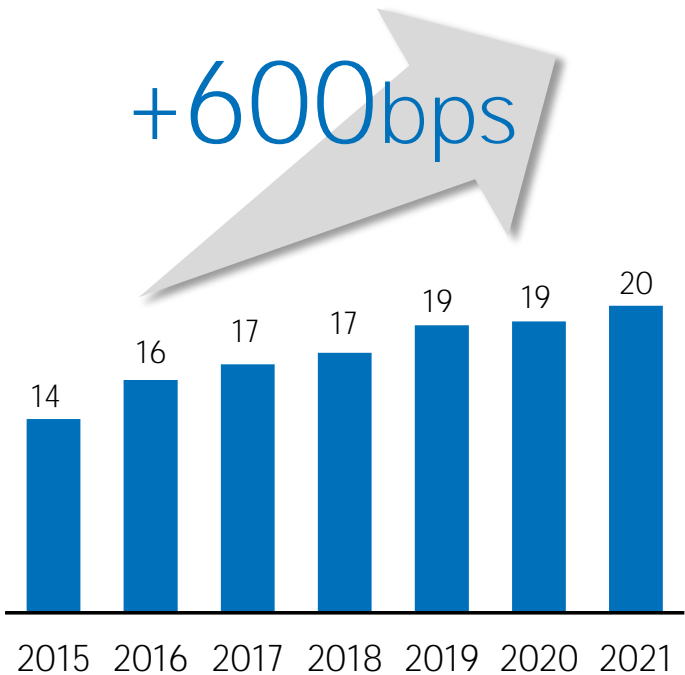
Sales (€m)



Adj. EBITDA (€m)



Adj. EBITDA margin (%)



*2018 figures show the results of the underlying business. This excludes an estimated €295m additional Adjusted EBITDA contribution from an exceptional temporary vitamin price environment, due to a force majeure situation in the industry. See Integrated Annual Report 2018.

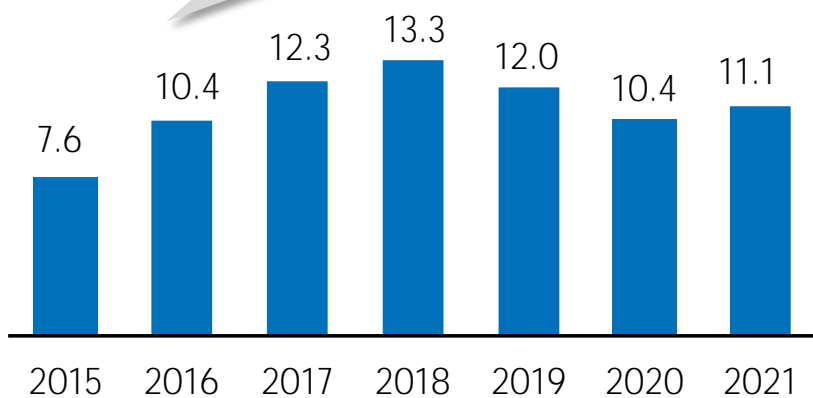
*Light blue represents discontinued operations. For more information see Integrated Annual Report 2020.



Key financials - DSM Group (incl. Materials) continued

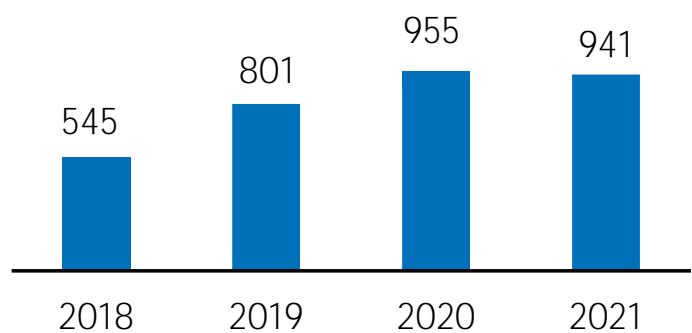
ROCE (%)

+350bps



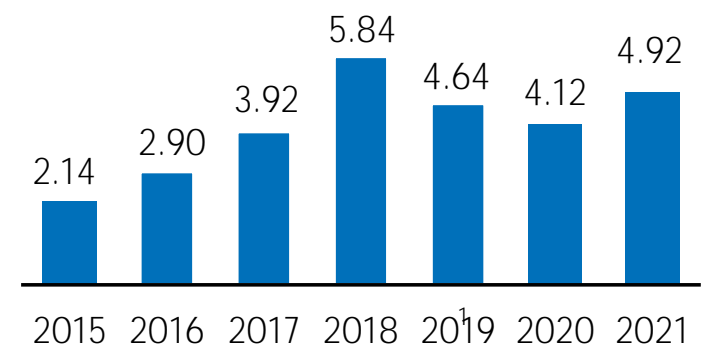
Adjusted Net Operating Free Cash Flow (€m)

+20%
CAGR



Adj. net EPS (€)

+15%
CAGR

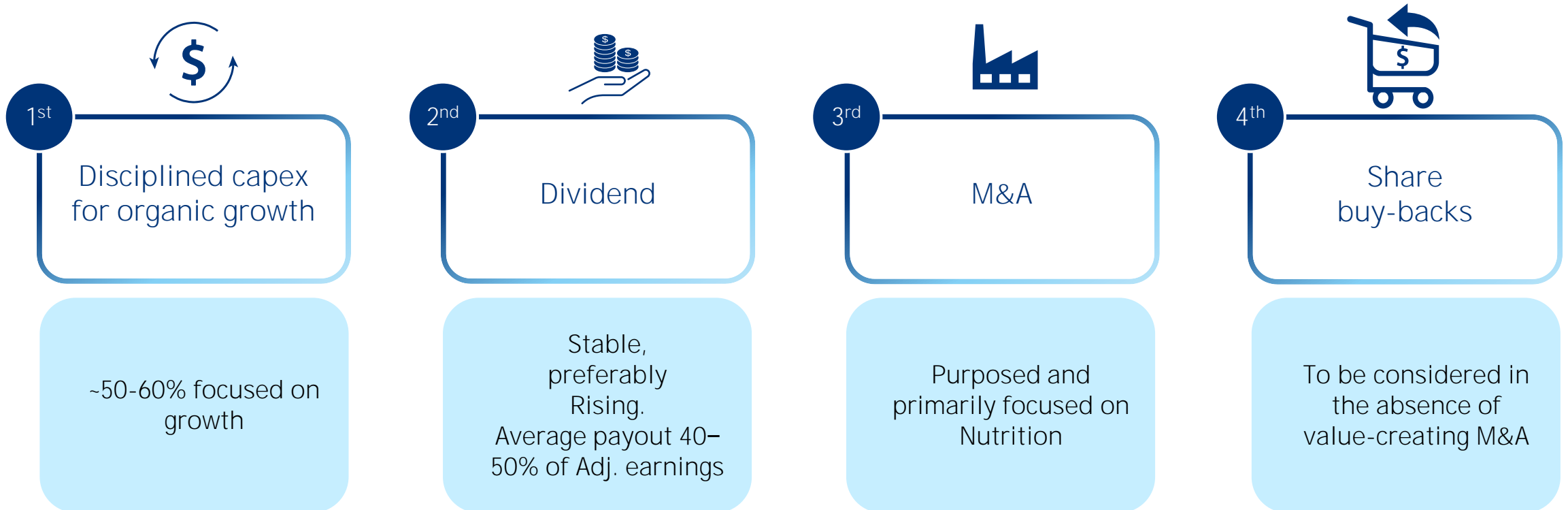


ROCE Continuing Operations corrected for M&A amounted to 12.2% in 2020 and 12.7% in 2019

*2018 figures show the results of the underlying business. This excludes an estimated €295m additional Adjusted EBITDA contribution from an exceptional temporary vitamin price environment, due to a force majeure situation in the industry. See Integrated Annual Report 2018. †The Adj. net EPS for 2018 includes a 295m additional Adjusted EBITDA contribution from an exceptional temporary vitamin price environment. See Integrated Annual Report 2018

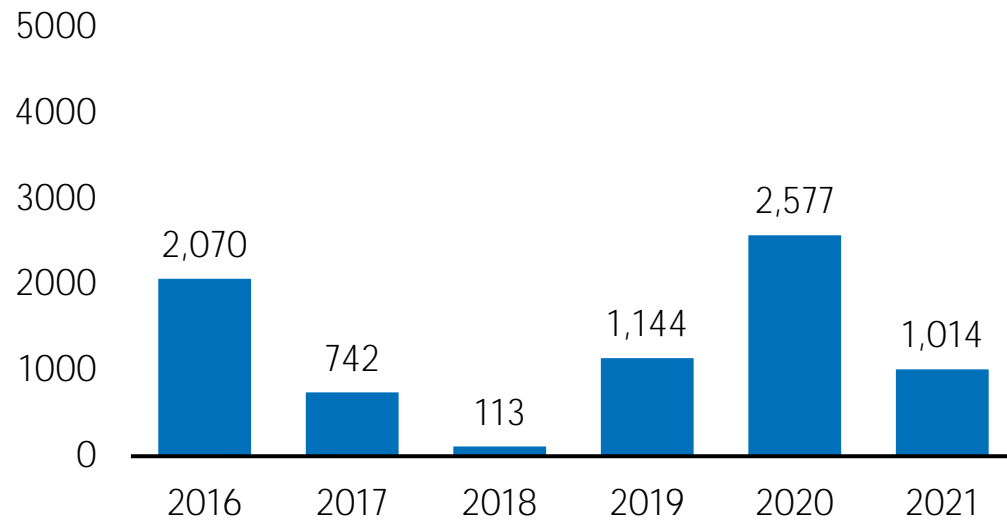


Financial policies and cash allocation priorities

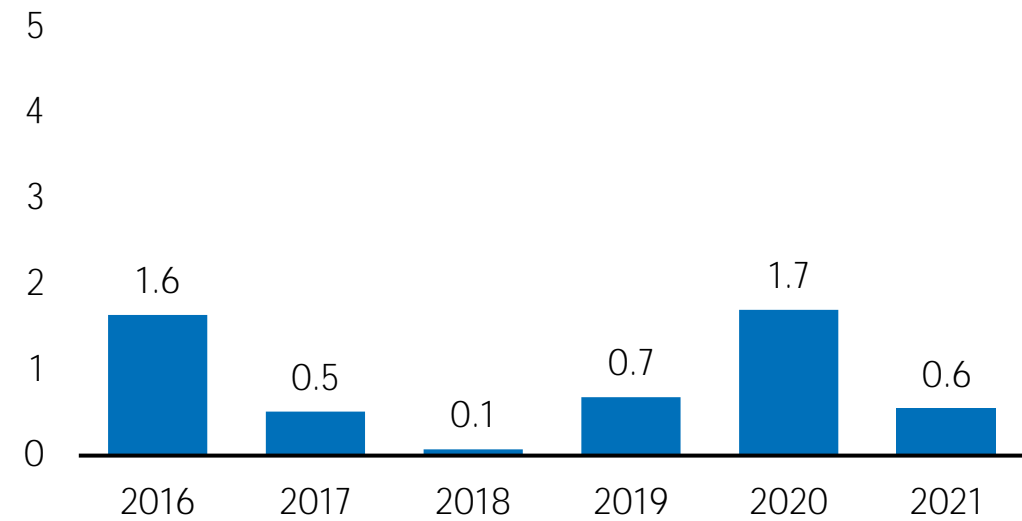


Healthy Balance Sheet

Net Debt (€ million)



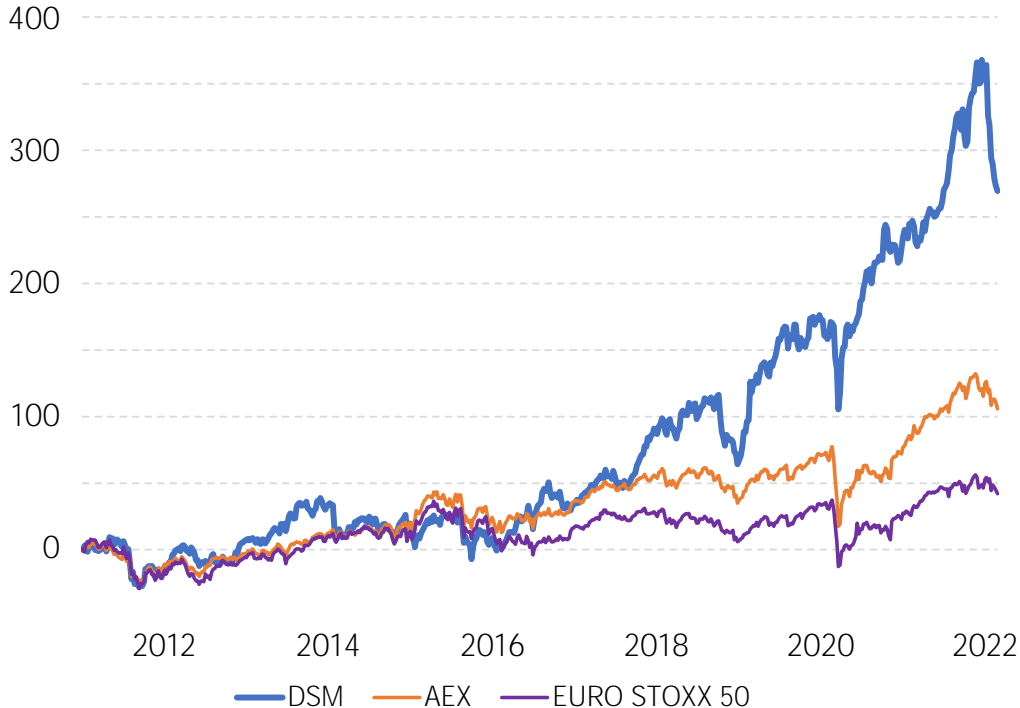
Net Debt / Adj. EBITDA



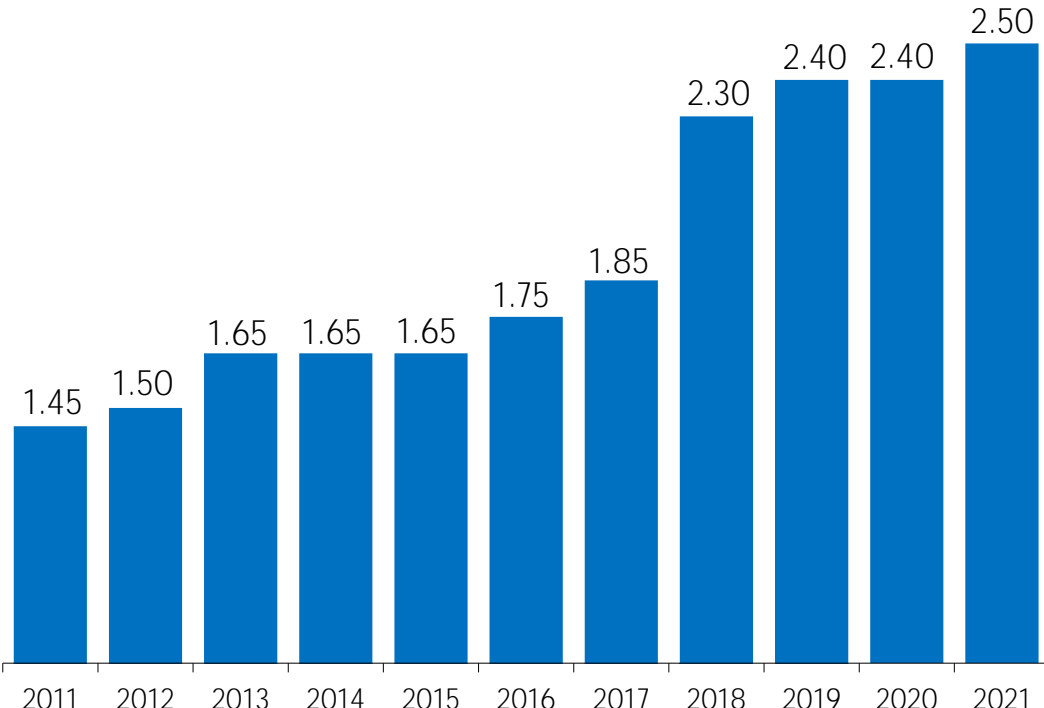
Mid-term capital structure: 1.5-2.5x net debt / Adj. EBITDA
Committed to maintaining a strong investment grade credit rating

Determined to create sustainable value for all stakeholders

Stock Performance %



Dividend €



M·AGRIPPA·L·F·COSTERTIVM·FECIT

Annex II

DSM's governance

Supervisory Board

The [Supervisory Board](#) supervises the policy pursued by the Managing Board, its performance and the company's general course of affairs. The SB approves the annual financial statements. It is organized around committees including Audit, Nomination, Remuneration and Sustainability Committees. Members are appointed for a period of four years, after which they may be reappointed for a further four years. They may subsequently be reappointed for a period of two years, and this appointment may be extended by at most two years.



[Thomas Leysen, Chair \(Belgian, 1960\)](#)

- First appointed: 2020. Audit Committee (member) Nomination Committee (member)
- Last position held: CEO of Umicore



[Eileen Kennedy \(American, 1947\)](#)

- First appointed: 2012. Sustainability Committee (Chair), Nomination Committee (member)
- Position: Professor Nutrition Friedman School of Nutrition Science & Policy (Tufts, Boston, USA)



[Fritz van Paasschen \(Dutch and American, 1961\)](#)

- First appointed: 2017. Audit Committee (member), Remuneration Committee (member)
- Last position held: CEO of Starwood Hotels and Resorts



[Carla Mahieu \(Dutch, 1960\)](#)

- First appointed: 2021
- Position: Global Head of Human Resources and Member of the Management Board of Aegon N.V.



[John Ramsay, Deputy Chair \(British, 1957\)](#)

- First appointed: 2017. Audit Committee (Chair), Remuneration Committee (member)
- Last position held: Chief Financial Officer (CFO) and interim CEO of Syngenta AG.



[Pradeep Pant \(Singaporean, 1953\)](#)

- First appointed: 2016. Audit Committee (member), Sustainability Committee (member)
- **Last position held: EVP & President, APAC and EMEA of Mondelez International**



[Erica Mann \(Australian, 1958\)](#)

- First appointed: 2019. Sustainability Committee (member), Audit Committee (member)
- Last position held: Member of the Board of Management of the **Bayer Group and Global President of Bayer's Consumer Health Division.**



[Corien M. Wortmann-Kool \(Dutch, 1959\)](#)

- First appointed: 2021
- Position: Chair of the Board of ABP Pension Fund (The Netherlands), Vice-Chair of the Supervisory Board of Aegon N.V. and Chair of the Supervisory Board of Save the Children NL.

Managing Board

The [Managing Board](#) is responsible for the strategy, portfolio management, deployment of human and financial capital, risk management, financial and sustainability performance.



Geraldine Matchett

Joined Board August 2014, appointed CFO December 2014, appointed Co-CEO February 2020

Geraldine Matchett (1972, British; French; Swiss) is Co-Chief Executive Officer & Chief Financial Officer and Member of the Managing Board of Royal DSM. She was appointed as Co-CEO on **15 February 2020**. **Geraldine joined DSM's Managing Board** in August 2014 and became CFO on 1 December 2014. Her current term will end in 2026.

Before joining DSM, Geraldine worked with the SGS Group where she held various positions including Senior Vice President Group Financial Controller, before being appointed Global Chief Financial Officer in March 2010. In this role, she was voted CFO of the year in Switzerland for large companies. Before joining SGS she worked for Deloitte in Switzerland and for KPMG in the UK, obtaining her Chartered Accountant qualification while working in London.

Geraldine holds a bachelor's degree in Physical & Human Geography from Reading University (UK) and a master's degree in Sustainable Development from Cambridge University (UK).



Dimitri de Vreeze

Joined Board September 2013, appointed Co-CEO February 2020

Dimitri de Vreeze (1967, Dutch) is Co-Chief Executive Officer & Chief Operating Officer and Member of the Managing Board of Royal DSM. He was appointed as Co-CEO on **15 February 2020** and **joined DSM's Managing Board** in 2013. His current term will end in 2025.

Dimitri joined DSM in 1990 in Finance in DSM Fine Chemicals. After several positions in Finance, he moved to the area of sales management and took on increasingly bigger roles, including that of Global Business Manager Sizing & Binders based in Italy. In 2002 he became Business Director Composite Resins Europe, based in Switzerland and built his career further in the DSM Resins & Functional Materials business group. Dimitri was Business Unit Director Coating Resins between 2005 and 2007 and Business Unit Director NeoResins between 2007 and 2010. In 2010, he became Business Group Director DSM Resins.

Dimitri studied Business Economics at the University of Groningen (Netherlands) and has Postgraduate degree in Chartered Controlling from Maastricht University (Netherlands).


Executive Committee



Helen Mets
*Materials
Strategy & Digital*



André Bos
*Global Products &
Strategic Alliances*



Ivo Lansbergen
Animal Nutrition & Health



Geraldine Matchett
CFO

Dimitri de Vreeze
COO



Luca Rosetto
Operations



Philip Eykerman
*Health, Nutrition & Care
Mergers & Acquisitions*



Trish Malarkey
Science

Co-CEOs



Patrick Niels
Food & Beverage



Cristina Monteiro
People & Organization

Safe harbor

This document 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 performance** can be found in the results press releases. 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**



BRIGHT SCIENCE. BRIGHTER LIVING.™