

Presentation to Investors

H1 2021 results

3 August 2021



DSM

BRIGHT SCIENCE. BRIGHTER LIVING.

Content

- H1 2021 financial & Strategic highlights
- Update on DSM's Purpose-led Journey
 - ✓ Sustainability Highlights H1 2021
 - ✓ Positive societal impact with DSM's Animal Nutrition & Health business
- Annex - Tables Financials Q2 and Half Year 2021

Co-CEOs statement

“Our very good start to the year has continued with ongoing positive momentum in our Nutrition business. Materials saw a strong recovery, supported by ongoing restocking through the supply chain. This strong performance in Materials, combined with our unchanged positive outlook for Nutrition, leads us to further increase the full year outlook for the Group.

We have achieved these results while also making good progress on our long-term strategic priorities and are realigning our organization following last year’s acquisitions in Nutrition and the divestment of Resins & Functional Materials. Good progress has also been made in building our innovation-focused growth platforms, including the launch of several new initiatives in personalized and precision nutrition.

As a purpose-led company, we constantly seek to maximize our positive impact for all stakeholders. Today we are further accelerating our route to net zero by 2050 by raising our greenhouse gas scope 1 and 2 reduction targets for 2030 from 30% to 50%, independently validated by the Science Based Targets initiative”

Geraldine Matchett and Dimitri de Vreeze



Group* | A very good Half Year 2021

Net Sales

€4,488m

Adj. EBITDA

+22%

€925m

Adj. Net Operating
Free Cash Flow

+11%

€388m

Adj. EPS

+19%

€2.54

Organic sales growth

+11%

Adj. Net Profit

+21%

€444m

Return on Capital Employed
(excluding M&A)**

+15.7%

+350bps

* Continuing Operations

** Including M&A, ROCE is 12.2%, up 130bps vs H1 2020

Nutrition | Good performance

H1 2021

Organic Sales
growth

+6%

€3,404m

Adj. EBITDA

+8%

€730m

Adj. EBITDA
margin

21.4%

(+50bps)

- Continued good business conditions
- Contribution from M&A offset by negative FX effect

Volumes
+7%

Price/Mix
-1%

FX
-6%

M&A
+6%

Q2 2021

Organic Sales
growth

+4%

€1,726m

Adj. EBITDA

+8%

€378m

Adj. EBITDA
margin

21.9%

(+70bps)

- Particularly notable performance given the prior year comparable period in which strong COVID-19 effects had resulted in very strong 9% organic sales growth

Volumes
+6%

Price/Mix
-2%

FX
-4%

M&A
+5%

Animal Nutrition (ANH) | Very good performance

H1 2021

Organic Sales Growth

+5%

Net Sales
€1,649m

Volumes
+8%

Price/Mix
-3%

FX
-6%

M&A
+11%

Q2 2021

Organic Sales Growth

+5%

Net Sales
€836m

Volumes
+10%

Price/Mix
-5%

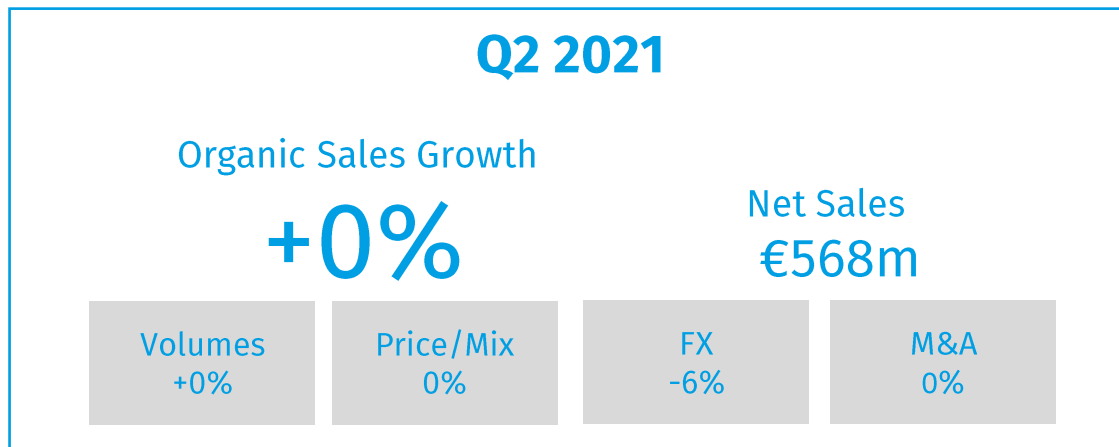
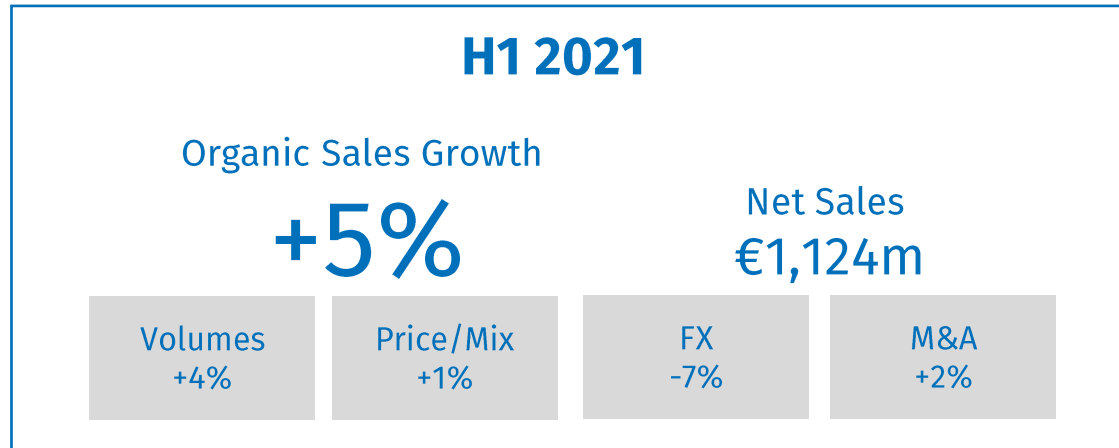
FX
-4%

M&A
+11%

- Good global demand for animal proteins with a very strong performance in China and LATAM
- In Q1, volumes were positively impacted by customer pre-buying. In Q2, no material stocking or destocking effects
- Erber delivered strong H1 with €161m sales and Adj. EBITDA of €38m

- Poultry, Pet and Beef continued to perform well. Beef was supported by continued strong exports from LatAm to China. Swine benefits from ongoing recovery from African Swine Fever in China. Aquaculture started to recover with reopening in food services
- Prices in Q2 were against a tough comparable of +7% in Q2 2020 when ANH experienced COVID-19 related price effects

Human Nutrition (HNN) | Continued positive momentum



- Good overall business conditions and good organic growth in H1:
 - ✓ Q1 organic growth of 11% was against an easy prior year (-6%)
 - ✓ In Q2, reported flat volume growth was against a **very tough comparable** of 13% in Q2 2020, when sales were boosted by pantry loading
- In Q2, continued positive momentum:
 - ✓ Condition for **Dietary Supplements** remained favorable
 - ✓ **Food & Beverages** delivered a solid performance, driven by good demand for packaged foods as well as increased demand for food services
 - ✓ **Early Life Nutrition** sales were soft as this business continued to be negatively impacted by lower global birth rates exacerbated by COVID-19
 - ✓ **Pharma** and **Medical** recorded a very strong performance

Other Nutrition | Very strong performance

H1 2021 Organic Sales Growth

Food Specialties

+8%

Personal Care & Aroma
Ingredients

+13%

- **Food Specialties** delivered a very good performance with 8% organic sales growth with good volume growth in all key segments: dairy, baking, brewing and savory
- **Personal Care & Aroma** reported a 13% organic sales growth driven by a very strong performance in Q2 due to post-COVID recovery of demand for sun care, skin care and fine fragrances



Materials | Strong recovery

H1 2021*

Organic Sales growth	Adj. EBITDA	Adj. EBITDA margin
+37%	+86%	23.9%
€971m	€232m	(+680bps)

- Volumes up +33% vs H1'20 and +11% vs H1'19
- Adj. EBITDA up +86% vs H1'20 and +23% vs H1'19
- Results supported by ongoing customer restocking, operational leverage and the benefit in Q2 of a temporary margin expansion

Volumes
+33%

Price/Mix
+4%

FX
-4%

M&A
+0%

Q2 2021

Organic Sales growth	Adj. EBITDA	Adj. EBITDA margin
+64%	+210%	24.6%
€504m	€124m	(+1,200bps)

- Volumes up +50% vs Q2'20 and +9% vs Q2'19
- Adj. EBITDA up +32% versus pre-Covid Q2 2019
- Exceptionally strong results; good pricing momentum resulted in a temporary margin expansion, further supporting Adj. EBITDA growth

Volumes
+50%

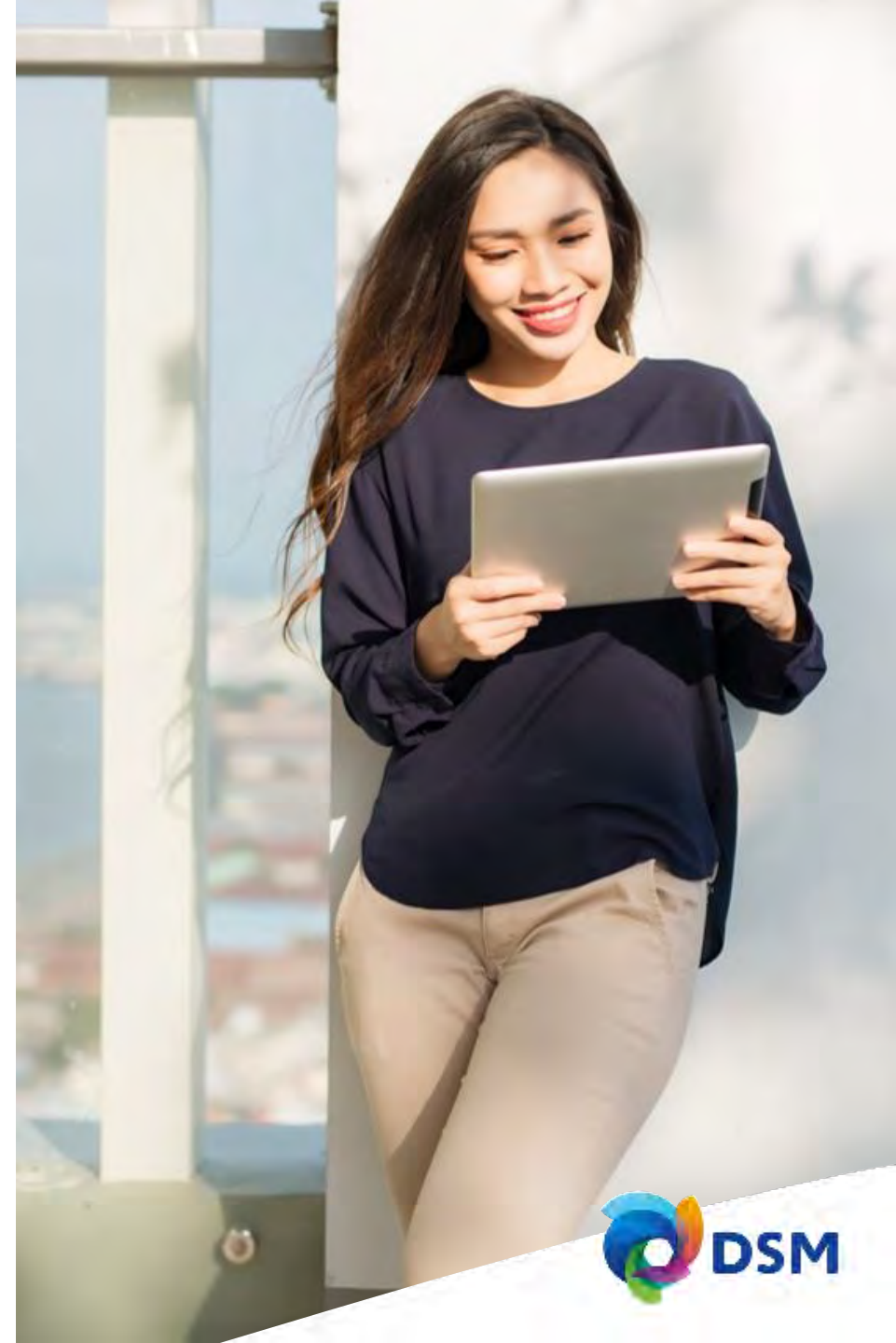
Price/Mix
+14%

FX
-5%

M&A
+0%

Materials | Exceptional market conditions

- **DSM Engineering Materials**
 - ✓ Exceptionally strong demand in automotive and electronics & electrics from the start of the year, which continued throughout Q2 2021
 - ✓ Demand driven by combination of strong end-user demand and restocking through the supply chain
 - ✓ The extremely tight supply chain conditions limit visibility H2 2021
- **DSM Protective Materials**
 - More gradual improvement during H1
 - Q2 being back to pre-COVID levels in Personal Protection, as well as in the other segments.



Other Financial Highlights

End of H1 2021

Total Working Capital
as % of sales

19.0%

- 180bps

OWC
as % of sales

24.9%

- 240bps

Net Debt

€1,219m

€2,577m (end of 2020)

- Interim dividend for 2021 of €0.80 per ordinary share (payable in August 2021)
- Cancellation of 6.6m shares held in treasury concluding the reduction in share capital following the share buyback program executed 1 April 2019 to February 2020
- Redeemed the €500 million 1.375% bond, earlier than its scheduled maturity of 26 September 2022



Full Year 2021 outlook updated

- For the full year, DSM continues to expect an Adjusted EBITDA increase in Nutrition at the upper end of its mid-term strategic ambition of high single digit growth.
- Together with a stronger performance in Materials than foreseen at the Q1 2021 Trading Update, DSM now expects an Adjusted EBITDA growth rate for the Group in the mid-teens, with a continued good Adjusted Net Operating Free Cash Flow

Good progress on Strategy

- Nutrition: adding new opportunities in 'Health through Nutrition'
 - ✓ Advancing in innovation projects including [Bovaer®](#), [Avansya](#), [Veramaris](#), [CanolaPro®](#), [Ampli-D®](#)
 - ✓ Expanding unique business model by adding a 3rd dimension of [precision and personalization](#) that captures emerging big data, digital and bioscience capabilities
 - [Sustell™](#), a data-driven sustainability service driving improvements in the environmental footprint and economics of animal farming
 - [Hologram Sciences](#), a consumer-facing company providing holistic solutions to manage health by combining health diagnostics, digital coaching and personalized nutrition
 - ✓ Acquired the [flavor and fragrance bio-based intermediates business of Amyris](#)
 - ✓ Acquired [Midori USA Inc.](#), a biotech start-up with a novel precision eubiotic platform supporting the replacement of antibiotics

















Good progress on Strategy

- Materials:
 - ✓ Completed [sale of the Resins & Functional Materials](#) businesses to Covestro AG; received about €1.4 billion net in cash and recorded a book profit of €567 million
 - ✓ [Solar back sheet business](#) was sold to Worthen Industries, Inc. on 3 June 2021
 - ✓ Continuing to develop Materials into a resilient, higher-growth, and high-margin specialty business and adding further bio-based and circular solutions to portfolio
- JVs and Associates
 - ✓ CVC Partners announced [the proposed sale of AOC](#), in which DSM owns a minority position, to an affiliate of Lone Star Funds. It is estimated that DSM will receive about €300 million in cash for its shareholding
- Net Zero by 2050 (see second part presentation)
 - ✓ Validated science-based 2030 targets on Green House Gas emission reduction (scope 1&2) increased to 50%



Good progress with our innovations

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

Good progress with our innovations

- **Bovaer®:**

- ✓ EU regulatory approval expected in H2 2021
- ✓ Ready for commercial launch in EU, Australia and New Zealand
- ✓ Strong market interest in the product
- ✓ Sales estimated at €100m in 3-4 years
- ✓ Market potential €1-2bn

- **Veramaris:**

- ✓ Successful launch; retailers offering salmon based on Veramaris' Omega 3s
- ✓ COVID depressed the salmon farming industry and slowed substitution work
- ✓ Salmon industry is now picking up again with re-openings of food services
- ✓ Pressure is mounting to improve the environmental footprint of salmon farming
- ✓ New applications under development in shrimp and pet food
- ✓ Max capacity reached in ~ 2 years with sales estimated at €150m for the JV
- ✓ Market potential €1-2bn



Good progress with our innovations

- CanolaPro®:
 - ✓ Production start-up in 2022
 - ✓ First samples provided to customers of plant-based milk, creamy vegetable spread, yoghurt, ice cream and meat alternatives, based on CanolaPro®
 - ✓ We expect to have a few tens of € millions sales in a couple years after commercialization
 - ✓ Current addressable market of specialty alternative proteins is €1-2bn
- Avansya:
 - ✓ Successful launch of Eversweet® with double digit sales in first commercial year 2020
 - ✓ Good commercial progress despite COVID depressing the beverages industry and limiting development work and new launches
 - ✓ Eversweet® seen as best in class to replace artificial sweeteners
 - ✓ Sales estimated at €100m in 3-4 years
 - ✓ Market potential €1-2bn

DSM's total innovation pipeline targeted to add 1.5% annually to sales growth and 2.5% to adj. EBITDA growth for period up to 2025



Good progress with strategic priorities

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

7 Align organization to future needs

...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

Update on DSM's Purpose-led Journey

- ✓ **Sustainability Highlights H1 2021**
- ✓ Positive societal impact with DSM's Animal Nutrition & Health business



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Sustainability is DSM's *core value* and *key business driver*



Partnerships for the broadest reach:



DSM has a Purpose-led, Performance-driven growth strategy

Delivering positive impact towards people & planet while delivering on its ambitious financial targets

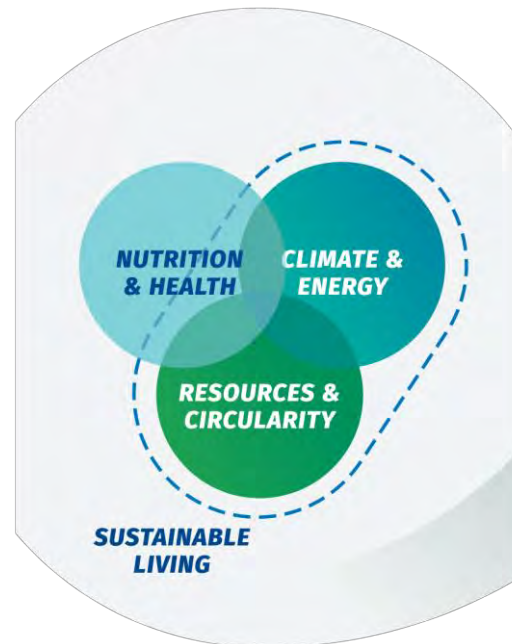
Our competences and purpose...

Our key competences + addressing megatrends and the UN SDGs:



provide growth opportunities in the focus domains...

A science-based company active in Nutrition, Health and Sustainable Living:



creating a growth company...



DSM's leadership in sustainability is clearly recognized



Ambition is to remain top ranked in ESG

H1 Progress on sustainability ambitions

Sustainability Ambitions



Realization 2021 H1

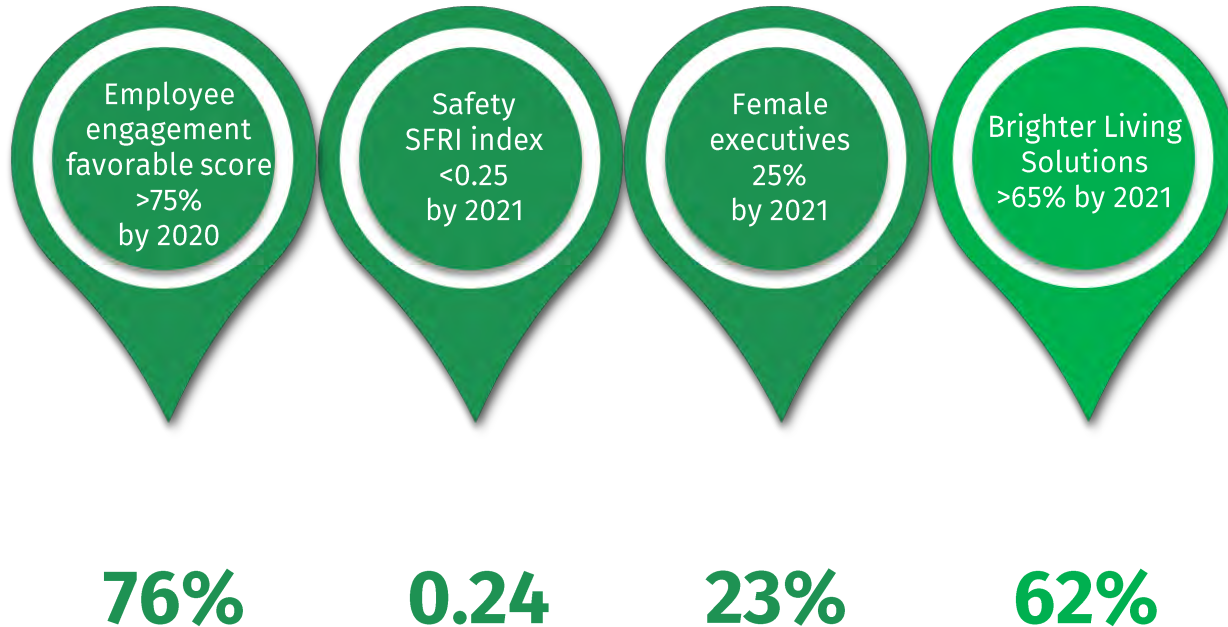
~19%
reduction

5.2%
improvement

69%

- **Emission** growth in 2021 from acquisitions compensated for by significant GHG reduction at other sites
- Well positioned to **outpace purchased renewable electricity target**:
 - ✓ Strong increase in % purchased renewable electricity from 60% end of 2020 to 69%
 - ✓ Protective Materials sites worldwide now use 100% renewable electricity
 - ✓ All North American electricity-needs will be 100% renewable (from 0% from renewable sources just 5 years ago)
- **Water efficiency** in water stressed areas showing large improvement versus 2020 due since the start of our water efficiency improvement program

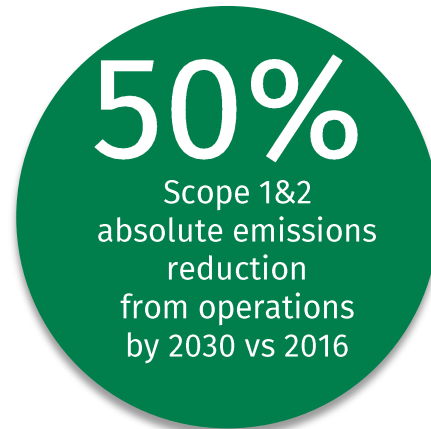
H1 Progress on sustainability ambitions – cont



- DSM's long-standing priority remains the **safety, health and well-being of people**
 - ✓ proactive measures to support employees and their families, distributing millions more free immunity-optimizing micro-nutrients doses and providing homeworking equipment, remote learning and development, and assistance programs worldwide
- Stepped up **inclusion and diversity**, supporting highly-motivated employee resource groups and improving female representation at executive level to 23% (was 21%)
- **Recordable safety incidents** remained low with the company striving to be incident and injury free
- **Brighter Living Solutions** (62%)

Accelerating 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 ton of CO₂ to €100mt, 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

Committed to stay ahead in Sustainability reporting

- DSM's sustainability reporting:
 - ✓ under **Reasonable Assurance**
 - ✓ in accordance with GRI Standards
 - ✓ UN Global Compact, Taskforce on Climate-related Financial Disclosures (TCFD)
 - ✓ Mapped to Sustainability Accounting Standards Board's standard (SASB) and WEF IBC Stakeholder Capitalism metrics
- DSM will ensure its methodology will allow reporting against new and future requirements of regulating authorities
 - ✓ EU Sustainable Finance Action Plan, e.g. EU Green deal, EU Taxonomy, EU Corporate Sustainability Reporting Directive, Sustainable Finance Disclosure Regulation (SFDR)
- And create transparency in mapping the impact of DSM's sales on achieving the UN Sustainability Development Goals
- DSM is committed to continue to obtain reasonable assurance on its sustainability (impact) reporting

Mapping DSM's sales towards UN Sustainable Development Goals



UN SDGs:

“A call for action by all countries to promote prosperity while protecting the planet”

2030

Update on DSM's Purpose-led Journey

- ✓ Sustainability Highlights H1 2021
- ✓ Positive societal impact with DSM's Animal Nutrition & Health business



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Health for the People and Health for the Planet

Key macro trends in Health & Nutrition drive growth of our businesses



Consumer

- Consumers increasingly look for foods that are healthy, affordable, convenient, fitting cultural & personal preferences, and are sustainably produced
- Increased awareness for products that boost immunity



Society

- Growing global population requires a huge step up in food production to provide food security for all, while we currently still combat hunger and malnutrition
- Affordable healthcare for all is hampered by increasing healthcare costs resulting from unhealthy diets and lifestyles



Environment

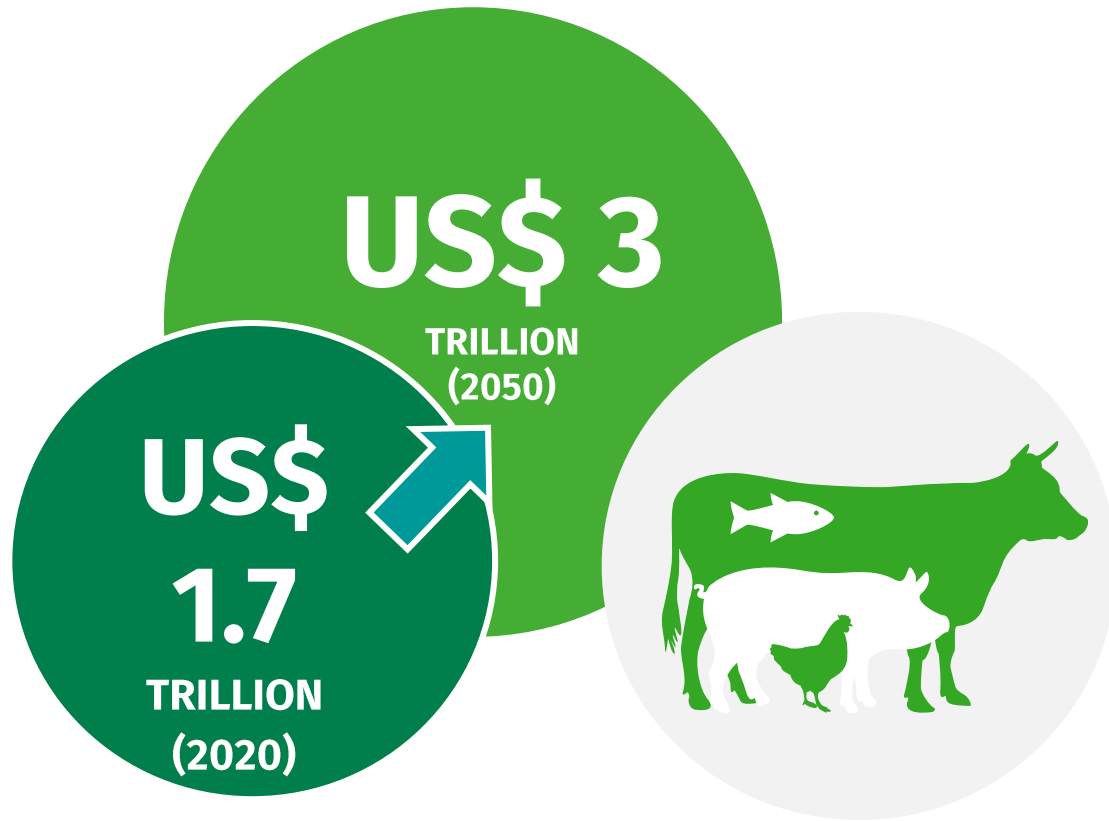
- Sustainable production of sufficient food within planetary boundaries
- Protect biodiversity. Reduce land use, restore nature
- Sustainably use the oceans, seas and marine resources

Healthy diets for 9.7 billion people by 2050

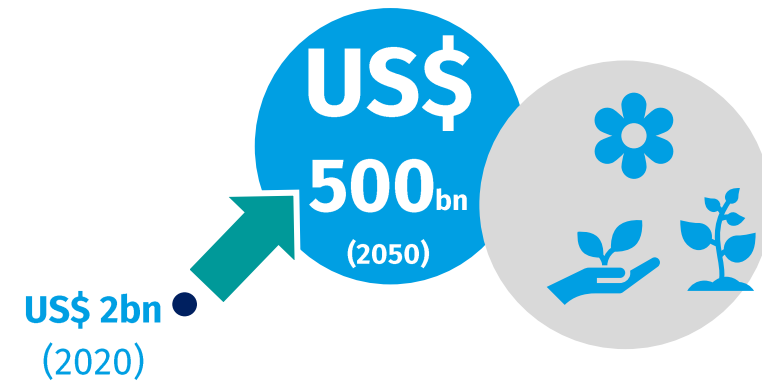
Requires a huge step up in food production to provide food security for all, while we currently still combat hunger and malnutrition

Animal proteins are an important part of a healthy and balanced diet

A growing, more affluent population offers significant upside in demand for proteins, both animal and alternative proteins



Animal based proteins



Alternative proteins

Animal farming plays an important role in society

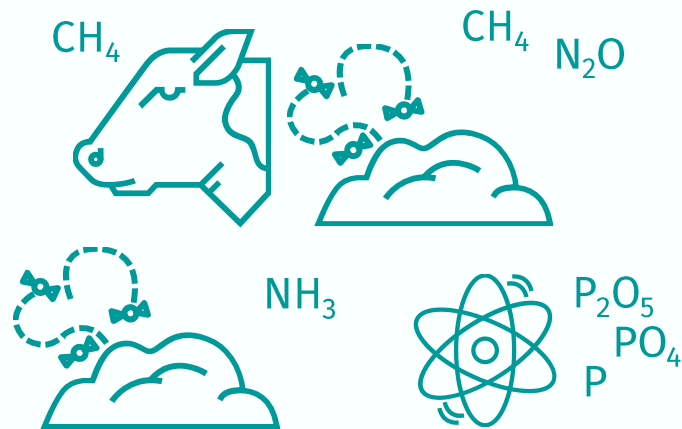
- Efficient and affordable way to produce healthy proteins
- Use marginal lands to produce digestible protein
- Plays a key role in nutrient cycling and soil fertility
- Key socio-economic factor – lifting people out of poverty in developing regions (employment)
- 30% of world population is involved in agricultural activities
- Yet, 820 million people are still exposed to chronic hunger and undernourishment (FAO, 2020)



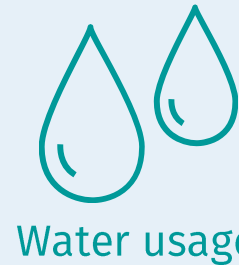
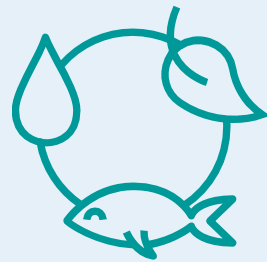
Animal Farming MUST become more sustainable

Reduction of emissions

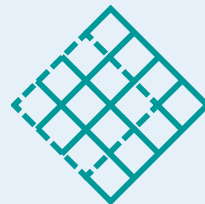
Green House Gasses (e.g. methane), nitrogen, ammonia, phosphorus



Protection biodiversity and ecosystem on land and in the ocean



Water usage



Land use - deforestation

Improving quality & safety meat, fish, milk and eggs while reducing food loss & waste



Food loss & waste



Tackle anti-biotic resistance

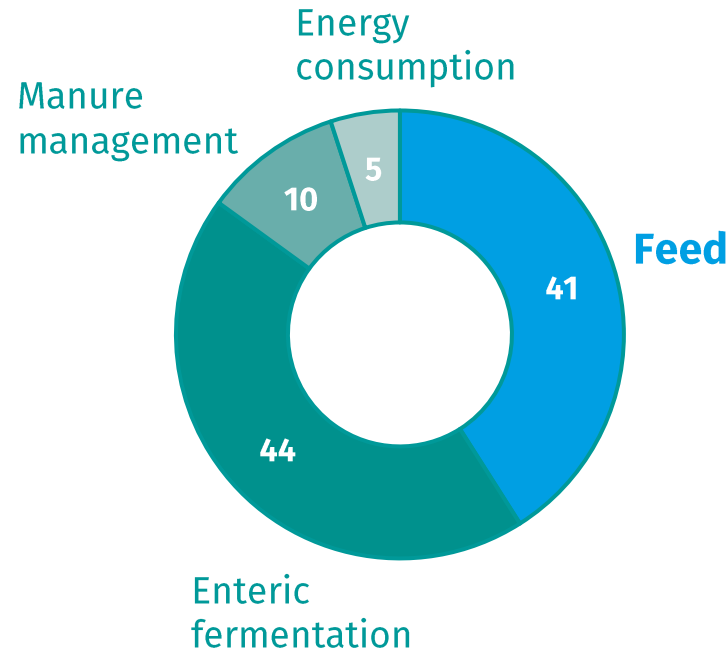
If animal production continues without change it will consume an increasing proportion of the worlds' GHG budget



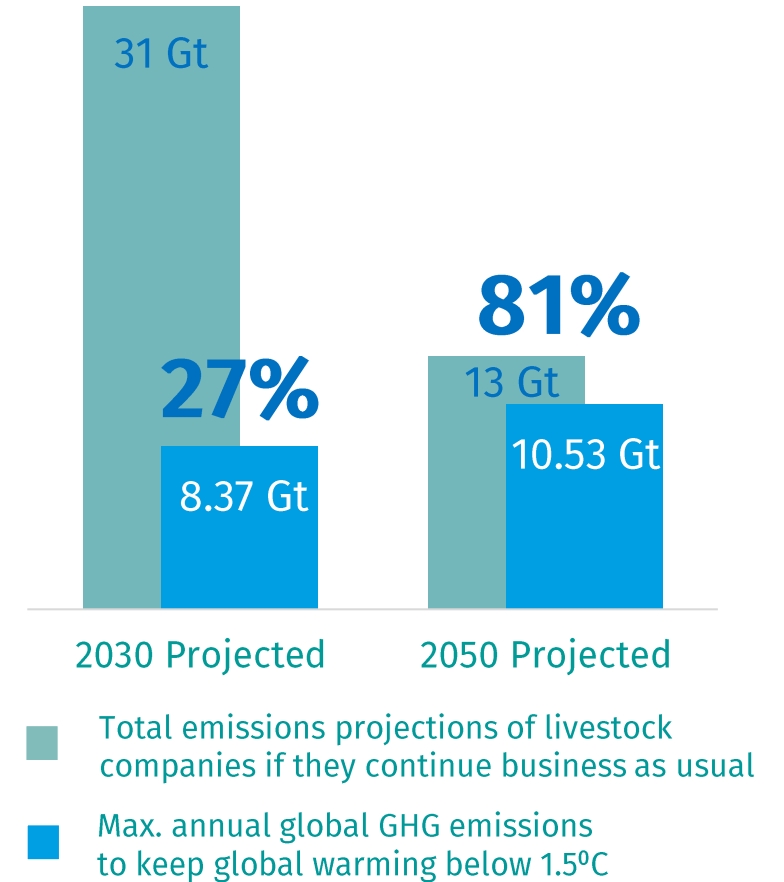
Animal farming accounts for

14.5%

of all human derived GHG emissions



Source: FAO GLEAM 2.0 Assessment of GHG emissions and mitigation potential. 2018; adapted from GRAIN and IATP report: Emissions impossible, July 2018



And we will need 1 billion additional hectares of crop land

- Contributing **3gt GHG emissions** and **250mt of nitrogen** use per year
- Causing additional environmental impacts



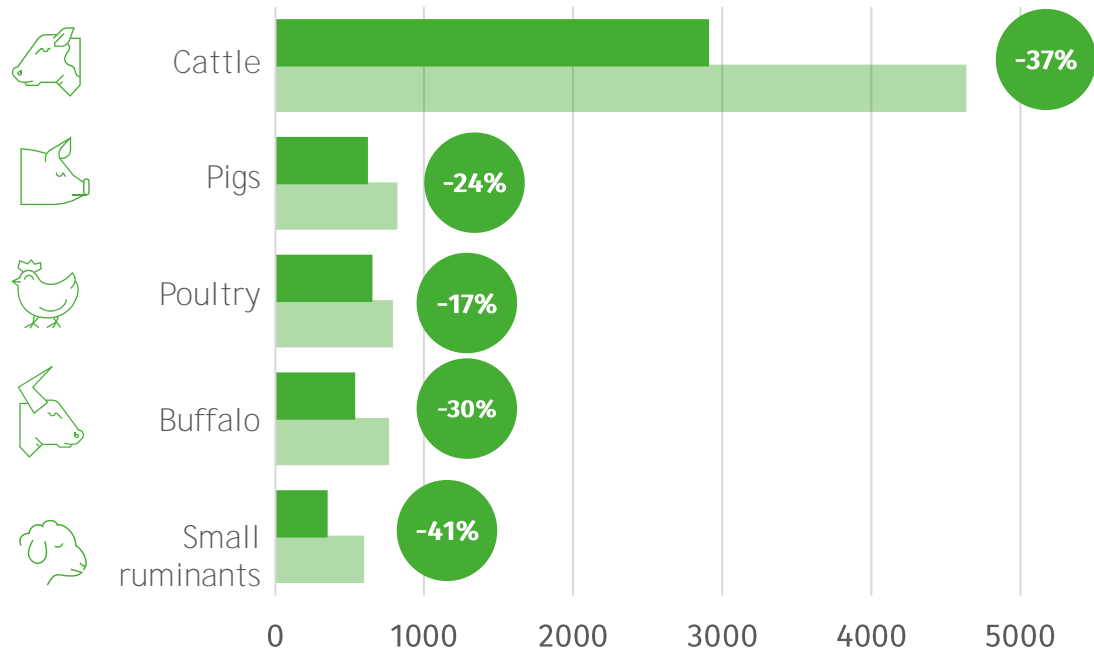
Source: FAO Stats, 2015; Tilman et al., 2011, PNAS 108, 50

An aerial photograph showing a large area of deforestation. A wide dirt road runs through the center, separating a dense green forest on the left from a cleared, brownish area on the right. In the background, a large body of water is visible under a clear sky.

Causing serious environmental impacts to biodiversity

Animal proteins CAN become more sustainable and significant emissions reductions are possible

if best practices and technologies are implemented across species



Reductions based on applying practices of the 10th percentile of producers with the lowest emissions while maintaining constant output. Million tonnes CO2-EQ

Source: FAO GLEAM 2.0 Assessment of GHG emissions and mitigation potential; IPCC 2019; WRI 2019

This can be achieved through the following

Productivity gains
especially milk & meat
production and reducing food
loss & waste

**Improved nutrient
utilization**
including the
consequential reduction in
manure nitrogen & its
reactive forms

**Enteric methane
inhibition**
imperative for fast and
effective GHG reduction

Feed additives and nutritional science are the foundation to making improvements and unlocking the value of sustainability

DSM focuses its efforts on 6 business drivers, central for animal production sustainability connected to key UN SDGs



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



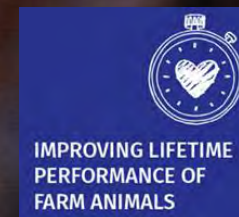
IMPROVING LIFETIME
PERFORMANCE OF
FARM ANIMALS

SUSTAINABLE DEVELOPMENT GOALS



Helping tackle antimicrobial resistance

- 50-70% of all antibiotics are used by the livestock farming industry
- Current over-usage of antibiotics could result in loss of **10 million human lives per year by 2050** due to antimicrobial resistance
- Our **ambition**: **Replace anti-biotic growth promotors** and reduce prophylactic use of antibiotics
- Our **solutions**: Eubiotics and enzymes, safe innovative feed additives that support gut health & growth in farm animals:
 - ✓ **Balancius™**: enzyme supports gastrointestinal functionality in broilers. It improves feed conversion by 3% and increases weight gain by 4-6%
 - ✓ **Crina®**: eubiotic increases feed efficiency at ruminants by >2.5%, supports maintaining milk production
 - ✓ **Vevovital®**: eubiotic increases feed efficiency at piglets by >2.5%, increases weight gain by >5% and lowers ammonia (nitrogen) emissions by up to 20% in swine



Making efficient use of natural resources

- An estimated 70% increase in animal protein demand places tremendous pressure on the world's natural resources from the land and the oceans
- Our **ambition**: Limit the use of finite natural resources and reduce pressure of crop production on biodiversity, conserve forests and oceans
- Our **solutions**: a range of highly innovative feed additives:
 - ✓ **Protease Proact®**: Improves feed digestibility, allows more diverse use of various local feed raw materials, decreases pressure on land-use and deforestation. Used globally in broilers, ProAct® would save 9m tons of soy and lower deforestation pressure of 3m ha per year (the size of Belgium)
 - ✓ **Mycotoxin deactivation**: agricultural commodities are infested by molds, hazardous to animals and humans that cost the global livestock and agri industries billions a year. DSM Erber is a leading pioneer in detecting and combatting almost 400 different types of mycotoxins
 - ✓ **Veramaris**: Reducing our reliance on marine resources. 1kg Veramaris oil is equivalent to 60kg wild catch. Veramaris can produce high quality omega-3 (EPA/DHA), equivalent to 1.2m tons of wild catch fish – more than the annual catch from the Mediterranean Sea



Reducing emissions from livestock

- Around 14.5% of all human-caused greenhouse gas (GHG) emissions come from livestock, with ~65% of this from dairy and beef cattle
- Our **ambition**: to **reduce GHG, nitrogen and phosphorus emissions** and **create a low emissions future for animal farming**
- Our **solutions**: a range of highly innovative feed additives, for example:
 - ✓ **Bovaer®**: Acts on rumen microbes, reducing enteric methane emissions (a major source of global GHG) in dairy, beef and sheep by approximately 30%
 - ✓ **Vevovital®**: a key eubiotics, increases feed efficiency in piglets by >2.5%, increases weight gain by >5%, while significantly reducing ammonia (nitrogen) emissions by up to 20% in swine
 - ✓ **Protease®**: feed enzymes improve feed efficiency, increasing protein digestibility, reducing the amount of protein needed in feed and reducing nitrogen emissions by up to 17% in broilers
 - ✓ **Phytase®**: feed enzymes improve phosphorus digestibility from feed ingredients, reducing the amount of phosphate needed in feed and reducing phosphorus emission to the environment



Sustell™ - The next frontier in Health, Nutrition & Bioscience

You can only act on what you measure
New DSM sustainability service creates transparency on environmental footprint for farmers

Sustell™
Sustainability Intelligently Applied

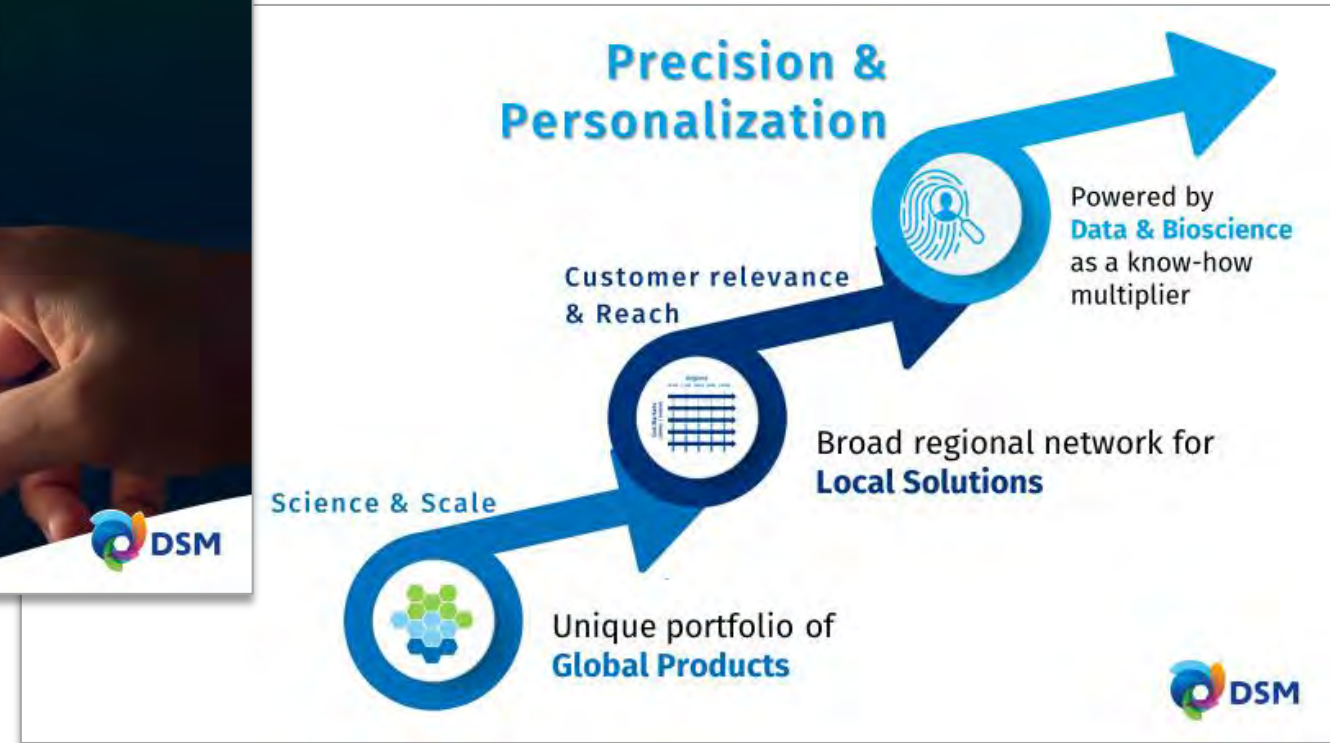
SUSTAINABILITY

INTELLIGENCE

ANIMAL PROTEIN PRODUCTION



DSM



Sustell™ will enable positive change for business, societies and the environment

And help deliver on our purpose of creating brighter lives for all

- A global service, built on validated protocols, calculation methodologies and proven processes that meet international standards
- Providing accurate, globally recognized, comparable analyses and results of environmental impact assessments, interventions and improvements throughout the animal protein value chain
- Animal farming companies and the associated value chain, have, for the first time, a powerful solution to measure, compare and improve the sustainability of animal protein



DSM takes a full eco-system approach to ensure animal protein production becomes more sustainable and profitable

From a siloed industry approach

There are many **product-driven approaches** that are focused purely on the **feed ecosystem** looking at it from a **supplier perspective**



Animal feed

To full eco-system approach

We take a **full eco-system approach** to show and **measure the full environmental footprint** of animal protein production & how to improve with science-based solutions



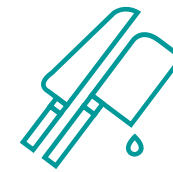
Animal feed including crop / raw material impacts



Live production including animal health



Outputs such as manure management



Slaughterhouse



Full ecosystem emissions & environmental footprint

The worldwide drive for sustainable animal protein demands accurate footprint measurement & improvement

50-60%

Feed impact on animal protein production cost

50-80%

Feed impact on animal protein footprint

Biggest impact on sustainability/ environment takes place at farm level, which is primarily driven by feed production, digestion and excretion

Tangible change evolving in the animal protein value chain: it all needs **credible** measurement



Regulators
Policy changes to address agricultural footprint and deliver on national commitments



Investors & Banks
Pressure for ESG compliant reporting on animal footprint to manage risk & return; carbon bank initiatives; loan incentives



Retailers
Seeking products and brands with strong connections to consumer values on health & sustainability



Retailers are now experimenting with consumer-focused sustainability food labelling



Investor networks focusing on ESG risks in the global food sector. Banks incentivizing sustainable farming practices with improved lending terms & conditions



EU CAP farm subsidy payments linked to environmental KPIs

Similar to nutrient information: the value chain is now experimenting with footprint labelling & tracking



Consumers get nutritional information to help manage their health

Simplifying nutrition & becoming widely adopted



Front of pack labelling to communicate environmental footprint of food to help consumers manage their carbon footprint

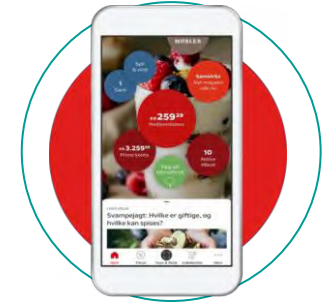
Being tested by major retailers (Colruyt, Lidl)

Simple score based on average data



Detailed product footprints (kg CO₂/kg) now on pack

Driving awareness about food choice and carbon footprint



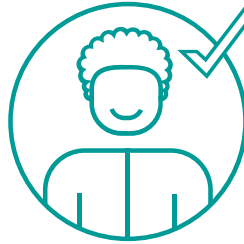
Coop Denmark provides its customers with an App that tracks the carbon footprint of their food choices

Consumers are positive for carbon labelling, and it can lead to change



67%

of consumers support carbon labelling of foods



64%

of consumers are more likely to think positively about a brand that could demonstrate it had lowered the carbon footprint of its products

Nutritional labelling has been shown to reduce calorie intake by **7%** and total fat by over **10%**

What will be the effect with eco – labelling & sustainability-marketed products?

Research shows a **5%** reduction in the carbon footprint of a person's diet

Source: Carbon Trust 2020 YouGov survey of over 10,000 consumers across France, Germany, Italy, the Netherlands, Spain, Sweden, the UK and the US. Vlaeminck et al., Eco. Econ. 108, 2014. Shangguan et al., AJPM, Vol 56, Issue 2, 2019

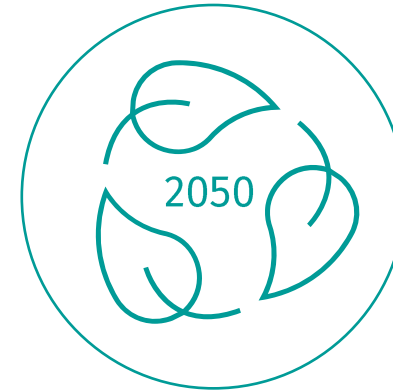
Animal protein producers gearing up reducing reputational & financial risk & addressing consumer demands



Carbon neutral
beef from
Marfrig



Carbon
neutral milk
from Arla



The dairy value chain
is actively exploring
decarbonizing their
value chain & setting
targets (IDF, GDP)



*If not us, who?
If not now, when?*

WE MAKE IT POSSIBLE



ANNEX - Summary Key Financials

H1 2021 results



DSM

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Key financials (continuing operations)

Continuing operations in € million	H1 2021	H1 2020	% Change	Q2 2021	Q2 2020	% Change
Sales	4,488	4,065	10%	2,294	2,020	14%
Adjusted EBITDA	925	761	22%	484	371	30%
Adjusted EBITDA margin	20.6%	18.7%		21.1%	18.4%	
EBITDA	879	683				
ROCE (%)	12.2%	10.9%				
Effective tax rate ¹	19.5%	17.3%				
Adj. Net profit - continuing operations ²	444	368	21%			
Net profit - continuing operations ²	422	240	76%			
Adjusted net EPS	2.54	2.13	19%			
Net EPS	2.41	1.38				
Operating Cash Flow	580	545	6%			
Adj. Net Operating Free Cash Flow	388	330	18%			

¹Over Adjusted taxable result

²Including result attributed to non-controlling interest

H1 2021 and Q2 2021 Sales & Adj. EBITDA (margin) – (continuing operations)

in € million	H1 2021	H1 2020	% Change	Volume	Price/mix	FX	Other
Sales	4,488	4,065	10%	11%	0%	-5%	4%
Nutrition	3,404	3,224	6%	7%	-1%	-6%	6%
Materials	971	730	33%	33%	4%	-4%	0%
Adj. EBITDA	925	761	22%				
Nutrition	730	674	8%				
Materials	232	125	86%				
Innovation	12	11					
Corporate	-49	-49					
EBITDA	879	683					
Adj. EBITDA margin	20.6%	18.7%					

in € million	Q2 2021	Q2 2020	% Change	Volume	Price/mix	FX	Other
Sales	2,294	2,020	14%	14%	0%	-4%	4%
Nutrition	1,726	1,649	5%	6%	-2%	-4%	5%
Materials	504	317	59%	50%	14%	-5%	0%
Adj. EBITDA	484	371	30%				
Nutrition	378	350	8%				
Materials	124	40	210%				
Innovation	6	6					
Corporate	-24	-25					
Adj. EBITDA margin	21.1%	18.4%					

Adjusted EBITDA is an Alternative Performance Measure (APM) that reflects results from usual operations

Financial details by cluster

DSM Nutrition

in € million	H1 2021	H1 2020	% Change	Q2 2021	Q2 2020	% change
Sales	3,404	3,224	6%	1,726	1,649	5%
Adj. EBITDA	730	674	5%	378	350	8%
Adj. EBITDA margin (%)	21.4%	20.9%		21.9%	21.2%	
Adj. EBIT	491	478	3%			
Capital Employed	8,749	7,681				
Average Capital Employed	8,598	6,967				
ROCE (%)	11.4%	13.7%				
Total Working Capital	1,818	1,695				
Average Total Working Capital as % of Sales	26.0%	27.0%				

DSM Materials (continuing operations)

in € million	H1 2021	H1 2020	% Change	Q2 2021	Q2 2020	% change
Sales	971	730	33%	504	317	59%
Adjusted EBITDA	232	125	86%	124	40	210%
Adjusted EBITDA margin (%)	23.9%	17.1%		24.6%	12.6%	
Adjusted EBIT	183	75				
Capital Employed	965	1,038				
Average Capital Employed	955	1,056				
ROCE (%)	38.2%	14.2%				
Total Working Capital	235	259				
Average Total Working Capital as % of Sales	11.9%	17.5%				

Financial details

Innovation Center (continuing operations)

in € million	H1 2021	H1 2020	Q2 2021	Q2 2020
Sales	86	91		44
Adjusted EBITDA	12	11		6
Adjusted EBIT	1	-9		-5
Capital Employed	416	596		

Corporate Activities

in € million	H1 2021	H1 2020	Q2 2021	Q2 2020
Sales	27	20		10
Adjusted EBITDA	-49	-49		-25
Adjusted EBIT	-69	-72		-37

Discontinued Operations

in € million	H1 2021	H1 2020	Q2 2021	Q2 2020
Sales	264	467		219
Adjusted EBITDA	28	64	0	31
Adjusted EBIT	28	42		20

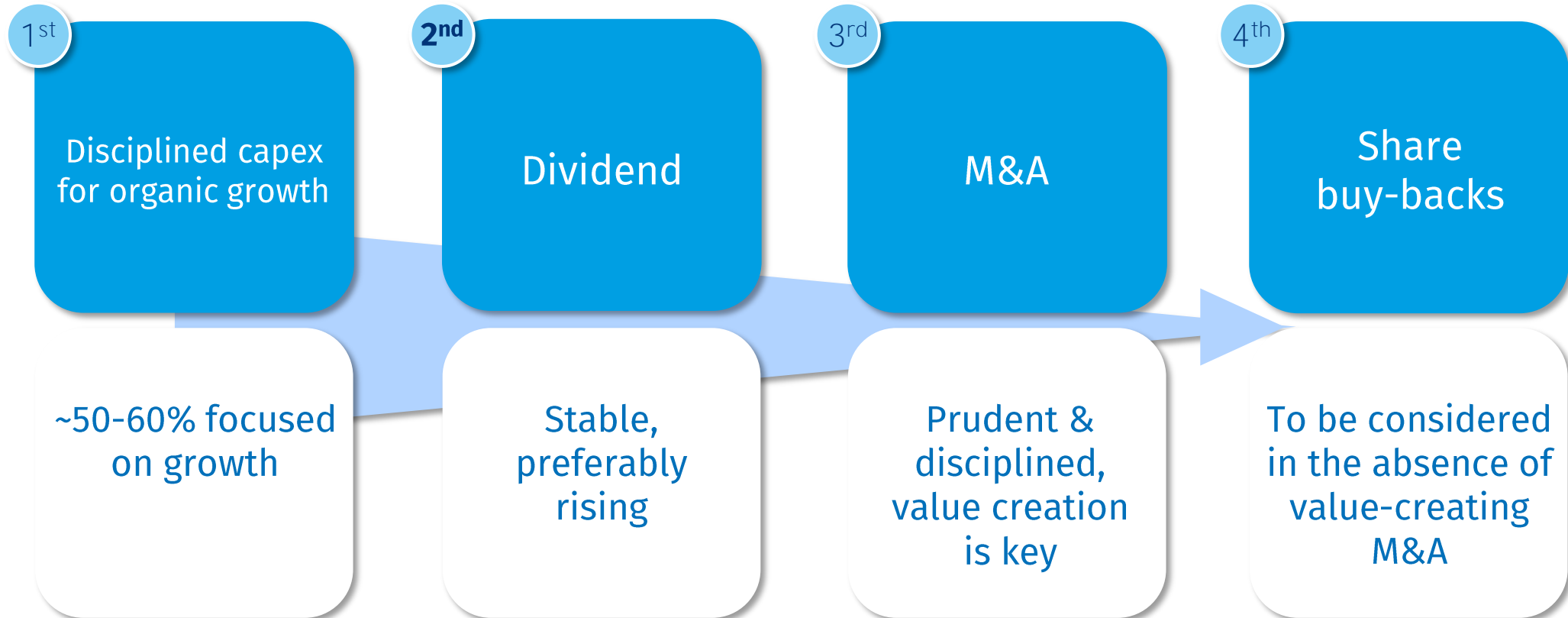
- Discontinued Operations captures the result of DSM's Resins & Functional Materials businesses, which were previously included in the Materials and Innovation segment
- Resins & Functional Materials saw continued good recovery of demand throughout the fourth quarter with volume growth at 21%. Adjusted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

Cash Flow

Condensed Cash Flow statement and (Operating) Working Capital

in € million	Continuing operations		Total Group	
	H1 2021	H1 2020	H1 2021	H1 2020
Cash provided by Operating Activities	580	545	579	584
Cash from APM adjustments	42	41	42	42
Cash from capital expenditures	-229	-246	-236	-274
Cash from drawing rights	-5	-10	-5	-10
Adjusted Net Operating Free Cash Flow	388	330	380	342
Operating Working Capital	2,285	2,203	2,285	2,346
Average Operating Working Capital as % of Sales	24.8%	27.3%	23.7%	26.0%
Operating Working Capital as % of Sales - end of period	24.9%	27.3%	24.9%	26.2%
Total Working Capital	1,744	1,682	1,744	1,813
Average Total Working Capital as % of Sales	20.1%	22.4%	19.0%	21.5%
Total Working Capital as % of Sales - end of period	19.0%	20.8%	19.0%	20.2%

DSM Group | Financial policies



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

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 2021 H1 performance can be found in the 2021 H1 results press release. 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

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