

Press Release

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DSM announces food system commitments to set a healthier future for people, planet and livelihoods

Royal DSM, a global purpose-led science-based company, today announces a series of new quantifiable commitments aimed to address urgent societal and environmental challenges linked to how the world produces and consumes food by 2030. DSM is one of the first companies in the consumer ingredient sector to make its societal impact explicit through a set of measurable food system commitments. These commitments cover three areas where the company believes it can make the greatest positive impact together with its business partners: Health for People, Health for Planet and Healthy Livelihoods.

Through investment in its (bio)science-based innovations, extensive partnerships, and advocacy activities, DSM aims to help deliver change to ensure accessible, affordable, healthy nutrition and healthy livelihoods within planetary boundaries. DSM's new strategic food system commitments by 2030 are:

People

- Enable the micronutrient gap of 800 million vulnerable people to be closed
- Support the immunity of 500 million people

Planet

- Enable double-digit on-farm livestock emission reductions
- Reach 150 million people with nutritious, sustainable plant-based protein foods

Livelihoods

• Support the livelihoods of 500,000 smallholder farmers across value chains together with partners

These commitments support the UN Sustainable Development Goals 2, 3, 12 and 13. DSM is committed to continue to obtain reasonable assurance on its impact reporting including these new commitments as it plans to report its progress every year in its Integrated Annual Report.

Geraldine Matchett and Dimitri de Vreeze, Co-CEOs, commented: "The way we produce and consume food as a society contributes to major global challenges, such as climate change, malnutrition and poverty. To solve this we need to collectively rethink our food systems from farm to fork. As a purpose-led global science-based leader in health, nutrition and bioscience, we've been playing our part and applied our resources and expertise to create positive change for instance through our food fortification and feed solutions for on-farm emission reduction. With today's ambitious commitments we are taking a next step by making our societal impact explicit and measurable. We look forward to stepping this up, together with our public and private sector partners, to ensure accessible, affordable, healthy nutrition and healthy livelihoods within our planet's boundaries."

Forward-looking statements

This press release may contain forward-looking statements with respect to DSM's future (financial) 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 press release, unless required by law. The English language version of the press release is leading.

Health for People

During 2020, the number of people without access to adequate nutrition rose to 2.4 billion — roughly a third of the world's population (UN FAO). Food poverty is also endemic in many of the world's richest countries, as shown by the growing use of food banks. It is estimated that 2 billion people suffer from vitamin and mineral deficiency with COVID-19 highlighting the crucial role a balanced nutrition plays in supporting the body's immune function.

- DSM commits to helping fill the micronutrient gap of 800 million people by 2030 through fortified staple foods and health supplements that deliver a proven and cost-effective method of combating malnutrition; as well as empowering consumers to achieve healthier diets. DSM does this together with its cross-sector partners such as the World Food Programme, UNICEF, World Vision and Scaling Up Nutrition.
- DSM commits to supporting the immunity of 500 million people by 2030. As the market leader in nutritional ingredients rooted in nutritional science, DSM will step up its role in delivering essential vitamins, minerals and other ingredients to consumers worldwide through high-performance dietary supplements. DSM will promote healthier diets and also develop and launch new innovative solutions like ampli-D®, which helps boost vitamin D levels in the body in weeks instead of months.

Health for Planet

Food systems and the climate crisis are intrinsically linked. Not only is food production and consumption responsible for more than a quarter of all global emissions (IPCC report 2019), it's also the first to be hit by the disruption of the planet's natural ecosystems. Scaling up plant-based alternatives together with switching to more sustainable production of key animal proteins such as dairy, fish, meat, and eggs is needed to fulfill the nutritional needs of a growing global population.

- DSM commits to enable double-digit on-farm reduction of livestock emissions by 2030, specifically:
 - o Enable a 20% reduction in **greenhouse gas emissions** in dairy production
 - Enable a 30% reduction in ammonia emissions from swine farming
 - o Enable a 30% reduction in **phosphorus emissions** from poultry farming

DSM can help make a sizeable reduction in emissions from farms by changing the feed that animals eat every day. For instance, just a quarter teaspoon of its feed additive <u>Bovaer</u>® per cow per day will consistently reduce enteric methane emission by approximately 30% - enabling a 10-12% reduction in greenhouse gas emissions per kilo of milk.

• DSM commits to reaching 150 million people with nutritious, sustainable plant-based protein foods by 2030, thus more than doubling the number of lives DSM reaches with its plant-based solutions today. DSM will continuously innovate and accelerate its solutions for sustainably produced plant-based foods and beverages that provide a genuine tasty and nutritious alternative to meat, fish or dairy. Examples include solutions for a better taste, texture and mouthfeel in plant-based drinks; as well as its investment to scale up canola-based protein used to enhance a wide range of vegan and vegetarian products – from meat and dairy alternatives to popular beverages.

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Healthy Livelihoods

Many people working in food supply chains - including farmers, traders, and factory workers - are unable to afford or have access to healthy food. Of the nearly 1 billion farmers in the world, more than 492 million live in extreme poverty. They need fair, steady incomes that will support their basic needs.

• Together with its partners DSM commits to supporting the livelihoods of 500,000 smallholder farmers across value chains by 2030. As a first step, DSM is helping to improve the incomes of farmers working in its own value chains and through joint venture partners. To achieve this, DSM will be scaling up its innovative social enterprise model Africa Improved Foods (AIF). This Rwanda-based public-private partnership produces nutritious and affordable fortified foods for - and with - local communities. Today it sources a variety of grains from around 130,000 smallholder farms, providing a steady and more secure income, as well as training to improve yields and climate-resilient farming. By expanding the program to additional locations in Sub-Saharan Africa, DSM wants to quadruple the number of farmers reached and thus contribute to equality, local economic development and job creation.

More information can be found on DSM's website.

With these commitments, DSM builds further upon its purpose-led portfolio and strong ESG performance, exemplified by the recent acceleration of its science-based greenhouse gas reduction target. DSM is a CDP Climate Leader and was awarded an A score for its climate change disclosure. DSM holds a platinum sustainability medal from EcoVadis putting DSM in the top 1% of its industry. DSM has a top position in Sustainalytics, has an AAA rating from MSCI; has Prime Status with ISS-Oekom; and has a leading position in the rankings of Moody's Vigeo Eiris.

DSM

Royal DSM is a global, purpose-led company in Health, Nutrition & Bioscience, applying science to improve the health of people, animals and the planet. DSM's purpose is to create brighter lives for all. DSM's products and solutions address some of the world's biggest challenges while simultaneously creating economic, environmental and societal value for all its stakeholders – customers, employees, shareholders, and society at large. DSM and its associated companies employ approximately 23,000 people around the world and deliver annual net sales of about €10 billion. The company was founded in 1902 and is listed on Euronext Amsterdam. More information can be found at www.dsm.com.

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