

Press Release

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DSM sets science-based reduction targets for emissions

Royal DSM, a global science-based company in Nutrition, Health and Sustainable Living, announced today that it has set new science-based reduction targets for greenhouse gas emissions. The new targets have been reviewed and approved by the Science Based Targets initiative and aligned with the Paris climate agreement. DSM is the first European company in its sector to join the group of almost 180 leading companies with validated science-based targets.

DSM has committed to reducing 30% of its greenhouse gas emissions from direct production and purchased energy in absolute terms by 2030 compared to 2016. DSM will decouple emissions from its growth through energy efficiency measures and sourcing more renewable electricity. As a complementary target, DSM will be purchasing 75% of electricity from renewable sources by 2030, with 41% already being renewable in 2018. On top of this, DSM applies an internal carbon price of €50 per ton of CO₂ to further guide its investments and operational decisions towards low carbon operations.

Additionally, as DSM's operations only represent a small proportion of the total emissions in the value chain of its products, DSM has set a new, more ambitious target to reduce indirect value chain emissions by 28% per ton of product produced by 2030. Emissions reductions in the value chain will be driven particularly through DSM's recently initiated CO2REDUCE program, focusing on encouraging and challenging suppliers to reduce their climate impact.

DSM's targets have been assessed by the <u>Science Based Targets initiative (SBTi)</u> to be in line with the level of decarbonization required to keep global temperature increase below 2 degrees Celsius compared to preindustrial levels. The SBTi is a collaboration between CDP, the United Nations Global Compact, World Resources Institute (WRI) and the World Wide Fund for Nature (WWF), driving ambitious corporate climate action.

Alexander Farsan, Global Lead for science-based targets at WWF, one of the Science Based Targets initiative partners, says: "We congratulate Royal DSM on setting emissions reduction targets in line with climate science. By taking this ambitious step, they are real leaders in their sector and are doing their part to align with global efforts to prevent the most dangerous effects of global warming."

<u>Feike Sijbesma</u>, CEO and Chairman of the DSM Managing Board, comments: "Combating climate change is not just a responsibility but also a business opportunity for DSM. With validated science-based targets, we take a major step forward in delivering our contribution to the Paris Agreement, and invite peers and partners to follow suit."

Jeff Turner, Vice-President Sustainability at DSM, said: "Adopting science-based targets aligned with the Paris Agreement supports us driving climate action throughout the value chain. At DSM we also enable our customers to reduce their emissions with our Brighter Living Solutions. I am proud DSM is taking proactive steps to enable the transformational change the world needs."

More information on DSM's "<u>improve-enable-advocate</u>" Brighter Living Agenda and how DSM is working towards low-carbon economy can be found at <u>dsm.com/climatechange</u> and in <u>DSM's 2018 Integrated</u> Annual Report.

DSM - Bright Science. Brighter Living.™

Royal DSM is a purpose-led global science-based company in Nutrition, Health and Sustainable Living. DSM is driving economic prosperity, environmental progress and social advances to create sustainable value for all stakeholders. DSM delivers innovative business solutions for human nutrition, animal nutrition, personal care and aroma, medical devices, green products and applications, and new mobility and connectivity. DSM and its associated companies deliver annual net sales of about €10 billion with approximately 23,000 employees. The company is listed on Euronext Amsterdam. More information can be found at www.dsm.com.

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Forward-looking statements

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