The World Faces Unprecedented Challenges

*Population growth and shifts in dietary patterns drive impacts*

**Population Growth**
- Global population predicted to increase to 9.7 billion by 2050
- And 11.2 billion by 2100

**Food Demand**
- Food demand grow 60% by 2050 vs 2006
- Two out of five adults are obese
- 800 million people are undernourished
- Additional 2 billion undernourished in 2050

**Ecosystem Impacts**
- Irrigation consumes 90% of global freshwater
- 75% of agriculture land is devoted to raising animals
- Food contribute with 30% of total GHG emissions
- About 1/3 of all food is lost or wasted
N&H Sustainability Ambition

Become a leading partner for sustainable food and nutrition solutions.

Enabling healthy and sustainable food and nutrition that is affordable, environmentally, and socially responsible.
Scope of Sustainability in N&H

What does it mean for us?

Sustainability is about conducting business that is **socially, ethically, and environmentally sound** across the value chain - creating the foundation for **long term profitability** and global economic prosperity.

The three pillars of sustainability

- **Environmental Planet**
- **Social People**
- **Economic Profit**
Sustainability Strategy

*Value chain perspective covering all three pillars of sustainability*

**Sustainable Sourcing**
Realize step change performance on sustainable sourcing

**Sustainable Operations**
Ensure industry leading manufacturing footprint

**Sustainable Solutions**
Help customers achieving their sustainability goals
2020 Sustainable Sourcing Goals

*Step change performance on sustainable sourcing*

**Implement Sustainable Sourcing Program**

Develop and implement sustainable sourcing program for 90% of all bio-based raw materials*

* Covering raw materials based on palm, soy, seaweed, carob beans, wood and guar

**Source Sustainable Palm Oil and Derivatives**

Source 100% certified sustainable palm oil globally and implement Sustainable Palm Oil Sourcing Policy

**Source Sustainable Soy**

Implement Sustainable Soy Sourcing Policy & drive sustainable sourcing

**Complete Ethical Assessment of Suppliers**

Include 100 Tier One suppliers in ethical and environmental assessment and audit program
2020 Sustainable Manufacturing Goals
*Industry leading manufacturing footprint & SHE performance*

**Promote Renewable Energy**

Target elimination of coal* at all sites and increase share of renewable energy to 20% of total energy use

* As a source of onsite combustion i.e. Scope 1 related

**Reduce Water Consumption**

Reduce water consumption with 20% per revenue* and establish water mitigation plans at high water risk sites

* With 2010 as a baseline

**Reduce Greenhouse Gas Emissions**

Reduce greenhouse gas emissions with at least 20% per revenue with 2010 as baseline

**Landfill, Packaging, Transport, and CM***

Less than 10% waste to landfill and 10 projects on packaging, transport, and CM that reduce impacts significantly

* Contract Manufacturing
### 2020 Sustainable Manufacturing Goals

*Continuous improvements and certification*

<table>
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<tr>
<th>Environmental certification</th>
<th>SEDEX and Ethical Audit</th>
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<td>By 2020 ensure that 100% of manufacturing sites have achieved the ISO 14001 Environmental Management Certification</td>
<td>All manufacturing sites are registered in Sedex (Supplier Ethical Data Exchange) and have completed the self-assessment questionnaire. By 2020, all relevant manufacturing sites have undergone a SMETA audit (Sedex Members Ethical Trade Audit)</td>
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2020 Sustainable Solutions Goals

**Improve Customer’s Performance**
Reduce customer’s greenhouse gas emissions with 15 million tons CO$_2$e annually by 2020*

* Enabled by solutions that reduce food waste, replace high impact raw materials and/or improves processing efficiency

**Support Healthy Food and Nutrition**
Promote and document N&H’s contribution to healthy food and nutrition

**Partnering for Impact**
Establish 20 customer partnerships resulting in significant sustainability improvements

**Promote Sustainable Innovation**
Integrate sustainability in product & process development and complete life cycle assessment for all main product categories
Sustainable Solutions
*Catalyzing improvements in our customers value chain*

- **Protective Cultures**
  - Less food waste of cheese, yoghurt and other fresh fermented products

- **Systems & Texturant’s**
  - No cooling requirements and higher processing efficiency of ambient yoghurt

- **Natural Antioxidants**
  - Less food waste of meat, margarine, sauces and dressings

- **Soy Proteins**
  - 7 to 70 times smaller carbon footprint compared to dairy and meat proteins

- **Anti-staling Enzymes & Emulsifiers**
  - Less food waste of baked goods

- **XIVIA®Xylitol**
  - 5 to 10 times smaller carbon footprint than corn cob based xylitol

DuPont™ Danisco® food ingredients
Our Focus

In a UN Sustainable Development Goal context
Recent Achievements

- **Sustainable Soy Sourcing Policy** implemented with NEPCon (2017)
- **100% physical certified palm oil** (Denmark 2015)
- **100% RSPO certified palm oil** and derivatives (Globally 2017)
- **Industry leading Health & Safety performance**
- **All relevant N&H manufacturing sites are SEDEX registered and have completed SMETA (ethical) audits**
- **Join FReSH initiative supporting Healthy and Sustainable Diets (2017)**
- **Largest pectin site switches from oil to gas**
- **Largest emulsifier site becomes carbon neutral** (2017)
- **Helped customers save 10 million tons CO$_2$e (2015)**
- **20 product analyzed by 3rd party reviewed life cycle assessments**
- **New step change sustainability strategy and governance structure launched (2017)**

*Achieved by replacing coal with biomass as energy source at our manufacturing site in Grindsted (DK), and by using waste heat for residential heating – saving 45,000 tons CO$_2$e annually.
Strategy Highlights

* Sustainability from sourcing to solutions*

- Focus on environmental-, social- and economic sustainability in line with the UN Sustainable Development Goals

- Value chain perspective as a cornerstone in sustainability strategy

- DuPont N&H solutions have a substantial potential to address customer’s sustainability challenges related to health and nutrition, food waste and environmental impacts in general
DuPont Nutrition & Health combines in-depth knowledge of food and nutrition with current research and expert science to deliver unmatched value to the food, beverage and dietary supplement industries.

We are innovative solvers, drawing on deep consumer insights and a broad product portfolio to help our customers turn challenges into high-value business opportunities.