Notes to the Agenda for the Annual General Meeting of Koninklijke DSM N.V. to be held on Friday, May 3, 2013

NOTES TO AGENDA ITEM 2

Annual Report for 2012 by the Managing Board

The Managing Board will comment on the Report by the Managing Board in DSM's Annual Report for 2012 (see pp. 10 to 73 of the Annual Report for 2012[1]).
Subsequently, those present at the meeting will be given the opportunity to ask questions or make remarks about the Report by the Managing Board for 2012 and the Report by the Supervisory Board (included in the Annual Report for 2012 on pp. 122 to 135).

Under this agenda item questions can also be raised, and remarks can be made, on DSM's approach to the implementation of the Dutch Corporate Governance Code, and on the Sustainability Information, which is integrated in the Annual Report for 2012.

NOTES TO AGENDA ITEM 3

Financial Statements for 2012 — Resolution

The Supervisory Board approved on 19 February 2013 the Financial Statements for 2012 drawn up by the Managing Board. The Financial Statements were published on 20 February 2013 and are now submitted for adoption by the General Meeting (see Article 31, section 2, of the Articles of Association).

NOTES TO AGENDA ITEM 4

a. Reserve policy and dividend policy

The reserve policy is unchanged compared with last year. The reserve policy is closely linked to the dividend policy. Every year the Managing Board, with the approval of the Supervisory Board, decides which part of the profit is to be appropriated to the reserves. The portion of the profit then remaining and after deduction of the dividend on cumulative preference shares, is at the disposal of the General Meeting.

The dividend that the company pays its shareholders depends on business conditions, the company's financial performance and other relevant factors. DSM aims to provide a stable and preferably rising dividend. The Managing Board, with the approval of the Supervisory Board, may propose that the dividend will, up to the choice of a shareholder, be distributed in cash or in ordinary shares of DSM.

[1] *The page numbers refer to the English version of the 2012 Annual Report*

b. Adoption of the dividend for 2012 Resolution

With the approval of the Supervisory Board, the Managing Board is presenting to the General Meeting for adoption the proposal that the dividend per ordinary share to be paid for 2012 be € 1.50 (see Article 32, section 5 of the Articles of Association). An interim dividend of € 0.48 per ordinary share having been paid in August 2012, the final dividend thus amounts to € 1.02 per ordinary share.
At the option of the shareholder, the final dividend will be made available in cash or in ordinary shares of DSM. The period in which this choice can be made is from 10 May 2013 to 24 May 2013 inclusive. To the extent the final dividend is paid out in shares, these shares will be transferred out of the own shares DSM holds in stock and no new shares will be issued. The stock dividend is paid up from the tax-free share premium and thus, free from withholding tax in The Netherlands. Where shareholders have opted to receive their dividend in shares, the corresponding cash value of € 1.02 per share will be deducted from the profit attributable to shareholders and added to the reserves.

The conversion rate of the stock dividend to that of the cash dividend will be determined on 27 May 2013, after close of trading on NYSE Euronext Amsterdam ('Euronext'), based on the volume weighted average price ('VWAP') of all DSM shares traded on Euronext over a five trading day-period from 20 May 2013 to 24 May 2013 inclusive. The value of the stock dividend, based on this VWAP, will, subject to rounding, be targeted at the cash dividend. There will be no trading in the stock dividend rights.

The ex-dividend date will be 7 May 2013, the record date 9 May 2013 and the dividend will be payable as from 29 May 2013.

NOTES TO AGENDA ITEM 5

a. Release from liability of the members of the Managing Board Resolution

It is proposed that the members of the Managing Board be released from liability in respect of their managerial activities (see Article 31, section 3, of the Articles of Association).

b. Release from liability of the members of the Supervisory Board Resolution

It is proposed that the members of the Supervisory Board be released from liability in respect of their supervisory role (see Article 31, section 3, of the Articles of Association).

NOTES TO AGENDA ITEM 6

Appointment of Mr. D de Vreeze as a member of the Managing Board Resolution

In accordance with Article 17, section 2, of the Articles of Association, the Supervisory Board nominates Mr. D. de Vreeze for appointment as member of the Managing Board as from September 1, 2013, in view of the retirement on September 1, 2013 of Mr. N. Gerardu as member of the Managing Board as part of the overall succession planning for the DSM Managing Board. The Supervisory Board proposes to appoint Mr. D. de Vreeze on the basis of his managerial and leadership qualities and his broad experience in Materials Sciences, as demonstrated in his successful tenure as Business Group Director DSM Resins.

In accordance with Article 17, section 1, of the Articles of Association, it is proposed that the General Meeting appoints Mr. de Vreeze as a member of the Managing Board of DSM in accordance with the nomination of the Supervisory Board, with effect from September 1, 2013 for a period of four years, in accordance with the Dutch Corporate Governance Code.

Mr. Dimitri de Vreeze (of Dutch nationality) was born in 1967. He studied Business Economics at the Groningen University and is a postgraduate of the Chartered Controllers Program Maastricht.
Mr. de Vreeze joined DSM in 1990 in Business Control and Accounting at DSM Fine Chemicals. After several positions in Finance, Mr. de Vreeze moved to Area Sales Management before becoming Product Manager in the Sizings & Binders business. Between 2000 and 2002 Mr. de Vreeze was Business Manager Sizings & 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 Business Group integrating NeoResins, before becoming Business Unit Director Coating Resins in 2005, and Business Unit Director DSM NeoResins in 2007. In 2010 Mr. de Vreeze took the position of Business Group Director DSM Resins, building a strong team and delivering excellent performance in this Business Group.

The remuneration of Mr. de Vreeze will be determined in line with the remuneration policy as applicable to the members of the Managing Board.

Mr. de Vreeze holds 140 DSM shares.

NOTES TO AGENDA ITEM 7

Re-appointment of Mr. P. Hochuli as a member of the Supervisory Board — Resolution

According to the rotation schedule, in 2013 Mr. P. Hochuli is due to resign, but available for re-appointment.

In accordance with Article 24, section 2, of the Articles of Association, the Supervisory Board nominates Mr Hochuli for reappointment as a member of the Supervisory Board of DSM on the basis of his extensive international experience in and knowledge of the life sciences industry and his qualities as Supervisory Board member as demonstrated during his past period as member of DSM's Supervisory Board. Mr Hochuli is an independent member of the Supervisory Board within the meaning of the Dutch corporate governance code and Article 1.4 of the Supervisory Board Regulations.

It is proposed that the Meeting reappoints Mr. P. Hochuli as a member of the Supervisory Board of DSM in accordance with the nomination of the Supervisory Board with effect from 3 May 2013 for a period of four years, ending by close of the AGM to be held in 2017.

Mr. Pierre Hochuli was born in 1947 and is a Swiss national. From 1976 until 1999 he worked for Monsanto, where he held various posts in Europe, South America and the USA, his last positions being President International and next to this Corporate Executive Vice President and member of the Monsanto Executive Board. From 2000 to 2003 he was Managing Partner of Polytechnos Venture Partners in Munich (Germany). From 2003 until his retirement in 2007 Mr Hochuli was chairman of the Board of Directors of Devgen N.V., chairman of the Executive Committee and member of the Board of Directors of Unibioscreen S.A. and member of the Board of Directors of Oncomethylome S.A.

Mr. Hochuli is also a member of the Board of Directors of Domes of Silence Holdings Ltd.

Mr. Hochuli holds 7000 DSM shares.

NOTES TO AGENDA ITEM 8

Remuneration policy for the Managing Board Resolution

During 2011 and 2012 the Royal DSM Supervisory Board and its Remuneration Committee discussed and evaluated a number of adjustments to the current remuneration policy for the Managing Board. They were supported in this work by Mercer, a well-known global reward consultancy organization, which verified the adjustments, and by DSM's Corporate Human Resources department, which works for and with the DSM Supervisory Board on remuneration topics. During the last year the Remuneration Committee discussed and further fine-tuned the adjustments, based on the input of a number of external stakeholders.

The adjustments do not change the overall remuneration model as described in the DSM annual report. This model is based on providing fair compensation approaching the median, and consists of a base salary and a well-balanced mix of Short-Term and Long-Term Incentives (each amounting to 50% of base salary for at-target performance). Both the Short-Term Incentive and the Long-Term Incentive consist of two equal parts, one of which is linked to financial targets and the other to sustainability and individual targets.

The aim of the proposed adjustments is:
- to align the remuneration policy even more with long-term stakeholder interests, in line with DSM's stated philosophy of creating long-term value for all stakeholders;
- to update the policy in line with the most recent prevalent market practices and benchmarks for executive and board compensation; and
- to further strengthen pay for multi-dimensional, people-planet-profit driven performance within DSM.

After due consideration, the Supervisory Board proposes to the Annual General Meeting of Shareholders to make a number of adjustments to the current remuneration policy for the Managing Board. The proposed adjustments are:

- Strengthening the link between the Short-Term Incentive (STI) and long-term value creation by requiring Managing Board members to invest a minimum of 25% and another – voluntary – maximum of 25% of their yearly actual STI payment in conditional DSM shares, which they are then required to hold for three years. In return for this commitment, the Managing Board members can, at the discretion of the Supervisory Board, be granted on a one for one basis shares matching the number of shares they have purchased, if over this three-year period a number of long-term (LTI) performance conditions are met. As a result, the annual STI will be partly converted into a long-term (risk taking) performance plan.
- Establishing as the main sustainability parameters in the STI the introduction of ECO+ products, Safety Performance and Employee Engagement, in addition to individual targets. The financial measures in the STI remain unchanged. The financial measures will amount to 50% of total STI and the non-financial (Sustainability and Individual) measures also to 50%.
- Adding a new provision to the policy, stating that no STI payout will occur (regardless of the performance on all other measures) if the company's financial performance is below a certain threshold. This threshold is to be determined annually by the Supervisory Board.
- Introducing in the Long Term Incentive (LTI) a second financial measure, being Return on Capital Employed (ROCE), in addition to total shareholder return (TSR), and introducing in the LTI a second long-term sustainability measure, being Energy Efficiency Improvement, in addition to the Green House Gas Emissions reduction already incorporated in the LTI. Each measure will count for 25%.
- Aligning the Managing Board remuneration policy with current market practices by (1) moving to a new relative TSR vesting schedule that is based on relative ranking within the TSR peer group, and (2) to increase transparency adopting the face value method to calculate the number of yearly LTI performance shares rather than the currently used discounted fair value method. With the

introduction of the face value method, the actual number of shares granted will be kept at the same level as today.
- Introducing minimum shareholding guidelines for Managing Board members: a shareholding equivalent to three times the base salary in the case of the CEO and a shareholding equivalent to one time the base salary for the other Managing Board members. These shareholdings can be built up over 5 years.

It should be noted that no adjustments regarding the base salary policy are proposed (current policy remains in place).

It is proposed that the General Meeting resolve to adjust the remuneration policy for the Managing Board as described above, as per 2013.

NOTES TO AGENDA ITEM 9

Evaluation of the Auditor

In accordance with the Dutch Corporate Governance Code (V.2.3), the Managing Board and the Audit Committee have conducted a thorough assessment of the functioning of the external auditor following an extensive external review of the activities of the external auditor by Maastricht University based on a large number of interviews and questionnaires. The main conclusions of the assessment were that the external auditor fully meets the expectations of DSM and provides a good service. In addition to its expertise, respondents rated highly the independence and critical approach towards DSM in the performance of the audit, the integrity and the pro-active as well as responsive attitude of Ernst & Young. Key strengths were the level of audit and accounting knowledge, the pro-active identification of potential concerns, the global reach and the presence of the auditor in DSM growth markets. Communication by the auditors was timely and clear.

Given the very positive outcome of the assessment, it has been decided to continue the audit services provided by the audit firm Ernst & Young based on a revised contract which will give the company the flexibility to terminate the audit services on an annual basis taking into consideration new legislation in the Netherlands with regard to the independence of auditors (mandatory audit firm rotation by 2016 after eight consecutive financial years of audit services), as well as anticipated European legislation which may affect the audit profession in the coming years.

NOTES TO AGENDA ITEM 10

<u>Powers of the Managing Board</u>
In order to be able to finance acquisitions in whole or in part through the issuance of shares, if necessary, and in order to be able to service the option rights of DSM managers and employees, it is desirable for the Managing Board to have restricted authority to issue ordinary shares and to grant options on ordinary shares.

In accordance with Articles 10 and 11 of the Articles of Association, the General Meeting, by virtue of the resolution adopted on 11 May 2012, has extended the period during which the Managing Board is authorized to issue shares and to limit or exclude the preferential right when issuing ordinary shares by 18 months. This authorization will therefore end on 11 November 2013, if it is not extended. The duration of the extension of this authorization is restricted by Dutch law to a maximum of five years. However, as in previous years, it is proposed that the authorization be extended to a date 18 months from the date of this General Meeting.

Resolutions whereby the Managing Board exercises these powers to issue ordinary shares and to limit or exclude the preferential right when issuing ordinary shares, are subject to approval by the Supervisory Board.

a. Extension of the period during which the Managing Board is authorized to issue ordinary shares — Resolution

A proposal is submitted to the General Meeting to extend the period during which the Managing Board is authorized to issue ordinary shares, which includes the granting of rights for the taking up of ordinary shares as provided for in Article 10 of the Articles of Association, to a date 18 months from the date of this General Meeting (i.e. up to and including 3 November 2014), on the understanding that this authorization of the Managing Board is limited to a number of ordinary shares with a nominal value amounting to 10% of the issued capital at the time of issue, and to an additional 10% of the issued capital at the time of issue, if the issue takes place within the context of a merger or acquisition within the scope of DSM's strategy as published on DSM's website. The issue price will be determined by the Managing Board and shall as much as possible be calculated on the basis of the trading prices of ordinary shares on the Euronext Amsterdam Exchange.

b. Extension of the period during which the Managing Board is authorized to limit or exclude the preferential right when issuing ordinary shares — Resolution

A proposal is submitted to the General Meeting to extend the period during which the Managing Board is authorized to limit or exclude the preferential right when issuing ordinary shares, including the granting of rights for the taking up of ordinary shares, as provided for in Article 11 of the Articles of Association, to a date 18 months from the date of this General Meeting (i.e. up to and including 3 November 2014) on the understanding that this authorization of the Managing Board is limited to a number of ordinary shares amounting to 10% of the issued capital at the time of issue, and to an additional 10% of the issued capital at the time of issue if the issue takes place within the context of a merger or acquisition within the scope of the DSM's strategy as published on the DSM's website.

NOTES TO AGENDA ITEM 11

Authorization of the Managing Board to have the company repurchase shares — Resolution

DSM considers it desirable to have flexibility with regard to the repurchase of its own shares e.g. to service share options granted to management and personnel, or as part of a share buy-back program, or otherwise.

In accordance with Article 13 of the Articles of Association, the company may acquire its own shares by virtue of a resolution of the Managing Board, which resolution is subject to approval by the Supervisory Board. Under Article 98 of Book 2 of the Dutch Civil Code, this requires authorization by the General Meeting. The duration of such authorization is limited by Dutch law to a maximum of 18 months.

It is proposed that the General Meeting authorizes the Managing Board to repurchase shares, on the stock exchange or otherwise, as meant in Article 13 of the Articles of Association, for a period of 18 months from the date of this General Meeting (i.e. up to and including 3 November 2014), up to a maximum of 10% of the issued capital, provided that the company will hold no more shares in stock than at maximum 10% of the issued capital. The repurchase can take place – in the case of ordinary shares – for a price between the nominal value and the opening price on the Euronext Amsterdam Exchange on the day of purchase plus 10% and – in the case of cumulative preference shares A – for a price between the par value and the computation base referred to in Article 32, section 3, of the

Articles of Association, plus 10%. The price range enables the company to adequately repurchase its own ordinary shares, also in volatile market conditions.

The authority of the Managing Board to repurchase shares may be withdrawn by the General Meeting.

NOTES TO AGENDA ITEM 12

Reduction of the issued capital by cancelling shares Resolution

The issue of ordinary shares, for instance in connection with the exercise of the option rights annually granted to DSM's management and personnel, may lead to dilution of the share capital. To the extent that DSM's financial position allows this and the possibilities therefore exist on the share market, this disadvantage for holders of ordinary shares shall be offset as much as possible by the purchasing and possible cancellation of shares in DSM's own capital. The authorization to repurchase own shares is requested under item 11 of the agenda. The Managing Board, with due observance of the provisions of Article 14 of the Articles of Association and with the approval of the Supervisory Board, proposes that the General Meeting resolves to reduce the issued capital by cancellation of ordinary shares held by the company in its own capital up to a maximum of the number that is or will be bought by the company. This will enable the company to further optimize its equity structure.

The number of ordinary shares to be cancelled under this resolution shall be determined by the Managing Board and shall be limited to a maximum of 10% of the issued capital as appearing from the Financial Statements for 2012. The amount of the capital reduction shall always appear from a resolution adopted to this end by the Managing Board, which will be filed at the Trade Register.

The capital reduction shall take place with due observance of the applicable provisions of Dutch law and the Articles of Association.