Notes to the Agenda for the Annual General Meeting of Koninklijke DSM N.V.
to be held on Wednesday, May 7, 2014

NOTES TO AGENDA ITEM 2

Annual Report for 2013 by the Managing Board

The Managing Board will comment on the Report by the Managing Board in DSM’s Annual Report for
2013 (see pp. 10 to 73 of the Annual Report for 2013¹).
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 2013 and the Report by the Supervisory Board
(included in the Annual Report for 2013 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 2013.

NOTES TO AGENDA ITEM 3

Implementation Managing Board Remuneration in 2013

This agenda item provides, pursuant to Section 2:135(5a) of the Dutch Civil Code, for a discussion
regarding the implementation in 2013 of the remuneration policy for the Managing Board. The
discussion takes place on the basis of the relevant information referred to in Section 2:383c up to and
including Section 2:383e of the Dutch Civil Code, as included in the Remuneration Report and the
explanatory notes to the financial statements included in the Annual Report for 2013, pp. 134-135 and
pp. 212-214.

NOTES TO AGENDA ITEM 4

Financial Statements for 2013 Resolution

The Supervisory Board approved on 25 February 2014 the Financial Statements for 2013 drawn up by the
Managing Board. The Financial Statements were published on 26 February 2014 and are now submitted
for adoption by the General Meeting (see Article 31, section 2, of the Articles of Association).

NOTES TO AGENDA ITEM 5

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.

¹The page numbers refer to the English version of the 2013 Annual Report
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.

b. Adoption of the dividend for 2013 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 2013 be €1.65 (see Article 32, section 5 of the Articles of Association). An interim dividend of €0.50 per ordinary share having been paid in August 2013, the final dividend thus amounts to €1.15 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 14 May 2014 to 27 May 2014 (3.00 pm CET). 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 €1.15 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 28 May 2014, after close of trading on 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 21 May 2014 to 27 May 2014 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 9 May 2014, the record date 13 May 2014 and the dividend will be payable as from 3 June 2014.

NOTES TO AGENDA ITEM 6

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 7

a. Reappointment of Mr. R-D. Schwalb 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. Schwalb for reappointment as member of the Managing Board and CFO. As Mr. Schwalb’s second four year term as a member of the Managing Board will expire on 19 October 2014 and in order to ensure sufficient time for proper handover of his function to the new CFO to be appointed, the Supervisory Board proposes to reappoint Mr. Schwalb as member of the Managing Board and CFO of Koninklijke DSM NV for the period of 19 October up to and including 30 November 2014. The Supervisory
Board appreciates that Mr. Schwalb, if needed, will be available after 1 December 2014 to provide further services in relation to the closing of the financial year 2014.

In accordance with Article 17, section 1, of the Articles of Association, it is proposed that the General Meeting reappoints Mr. Schwalb as a member of the Managing Board and CFO of Koninklijke DSM NV in accordance with the nomination of the Supervisory Board, with effect from 19 October 2014 for the period up to and including 30 November 2014.

Mr. Rolf-Dieter Schwalb was born in 1952 and is a German citizen. He studied Mathematics and Business Administration at the University of Giessen, Germany. Mr. Schwalb was appointed member of the Managing Board and CFO of Royal DSM with effect from 19 October 2006.

Mr. Schwalb holds 14,500 DSM shares.

b. Appointment of Mrs. G. Matchett as a member of the Managing Board

To succeed Mr. Schwalb upon his retirement from the Managing Board as of 1 December 2014, in accordance with Article 17, section 2, of the Articles of Association the Supervisory Board nominates Mrs. Matchett as a member of the Managing Board as of 1 August 2014 to prepare for taking over the role of CFO as per 1 December 2014. The Supervisory Board considers Mrs. Matchett a very suitable candidate since she is an all-round and experienced international CFO at Board level who has significant business experience and whose expertise covers all the functional areas of the financial function. She has extensive experience with external stakeholders as well as with acquisitions and divestments in various parts of the world.

In accordance with Article 17, section 1, of the Articles of Association it is proposed that the General Meeting, in accordance with the nomination by the Supervisory Board, appoints Mrs. Matchett as a member of the Managing Board of Koninklijke DSM NV, with effect from 1 August 2014 for a period of four years, in accordance with the Dutch Corporate Governance Code.

Mrs. Geraldine Matchett was born in 1972 and is a Swiss, British and French citizen. She studied Mathematics, Physics & Biology majors in France, a bachelors degree in Physical & Human Geography at Reading University in the UK and a masters degree in Sustainable Development at Cambridge University.

In 2004 Mrs. Matchett joined the SGS Group where she held various positions including Corporate Finance Manager and Senior Vice President Group Financial Controller. In March 2010 Mrs. Matchett was appointed Global Chief Financial Officer. Before joining SGS she worked for Deloitte in Switzerland and for KPMG in the UK, obtaining her Chartered Accountant qualification while working in the City of London.

The remuneration of Mrs. Matchett will be determined in line with the remuneration policy as applicable to the members of the Managing Board. In order to compensate (partly) for the loss of stock incentives as a consequence of leaving her former company, Mrs. Matchett will receive a one off cash bonus of € 300,000 payable upon joining DSM and will be granted with a number of DSM shares with a vesting period of three years (at today’s share price this would count for roughly for 7,400 shares)

Mrs. Matchett holds no DSM shares.
NOTES TO AGENDA ITEM 8

a. Reappointment of Mr. R. Routs as a member of the Supervisory Board

Resolution

According to the rotation schedule, in 2014 Mr. Routs is due to resign, but available for reappointment. In accordance with Article 24, section 2, of the Articles of Association, the Supervisory Board nominates Mr. Routs for reappointment as a member of the Supervisory Board of DSM on the basis of his extensive international experience, his knowledge of the (petro)chemical industry, broad experience in the management of corporations and his qualities as Supervisory Board member as demonstrated during his past period as member of DSM’s Supervisory Board. Mr. Routs 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. Routs as a member of the Supervisory Board of DSM in accordance with the nomination of the Supervisory Board with effect from 7 May 2014 for a period of four years, ending by close of the AGM to be held in 2018.

Mr. Rob Routs was born in 1946 and is a Dutch national. He received a Master's degree in Chemical Engineering from the Technical University of Eindhoven (Netherlands) and holds a Ph.D. in Technical Sciences. Mr. Routs has worked for the Royal Dutch/Shell group until his retirement in 2008. He held various posts at Shell, both in the Netherlands and elsewhere. His last positions were Executive Director Downstream and member of the Board of Royal Dutch Shell plc; he also had the coordination of the Group's climate change efforts including alternative fuels.

In addition Mr. Routs is chairman of the Supervisory Board of Aegon N.V., member of the Supervisory Board of Royal KPN N.V. (until April 2014), member of the Board of Directors of Aecom Technology Corporation, ATCO Group Ltd. and A.P. Moeller-Maersk Group.

Mr. Routs holds no DSM shares.

b. Reappointment of Mr. T. de Swaan as a member of the Supervisory Board

Resolution

According to the rotation schedule, in 2014 Mr. De Swaan is due to resign, but available for reappointment.

In accordance with Article 24, section 2, of the Articles of Association, the Supervisory Board nominates Mr. De Swaan for reappointment as a member of the Supervisory Board of DSM on the basis of his managerial and international experience, his expertise in the field of finance & economics and his qualities as Supervisory Board member as demonstrated during his past period as member of DSM’s Supervisory Board. Mr. De Swaan 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. De Swaan as a member of the Supervisory Board of DSM in accordance with the nomination of the Supervisory Board with effect from 7 May 2014 for a period of four years, ending by close of the AGM to be held in 2018.

Mr. Tom de Swaan was born in 1946 and is a Dutch national. After completing in 1972 his master degree in economics from the University of Amsterdam, he joined the Dutch Central Bank (De Nederlandsche Bank). He was appointed member of the Governing Board of De Nederlandsche Bank in 1986, in charge of payment systems, IT, human resources, and planning and control. In 1992, he assumed responsibility for the supervision of credit institutions and mutual funds in the Netherlands. In that capacity, he served as Chairman of the Joint Forum on Financial Conglomerates and the Banking Supervisory Committee of the European Monetary Institute. In 1997, he was appointed Chairman of the Basel Committee on Banking Supervision.
In 1999 he joined ABN AMRO and was appointed member of the Managing Board and Chief Financial Officer / Chief Risk Officer. Mr. De Swaan retired on 1 May 2006.

In addition Mr. De Swaan is non-executive director of the Board of Glaxo Smith Kline Plc, chairman of the Board of Zurich Insurance Group, chairman of the Supervisory Board of Van Lanschot Bankiers, chairman of Trustees of Netherlands Cancer Institute-Antoni van Leeuwenhoek Hospital and chairman Advisory Board Rotterdam School of Management.

Mr. De Swaan holds no DSM shares.

NOTES TO AGENDA ITEM 9
Appointment of external Auditor

In accordance with new Dutch legislation for audit firm rotation DSM is required to appoint a new auditor for the audit of its financial statements from 2016 onwards. In order to ensure an orderly transfer and to be able to contract a highly qualified audit team, it was agreed with the Audit Committee to work towards a change in 2015. The current engagement letter with Ernst & Young Accountants LLP runs until 2017, but can be terminated early by DSM in order to meet the rotation requirement. A tender was conducted in the second half of 2013 to be able to select a new firm. On the basis of the proposals submitted by the firms, the presentation of the teams, references that were obtained and the transition plans proposed, the Audit Committee of the Supervisory Board and the Managing Board concluded that KPMG Accountants N.V. would be the most appropriate candidate.

Following the recommendation of the Audit Committee and the Managing Board, the Supervisory Board proposes to appoint KPMG Accountants NV as the independent auditor for Koninklijke DSM NV and to engage the firm for an initial three year term that covers the years 2015, 2016 and 2017.

NOTES TO AGENDA ITEM 10
Powers of the Managing Board

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 3 May 2013, 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 3 November 2014, 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**

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 7 November 2015), 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**

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 7 November 2015) 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 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**

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 7 November 2015), 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

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 2013. 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.