Safe harbor statement

- This presentation 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 presentation, unless required by law.

- More details on DSM’s 2018 performance and a more comprehensive discussion of the risk factors affecting DSM’s business can be found in the company’s 2018 Annual Report, which can be found on the company’s corporate website, www.dsm.com
Agenda

1. Introduction - attractive portfolio
2. 2018 - Highlights of another successful year
3. Strategy 2018 - successfully delivered
4. Strategy 2021 Growth & Value - Purpose led, Performance driven
5. First quarter 2019 - A good start to the year
Royal DSM @ a glance - (2018 numbers)

- Sales: ~ €10bn (adj. EBITDA: ~ €1.5/1.8bn)
- Global: ~ 45% sales from emerging economies (EU-35% - Americas-35% - Asia/ROW-30%)
- Innovation: ~ 20% of sales (avg. last 5 years)
- R&D investments: ~ 5% of sales (avg. last 5 years)
- Workforce: ~ 23,000 employees (highly engaged)
- Strategy: - aligned with UN SDG’s & Megatrends
- Sustainability: - GHG linked RCF, SBT’s, RE100, CO₂@€50, TCFD
  - reaching ~2.5bn people worldwide
DSM global workforce

- 60% Employees outside Europe (compared with 37% in 2006)
- 23,000 Employees incl. JVs/Associates
Successful transformation future-proofing DSM

Coal mining  (Petro)chemicals  Nutrition, Health & Sustainable Living

1902  DSM  2018
DSM offers products & solutions to a wide range of end-markets

- Materials
  - Building & Construction
  - Automotive
  - Electrical & Electronics
- Food & Beverages
- Early life nutrition
- Dietary Supplements
- Personal Care
- Animal Feed
- (Food) Packaging
- Human Nutrition
- Animal Nutrition

- Food & Beverages: 34%
- Early life nutrition: 11%
- Dietary Supplements: 11%
- Personal Care: 5%
- Animal Nutrition: 12%
- Materials: 4%
- Other: 7%
Global Products

- Vitamins
- Nutra-ceuticals & Specialties
- Colorants Carotenoids
- Omega 3/6 Nutritional Lipids
- Clean Cow
- Veramaris
- Cultures Probiotics
- Natural Preservatives
- Yeast (extracts)
- Other Food/Feed Ingredients
- Enzymes Eubiotics
- Stevia

Local Solutions

- Regions
  - N-AM
  - L-AM
  - EMEA
  - Asia
  - ROW

- Market Segments
  - Animal
  - Human

Nutrition’s attractive business model
Broad, global portfolio in food & feed ingredients and solutions
Materials capturing opportunities in Sustainable Living
Silent transformation towards higher-growth, higher-margin, specialty applications
Agenda

1. Introduction - attractive portfolio
2. 2018 - Highlights of another successful year
3. Strategy 2018 - successfully delivered
4. Strategy 2021 Growth & Value - Purpose led, Performance driven
5. First quarter 2019 - A good start to the year
For DSM 2018 was a very successful year in almost every way

Highlights

- Hard work and engagement of our employees delivered very strong results (pride)
- Financially: well ahead of our strategic targets, creating significant value in all our businesses
- In sustainability we outperformed our aspirations
- Our people highly engaged & committed; though safety performance needs to further improve
- Well placed delivering 2021 targets
  (above-market growth/further step up in profitability, returns and sustainability)
PROFIT: we delivered well ahead of our strategic targets
Creating significant value in all our businesses

Sales underlying €8,852m
up 6% organically

Total Sales €9,276m
up 7%

Adj. EBITDA underlying €1,532m
up 6%

Total Adj. EBITDA €1,822m
up 26%

ROCE underlying 13.3%
up 100bps

Total ROCE 16.8%
up 450bps

Net Debt €113m
versus €742m end of 2017
All businesses contributed to DSMs achieving its financial targets

Delivering continued above market-growth

Nutrition

underlying

Sales up 7%
Organically

Adj. EBITDA
up 6% (34%)

Materials

Sales up 5%
Organically

Adj. EBITDA
up 5%

Innovation

Sales at 19%
In line with our ambition

43% Sales to high-growth economies
In line with our ambition
We outperformed our aspirations towards our **PLANET**
Further embedding sustainability across all of our business activities

- **8%**
  - Absolute Greenhouse Gas reduction vs 2016 (30% by 2030)

- **41%**
  - Purchased renewable electricity (75% by 2030)

- **1.4%**
  - Energy Efficiency Improvement year-on-year (>1% per year)

- **22** million m³
  - Water Consumption (down from 23 million m³ in 2017)
A high performance company & culture
Our success is built on engagement, commitment & capabilities of our PEOPLE

- 76% Employee Engagement favorable score (>75% by 2021)
- 0.33 Safety Frequency Recordable index (<0.25% by 2021)
- 19% Female executives (25% by 2020)
- 60% Under-represented Nationalities (60% by 2020)
- 62% Brighter Living Solutions (>65% by 2021)
Recognized by the benchmarks for ESG performance
Leading the way in integrating sustainability in business and operations

For the 3rd year on Fortune Magazine’s Change the World list (2018)
Top-rating in ESG index in our Industry (2018)
Chemicals Industry Leader in ESG ranking (2018)
Constituent of FTSE4GOOD index (2018)
A- for Climate (2018)
B- for Water (2018)
Industry Group leader for the 8th time (2018)
Agenda

1. Introduction - attractive portfolio
2. 2018 - Highlights of another successful year
3. Strategy 2018 - successfully delivered
4. Strategy 2021 Growth & Value - Purpose led, Performance driven
5. First quarter 2019 - A good start to the year
Successfully completed Strategy 2018
DSM outperformed on its key financial targets

Adjusted EBITDA
(x € million)

High single-digit % annual Adjusted EBITDA growth

13%¹ CAGR 2016-2018

Temporary vitamin benefit
Underlying Business

2015 1,075 1,262 1,445 1,822 290
2016 2017 2018

ROCE
(in %)

High double-digit basis point annual ROCE growth

190 Avg. bps¹ 2016-2018

Temporary vitamin benefit
Underlying Business

2015 7.6% 10.4% 12.3% 16.8% 3.5%
2016 2017 2018

¹CAGR and average bps of underlying business
Successfully completed Strategy 2018
DSM outperformed on its growth ambitions

Underlying sales growth\(^1\)
(x € million)

- **Human Nutrition**: 5% CAGR 2016-2018
  - 2015: 1,741
  - 2016: 1,823
  - 2017: 1,939
  - 2018: 1,989

- **Animal Nutrition**: 7% CAGR 2016-2018
  - 2015: 2,269
  - 2016: 2,399
  - 2017: 2,660
  - 2018: 2,749

- **Materials**: 5% CAGR 2016-2018
  - 2015: 2,528
  - 2016: 2,513
  - 2017: 2,825
  - 2018: 2,913

\(^1\) CAGR of underlying business
Successfully completed Strategy 2018
Significantly outperformed financial markets

Almost 40% in dividend/share since start Strategy 2018

Shareprice* more than doubled since start Strategy 2018
(online April'19)

* Shareprice almost tripled since 2017 (€35) and is now >12 times the introduction price 30 years ago (excl. dividend reinvestment)
Agenda

1. Introduction - attractive portfolio
2. 2018 - Highlights of another successful year
3. Strategy 2018 - successfully delivered
4. Strategy 2021 Growth & Value - Purpose led, Performance driven
5. First quarter 2019 - A good start to the year
The World is changing ......

Doing well

Focus on profit

or

Doing good

Improving the world

10 years ago
Start DSM’s new/next sustainability journey

Today
DSM’s purpose approach is fully anchored in its strategy Creating Brighter Lives for All

10 years from now

Good financial returns will go together with purpose.

Doing financially well can go together with doing well for the world.
Doing well, by doing good .... DSM does
As from 2007: Share price tripled; TSR: ~335% (incl dividend reinvested), GHG reduction -90%

Total value creation (shareprice + dividend): >€15bn

- GHG Emissions (million tonnes)
- Market Value (euro billion)
Purpose drives growth opportunities
Strategy 2021: Growth & Value - Purpose led, Performance driven

Our purpose is to create brighter lives for all

With our Employees

With our Customers and Suppliers

With our Shareholders

For Society

Science-based competences in Nutrition, Health and Sustainable Living

Global Megatrends

Sustainable Development Goals

Growth in focus domains: Purpose led, Performance driven

Nutrition & Health

Climate & Energy

Resources & Circularity

Sustainable living

We are already reaching ~2.5 billion people worldwide

More engagement

More sustainability

More growth
Two ambitious targets for profit growth and cash generation ..... For the period 2019-2021

2021 Targets

- High single-digit percentage annual Adj. EBITDA increase
- ~10% average annual Adj. Net Operating Free Cash Flow increase

Ambitions underpinning Group targets

1. Sales
   Above-market sales growth (~5%) for Group, Nutrition and Materials

2. Adj. EBITDA margin
   Nutrition: >20%
   Materials: 18-20%

3. Working capital
   Reduce by 50 bps annually to ~16%

4. Capex
   ~6.5% of sales

5. ROCE
   ~1%-point increase per annum

6. Adj. EPS
   Increase ahead of Adj. EBITDA growth
Veramaris
Omega-3 Fatty Acids from Natural Algae

- Joint venture with Evonik
- Disruptive new algae-based technology for producing Omega-3 EPA and DHA
- For use in fish feed
- Conserves natural biodiversity of our oceans
- Initial facility in Blair, with ~€150-200m sales potential per year
Clean Cow
Reducing Methane

- ~14.5% of all Greenhouse gas emissions comes from livestock (~65% from dairy and beef cows)

- Feed supplement reducing the methane emission of dairy cows with ~30%

- Attractive market potential of ~€1-2bn with launch after 2019
Fermentative Stevia
A sweat deal for sugar reduction

- More scalable, more sustainable and low cost-in-use, zero-calorie solution
- Market for high-intensity sweeteners produced by fermentation is expected to exceed €3 billion by 2025.
- JV Avansya with Cargill is well positioned to secure a significant potential in this market.
Niaga
Reducing 4.5bn m² of carpet waste every year

- Niaga® Technology: a 100% recyclable carpet, produced with up to 90% less energy
- Collaboration with carpet producers progressing successful
- Niaga technology also introduced to redesign mattresses of 100% material recovery, reuse and recyclability
1. Introduction - attractive portfolio
2. 2018 - Highlights of another successful year
3. Strategy 2018 - successfully delivered
4. Strategy 2021 Growth & Value - Purpose led, Performance driven
5. First quarter 2019 - A good start to the year
Q1 2019: Highlights

- DSM reports a good start to the year
- Results compared to Underlying business in Q1 2018:
  - Group sales up 3%, Adjusted EBITDA up 10% to €412m (up 14% to €424m including IFRS 16 impact of €12m)
  - Nutrition: organic sales +3%, Adjusted EBITDA up 11% to €309m (up 14% to €316m including IFRS 16 impact of €7m)
  - Materials: organic sales -5%, Adjusted EBITDA flat on €126m (up 1% to €127m including IFRS 16 impact of €1m)
- Adjusted Net Operating Free Cash Flow €60m
- Total Net profit €196m, up versus Q1 2018 of €331m when correcting for the temporary vitamin effect of €165m EBITDA following an exceptional supply disruption in the industry
- Full year outlook increased