Minutes of the proceedings of the Virtual Annual General Meeting of Shareholders of Koninklijke DSM N.V., registered in Heerlen, held on Thursday 6 May 2021 at 14:00 CEST.

Chair: R.J. Routs, chair of the Supervisory Board.
Secretary: L.I. van den Broek, company secretary.

1. Opening

The chair opens the virtual meeting and welcomes all shareholders, guests and all others interested to follow the meeting. The chair mentions that as the COVID-19 measures do not allow a physical meeting yet and as it is DSM's primary responsibility to protect health and safety of its employees, partners and shareholders, the Annual General Meeting 2021 has been organized entirely virtually in accordance with the COVID-19 emergency legislation in the Netherlands. He furthermore explains that English will be used as the main language during the meeting, which is scheduled to be formalized under agenda item 2. Webcast viewers can choose to listen to the live Dutch translation of the meeting.

The chair reports that the following members of the Supervisory Board are remotely present: Mr. Thomas Leysen (who will become chair of the Supervisory Board after the meeting), Ms. Pauline van der Meer Mohr (chair of the Remuneration Committee), Ms. Eileen Kennedy (chair of the Sustainability Committee), Mr. John Ramsay (chair of the Audit Committee) and Mr. Frits van Paasschen. The reappointments of Mr. Van Paasschen and Mr. Ramsay as members of the Supervisory Board are on the agenda under agenda items 9.a and 9.b. Ms. Carla Mahieu and Ms. Corien Wortmann-Kool are also virtually present in the meeting and their nominations for appointment as members of the Supervisory Board are on the agenda under agenda items 9.c and 9.d. The members of DSM's Managing Board, Ms. Geraldine Matchett and Mr. Dimitri de Vreeze, are also remotely present in the virtual meeting. Mr. Dimitri De Vreeze's reappointment as member of the Managing Board is on the agenda under agenda item 8.

Furthermore Ms. Petra Groenland, from KPMG, DSM's external auditor, is remotely present to comment on the audit opinion regarding the financial statements for 2020. This is in line with the Dutch Corporate Governance Code. Ms. Groenland will provide an explanation under agenda item 5.

The chair extends his special welcome to Mr. Stevense of the Stichting Rechtsbescherming Beleggers (SRB), Mr. Van Esch on behalf of Robeco (also representing APG, Menzis, MN and NN Investment Partners), Mr. Altena on behalf of the Dutch Association of Investors for Sustainable Development (VBDO) and Mr. Van den Hudding on behalf of Vereniging van Effectenbezitters (VEB). They have asked questions in advance of the meeting and expressed the wish to ask follow-on questions during the meeting.

Civil-law notary Ms. Joyce Leemrijse, partner with Allen & Overy, is also remotely present to oversee the meeting. Shareholders were invited to give written or electronic proxies including voting instructions, to the civil-law notary as independent party. The chair reports that the civil-law notary has received proxies and voting instructions for a total of 159,304,672 shares being 73.5% of DSM's issued capital eligible to vote.

The chair takes the opportunity to thank Ms. Louisa van den Broek for her support during the past six years as Company Secretary of DSM in facilitating the strategic and corporate decision making between the Supervisory Board, the Managing Board and the Executive Committee. This is her last Annual General Meeting as Company Secretary. Lindsy Veugen will succeed her as Company Secretary of DSM; they are both also virtually present in the meeting.

The chair notes that the agenda with explanatory notes and the other meeting documents were made available to the shareholders on 23 March 2021, by publication on DSM's website. The registration date for the meeting was 8 April 2021. Shareholders have been given the opportunity to submit questions relating to agenda items prior to the meeting. DSM has received several questions, which were submitted by:

- Mr. Stevense on behalf of the Stichting Rechtsbescherming Beleggers (SRB);
- Mr. Van Esch on behalf of Robeco. These questions were also asked on behalf of APG, Menzis, MN and NN Investment Partners;
- VBDO;
- VEB; and
- Mr. Ausems and Mrs. Herzberg.

The questions of Mr. Stevense were about the process leading to the nominations of Ms. Carla Mahieu and Ms. Corien Wortmann-Kool as members of the Supervisory Board. He also asked them about the research they conducted on DSM before their nomination. Mr. Van Esch asked questions about DSM's M&A activities in the strategic area of digital and bioscience, DSM's Greenhouse Gas Emission results and DSM's plans to address gaps between the current remuneration policy and the ability to retain talent. VBDO's questions were on DSM's water target, the scenarios which DSM uses following the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and the use of the Ecovadis scores to assess its suppliers. The questions of VEB were on DSM's competitive position and on the disclosure of STI (Short Term Incentive) targets. Finally, Mr. Ausems and Mrs. Herzberg had a question on the dividend for the holders of Cumulative Preference Shares A. These questions will be discussed during the presentations of the Co-CEOs, or otherwise be answered during the remainder of the meeting. A complete overview of the questions and answers was made available on DSM's website in the morning of Thursday 6 May 2021.

Subsequently, the chair determines that the meeting has been convened and is held with due observance of all relevant statutory requirements and provisions of the Articles of Association and consequently that the meeting is authorized to adopt legally valid and binding resolutions.

The chair announces that the meeting will start with the amendment of the Articles of Association under agenda item 2. After a short explanation of this agenda item and after having given shareholders the chance to raise questions they might have, agenda item 2. will be voted on and the voting result will be shared immediately. For the sake of efficiency, the further agenda items and related questions and answers will be discussed in clusters whereby agenda items 3. through 7., agenda items 8. through 10. and agenda items 11. through 13. will each constitute one cluster. After each cluster, the shareholders and shareholder representatives will be given the opportunity to ask their follow-on questions. The voting on these further agenda items will be open throughout the meeting and the voting will be closed after agenda item 14. The voting results will be shown at the end of the meeting after agenda item 14., before closing the meeting.

The chair reminds that this is the last Annual General Meeting of Ms. Pauline van der Meer Mohr as a member of DSM's Supervisory Board. He thanks Ms. Van der Meer Mohr for her active role in the strategic discussions and her expertise while serving on the Supervisory Board over the past 10 years.

Thereafter, Ms. Van der Meer Mohr takes the opportunity to thank Rob Routs as chair and member of DSM's Supervisory Board. She refers to his leadership and unique style and qualities, which have served DSM well in its transformation from a chemicals company into a purpose-led, performance-driven company which focuses on Nutrition, Health and Sustainable Living.

The chair then moves on to agenda item 2.

2. Amendment of the Articles of Association

The Managing Board proposes, with the approval of the Supervisory Board, that DSM's Articles of Association will be amended to adopt English as the language of its General Meetings of Shareholders and to reflect certain changes introduced in the implementation of the Act on Management and Supervision of Legal Entities (*Wet bestuur en toezicht rechtspersonen*) amending certain provisions of Book 2 of the Dutch Civil Code. The full text of the proposal to amend the Articles of Association with a separate explanation was attached to the agenda.

The chair explained that it was initially also proposed to include language in the Articles of Association to be prepared for further pandemics or other situations that would require a virtual General Meeting of Shareholders. At the request of several shareholders, such language had been deleted from the proposal. DSM did not have the intention to permanently move to virtual General Meetings of Shareholders; the removed amendment was included on the agenda out of precaution to create the option in the Articles of Association for situations where a physical meeting would reasonably not be possible.

The chair notes that there are no questions regarding agenda item 2. and therefore brings agenda item 2. up for a vote. The secretary explains the voting procedure.

Voting for agenda items 2.
The chair proceeds with the vote for agenda item 2., the amendment of the Articles of Association.
The secretary opens the voting for agenda item 2.
The secretary notes that 99.21% has voted in favor of the motion and 0.79% against. The chair concludes that the General Meeting has approved the amendment to the Articles of Association.

3. Annual Report for 2020 by the Managing Board

The chair congratulates the new Co-CEO's and all the staff at DSM with the results achieved in 2020 and the resilience shown. He furthermore thanks the Co-CEO's and the Executive Committee for leading and navigating DSM so well and having put the health and safety of the people working at and with DSM first through the COVID-19 period. The chair then gives the floor to Ms. Matchett and Mr. De Vreeze for an explanation of the Annual Report for 2020 by the Managing Board.

After a video made by the Managing Board to thank all people within DSM for their efforts during the COVID-19 crisis, Ms. Matchett welcomes those present and continues with an overview of the content of the presentation which consists of (i) the 2020 highlights, (ii) the Q1 2021 results and (iii) DSM's strategic journey. The Co-CEO presentation is available on DSM's website, on the Annual General Meeting 2021 webpage.

She continues with an overview of the impact of COVID-19 on the way of working within DSM and the steps undertaken by DSM in view of the pandemic. Due to DSM's large operations in China, the seriousness of the pandemic became clear to the Managing Board at an early stage. This enabled DSM to take early measures in taking care of physical and mental health, safety and wellbeing of DSM's employees and partners, such as by means of social distancing, wearing masks and working from home. Furthermore, as a global leader in Nutrition and Health, DSM supplied immunity-optimizing micronutrients and personal protection equipment (such as disinfectants, test kits and facemasks) to employees and their families and to local communities.

Ms. Matchett continues with an overview of the highlights of People, Planet and Profit during 2020. In respect of People, she explains that employee engagement has increased to 76%. One of the main elements in the annual survey on engagement is that the employees took pride from the fact that DSM has been able to help the communities in which it operates with respect to the COVID-19 pandemic. Furthermore, DSM has been able to lower its Safety Frequency Recordable-index to 0.24 (in 2019: 0.28) which is the best figure in DSM's history. DSM has made progress in respect of Inclusion and Diversity as well. On gender diversity, 21% of DSM's executives is female which is slightly below the ambition set for 2021 of 25%. The percentage is higher for the top of the organization such as in the Managing Board and the Supervisory Board (each 50%-50%). DSM is taking measures in order to continue to progress in the right direction. Furthermore, DSM has broadened its approach towards Inclusion and Diversity with an expansion to nationality, race, ethnicity and national identity; still including the other elements such as gender, generations, disability and LGBTQ+. Finally, Ms. Matchett mentions that DSM has introduced a new Culture Compass providing direction on what DSM stands for. She explains that the DSM culture is embedded in being courageous, caring and collaborative (the three Cs).

Ms. Matchett proceeds with the Key Performance Indicators (KPIs) used to track the performance on Planet over 2020. DSM is on course to achieve NetZero greenhouse gas emissions across its operations and value chains by 2050. Since 2016, greenhouse gas emissions have reduced by 18%. She furthermore explains that energy efficiency has improved by 5.7% compared to 2019. DSM has signed additional renewable electricity contracts so that 60% of its electricity comes from renewable sources. DSM has also continued its engagement with suppliers to reduce their emissions, such as via the CO2REDUCE-program, and it has maintained its ESG-ratings like the "A" rating for Climate Change Strategy and the "A-" rating for Water Stewardship from CDP. As a last item on the slide, she discusses the Brighter Living solutions; these are products which have significantly less environmental impact or significantly benefit society compared with similar products of DSM's competitors. 63% of DSM's sales are generated by Brighter Living solutions.

Ms. Matchett continues with the 2020 Profit highlights. Despite the challenging COVID-19 environment, DSM has delivered solid results. Net sales from Continuing Operations increased with 2% and Adjusted EBITDA remained almost stable. The cash generation ability as reflected in Adjusted Net Operating Free Cash Flow increased with 19% to € 955 million. The pandemic had a slightly positive effect on the Nutrition business resulting in an organic sales growth of 6% and an increase of Adjusted EBITDA of 7%. On the other hand, the Materials business faced a challenging environment in its end markets and its supply chains, reflected in a decrease of sales with 13%, volumes with 6% and Adjusted EBITDA with 27%. However, a strong recovery followed since as will be explained during the rest of the presentation. She explains that DSM has taken all the right measures at the right time to manage the slowdown of activity whilst retaining DSM's strengths for a recovery. She concludes that the Net Profit over 2020 amounts to € 508 million; also taking into account DSM's strong cash generating ability, a stable dividend of € 2.40 is proposed (agenda item 6.b).

Thereafter, Ms. Matchett explains the business highlights of the Nutrition business against the back of the information in the presentation slides. She first mentions the expansion of Specialty Nutrition through the acquisitions of CSK (Food Specialty), Glycom (Early Life Nutrition) and Erber (Specialty Animal Nutrition and Health) and the integration processes of these acquisitions in the DSM group. Thereafter, she refers to important developments in certain innovation projects, which will be explained by Mr. De Vreeze separately during the remainder of the presentation. She closes the slide with the updated strategy for Nutrition as communicated during the Capital Markets Day in November 2020.

The next slide covers the financial performance of the Nutrition business which overall has done well in 2020 with a 6% sales growth against 2019, an Adjusted EBITDA growth of 7% and an Adjusted. EBITDA margin of 21%. She continues with the various businesses within Nutrition. Human Nutrition has shown a strong increase in demand for immunity-optimizing products and Food Specialties showed good demand for packaged food applications. COVID-19 caused volatility in the sales in Animal Nutrition over the year but with an overall solid performance and demand growth. Finally, Personal Care showed weak results with lower demand for sun care and cosmetics due to COVID-19, despite increased demand for detergents and disinfectants.

Ms. Matchett proceeds with the business highlights of the Materials business. In general, Materials made good strategic progress in a challenging environment. In response to the sudden deterioration of demand in Q1 2020, DSM acted promptly to minimize capex and operating costs. She explains that DSM's materials are used to produce essential applications like medical devices and medical equipment. Therefore, the DSM sites remained operational even though some of its end markets were down. Consequently, customers awarded DSM with the highest score in the form of the Net Promoter Score (NPS). After Q2 2020, new costs saving programs were started as part of an ongoing wider initiative to leverage synergies and increase operating agility. Furthermore, she elaborates that Materials continued to develop innovative solutions for Sustainable Living to create higher-growth, high-margin opportunities. As part of the last item of this slide, Ms. Matchett touches upon DSM's divestment of its Resins and Functional Materials business and their associated innovation platforms to Covestro AG for an equity value of € 1.4 billion. As the transaction has closed on 1 April 2021, the figures of the transaction will be reflected in the Q2 2021 results.

The following slide covers the financial performance of the Materials business which was significantly impacted by COVID-19 with a 12% sales reduction and an Adjusted EBITDA decrease of 27%. The Adjusted EBITDA margin was 17.9% which is only slightly lower than the historical levels. These figures reflect the managing costs for a standstill of the Materials business and the costs to remain operational for a recovered market. She mentions that the recovery of the Materials business already started in Q4 2020 as will be presented in the highlights for Q1 2021.

Ms. Matchett continues the presentation with the performance of DSM's stock and the development of its dividends over time; these add up to a shareholder return of 340% in total since 2011. DSM's aim is to provide a stable and preferably rising dividend and DSM is committed to maintain this aim. Furthermore, DSM tends to guide towards a payout ratio of 40% to 50% of its Net Profits. The proposed dividend of € 2.40 per share represents a 54% payout ratio.

Ms. Matchett closes her part of the presentation with the Q1 2021 Highlights. DSM has delivered a strong first quarter of 2021 with an organic sales growth of 8%, an increase of Adjusted EBITDA of 13% and an Adjusted EBITDA margin of 20.1%. The Nutrition business has delivered an organic sales growth of 7% and Adjusted EBITDA increased with 9%. She refers again to the continuing recovery of the Materials business, which already started in Q4 2020. As a result, the sales of the Materials business increased with 13%, with volumes up 21% and with an increase of Adjusted EBITDA of 27%. For 2021, DSM expects that the Nutrition business can deliver high single-digit Adjusted EBITDA growth. Together with the stronger recovery in the Materials business than foreseen at the FY 2020 results release, DSM expects an Adjusted EBITDA growth rate for the Group moving towards the mid-teens, with a continued good Adjusted Net Operation Free Cash Flow. Ms. Matchett hands over to her Co-CEO for an explanation of DSM's strategy.

Mr. De Vreeze continues the presentation with DSM's strategic journey and its successful transformation into a Nutrition, Health and Sustainable Living company by innovations and organic growth as well as by M&A. He explains that DSM is a purpose-led, performance-driven company, which focuses on three domains: Nutrition and Health, Climate and Energy and Resources and Circularity. These focus domains have been selected on the basis of DSM's key competences, linked to worldwide mega trends and the Sustainable Development Goals (SDGs) developed by the United Nations. These are the domains in which DSM has established long-term sustainable growth which leads to financial targets which underpin DSM's purpose. Each of these three focus domains has links to one or two SDGs; the links between the focus domains and the SDGs are visualized on the slide.

Mr. De Vreeze explains that the company has identified three mega-trends which drive growth for Nutrition and Health. In the first place, consumers are changing their preferences and behaviour and increasingly look for healthy, affordable and convenient foods which are sustainably produced. There also is an increased awareness for products that boost immunity which creates innovation opportunities. In the second place, the environmental requirements and the restrictions on CO2 emissions are stricter by the year. Therefore, sustainable farming is a key area for DSM. In the third place, society emphasizes more awareness about health for the planet and for the people. This shows that DSM's strategy is supported by society.

He continues with the next slide, which sets out DSM's strengths of producing global products combined with offering local solutions. M&A activities have contributed to the business model and growth profile of Nutrition, with the acquisitions of CSK (in the Food Specialty area), Glycom (in the Early Life Nutrition area) and Erber (in the Animal Nutrition area). These acquisitions have added strength to the global products in terms of ingredients and have added local market and application expertise. Romer Labs has been acquired as part of Erber and adds a precision and personalization data platform. M&A has therefore been an important tool to strengthen DSM's business model.

Precision farming and personalized nutrition have been added to DSM's Nutrition business model. DSM is continuously looking for biotechnology breakthroughs in addition to data and digital technology acceleration. Big data, tracking, artificial intelligence, algorithms, combined with knowhow about nutrition and health performance, will create an opportunity in precision farming and personalized nutrition and therefore business opportunities for DSM.

Mr. De Vreeze furthermore elaborates on the developments of certain of DSM's important sustainable innovations for the Planet, with additional attention for Bovaer® which is DSM's methane-reducing feed additive and which is in the process of receiving regulatory approval. A video is shown which explains in more detail how Bovaer® contributes to reduced methane emissions. Thereafter, he continues with DSM's important sustainable innovations for People, followed by a video about Fortaro including ampli-D®. Fortaro® is a product to boost immunity.

After the video, Mr. De Vreeze concludes that with its unique business model DSM is set for a strong performance in the field of 'Health through Nutrition' due to the combination of the attractive market in which it operates with changing consumer preferences, with forthcoming sustainable farming trends, with society requesting health for People and Planet, coupled with biosciences and the evolution of big data and digital platforms.

Mr. De Vreeze also identifies the trends in the Materials business. People demand lighter, stronger and high-performance materials, which are circular, bio-based and safer. DSM is ideally positioned to benefit from these trends as a company offering high-value, high-performing polymer specialties and bio-based and circular solutions with an improved carbon footprint and with safer solutions which are free from hazardous substances.

He concludes with a short summary of DSM's Purpose led, Performance driven growth strategy. Thereafter, he describes the financial targets which have been set for the period 2019-2021 bearing in mind that DSM takes into account People, Planet and Profit with the aim to create brighter lives for all. He ends the presentation and hands back to the chair.

The chair thanks the Co-CEOs for their presentation and continues with agenda item 4.

4. Remuneration Report 2020

The chair gives the floor to Ms. Van der Meer Mohr, chair of the Supervisory Board's Remuneration Committee, for a brief explanation of the Remuneration Report 2020 as included in the Annual Report.

Ms. Van der Meer Mohr states that the COVID-19 pandemic and the change of DSM's Leadership marked the 2020 remuneration agenda and she highlights some aspects thereof. At the start of the COVID-19 pandemic, the Supervisory Board took the decision to refrain from a mid-year review of the Co-CEO base salaries, as there was too much uncertainty about how the pandemic would evolve. In view thereof, it was also decided to maintain the agreed targets set for performance year 2020, without any downward adjustment. In hindsight, the business was impacted with Nutrition overall performing well and Materials being significantly negatively affected. DSM's first priority was the safety, health and well-being of its employees whereby measures were taken in a timely manner to safeguard business continuity and to protect profitability and cash flow generation.

She continues that although the EBITDA target had not been achieved, DSM delivered solid results from a financial and sustainability perspective. This is underlined by the achieved cash flow generation and a safety performance that exceeded best in class standards. Furthermore, the execution of the business strategy as updated in 2020 remained on track. The foregoing is reflected in the achievement of individual goals included in the short-term incentive scheme and in the completion of two acquisitions and the divestment of Resins and Functional Materials and associated businesses.

Ms. Van der Meer Mohr reports that with an average of 61.3%, the overall achievement in respect of the short-term incentives (STI) established for 2020 was slightly above target. With regard to the long-term incentives (LTI), the long-term performance targets relating to the Performance Share Units (PSUs) conditionally granted in 2017 were all overachieved and consequently all these PSUs definitively vested in 2020. All members of the Managing Board converted the maximum 50% of their gross STI for 2020 into shares that will be kept for a longer term, thus expressing their confidence in the company's strategy, aligning the long-term interests of the shareholders and the members of the Managing Board.

Furthermore, she explains that the 2020 remuneration reflects business performance throughout the year, achieved without use of government support, while honouring all terms and conditions towards our employees. To recognize the strong commitment, resilience, and involvement of DSM's employees, each DSM employee below executive level received a special one-off bonus.

She continues that 2020 was also the year in which Mr. Feike Sijbesma turned over his responsibilities to Ms. Matchett and Mr. De Vreeze as Co-CEOs. At the start of their term as Co-CEOs, the total remuneration of each of the Co-CEOs was, in line with prevailing market practice, set below the level of the outgoing CEO. However, even with the recent base salary adjustment, the Co-CEOs' total remuneration remains below the twenty-fifth percentile of the peer group. Considering that DSM also faces difficulties in attracting senior talent, the Supervisory Board will commence a review of actions required.

The positioning of the Co-CEOs, and the fact that the long-term incentives vesting in 2020 concerned a grant under conditions, contributed to a significant drop of the pay ratio between the Co-CEOs and the average global employee in the company to 33:1. In relation to the five-year overview of the development in remuneration and key company performance parameters, the Remuneration Committee concluded that the remuneration of the Managing Board and company performance are well aligned.

In accordance with the regulatory and the applicable corporate governance framework, the remuneration of the members of the Supervisory Board only concerns fixed items.

In the Remuneration Report 2020 steps were made in disclosing the achievement of performance targets included in DSM's incentive programs. The Supervisory Board will continue to identify possibilities to further strengthen transparency while, in the best interest of all stakeholders, refraining from disclosing business sensitive information.

The chair thanks Ms. Van der Meer Mohr and continues with agenda item 5.

5. Financial Statements for 2020

The chair reports that the financial statements for 2020 are submitted to the General Meeting for adoption. The financial statements for 2020 were approved by the Supervisory Board on 1 March 2021. The financial statements for 2020 were audited by the auditor, whose opinion is included on pages 267 through 283 of the Annual Report.

Ms. Groenland provides an explanation of the auditing work and the audit opinion from KPMG. Ms. Groenland indicates that KPMG has audited the separate and consolidated financial statements of Koninklijke DSM N.V. KPMG has also performed work with regard to DSM's sustainability report and issued a reasonable assurance report with regard thereto. She explains that the audit resulted in the audit opinion as a final product and that an unqualified opinion was issued. Ms. Groenland explains that this means that the financial statements provide a true and fair view in line with IFRS and Title 9 of Book 2 of the Dutch Civil Code. KPMG furthermore assessed that the Annual Report and other information included is consistent with the financial statements and does not contain any material misstatements.

Ms. Groenland explains that a number of elements are important in the context of the audits performed by KPMG. Firstly, KPMG prepared a risk assessment during the audit focused on areas where the risk of misstatements is the highest. Secondly, materiality is important when determining the nature, scale and depth of the auditing work. For DSM, the materiality threshold of the financial statements for 2020 was set at €45 million which is consistent with 2019. KPMG reports errors exceeding €2 million to the Managing Board and the Supervisory Board. Thirdly, from an efficiency perspective KPMG chooses which activities are performed centrally or locally. In particular, the audit procedures relating to goodwill, acquisitions, divestments, tax, legal proceedings and non-recurring items were performed centrally as much as possible. The scoping of the local DSM entities to be audited was based on the size and risk profile of these entities.

Foreign auditors performed reporting procedures for the review of the consolidated financial statements work in accordance with instructions from and under supervision by KPMG in the Netherlands. As part of KPMG's original audit plan it was intended to visit the foreign auditors in the United States, Switzerland, China, Denmark, Spain and the shared service centre in India. In view of the travel restrictions due to COVID-19, KPMG could only visit the foreign auditor in Denmark in person. Therefore, KPMG increased its communication, used alternative methods of communicating with foreign auditors and local management, and obtained remote access to audit work papers for a selection of auditors, to evaluate the adequacy of their work.

For complex audit areas KPMG engaged specialists, for example in the field of valuations, IT, tax and forensic specialists.

KPMG audited DSM throughout the year and periodically discussed its findings with the Managing Board and the Audit Committee. Due to the pandemic and governmental regulations and orders, KPMG largely performed its 2020 audit activities remotely as mentioned. Throughout the year, KPMG updated its audit plan and approach accordingly, paying additional attention to the integrity of audit evidence obtained virtually. KPMG attended all the Audit Committee meetings and one meeting of the Supervisory Board. The key audit observations have been included in KPMG's management letter and audit report, and the key audit matters were communicated to the Managing Board and the Supervisory Board. The key audit matters have also been included in the audit opinion, given their financial impact on the financial statements and the complexity and judgement required.

In prior years, the valuation of goodwill has been a key matter in the audit. In 2020, impairments were recognized for two specific cash generating units that are expecting insufficient future cash flows. These two impairments are considered key audit matters in 2020 given the financial impact of the impairment loss and the determination of the residual values. Similar to 2019, the accounting for acquisitions has been included as a key audit matter as the financial impact and complexity of the accounting for the Glycom and Erber acquisitions in 2020 was significant for the financial statements. Finally, KPMG added a key audit matter about the announced divestment of DSM's Resins and Functional Materials and associated businesses, which was significant due to the classification in the financial statements as held-for-sale, as the discontinued operations were complex and non-routine and it required management judgement.

The chair thanks Ms. Groenland for her explanation and thereafter continues with agenda item 6.

6. a. Reserve policy and dividend policy
b. Adoption of the dividend on ordinary shares for 2020

The chair indicates that this agenda item consists of two parts.

The reserve policy and dividend policy have remained unchanged from last year. Each 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 profits then remaining and after deduction of the dividend on the Cumulative Preference Shares A is at the disposal of the General Meeting. The dividend paid by DSM depends on the conditions in which the company finds itself, the financial performance of the company and other relevant factors. DSM's aim is to provide a stable and preferably rising dividend. The Managing Board, with the approval of the Supervisory Board, may propose that the dividend will be distributed in cash or in the form of ordinary shares of DSM, at the discretion of the ordinary shareholder.

The chair continues with agenda item 6.b., the proposed dividend for 2020. The financial statements for 2020 show net profits of € 508 million. Based on the Articles of Association, the Managing Board, with the approval of the Supervisory Board, determines which part of the net profits will be reserved. For 2020, it was determined that an amount of €86 million will be reserved. From the remaining net profits, €7 million dividend will be paid on the Cumulative Preference Shares A. The remaining part of the earnings will be at the disposal of the General Meeting.

With the approval of the Supervisory Board, the Managing Board proposes to the General Meeting to pay an amount of € 2.40 per ordinary share as dividend for 2020. Taking into account the interim dividend of €0.80 per ordinary share paid in August 2020, the final dividend will be €1.60 per ordinary share.

At the option of the shareholder, the final dividend will be made available in cash or in ordinary shares of DSM, under the condition that a maximum of 40% of the total dividend amount is available for stock dividend. If shareholders in total wish to receive in aggregate a distribution in shares which exceeds this maximum percentage of the total dividend, those shareholders who have opted for distribution in the form of shares will receive their stock dividend on a pro rata basis, with the remainder being distributed in cash. The dividend will be made payable on 1 June 2021. The chair concludes that further information and the relevant data on the payment of the dividend can be found in the explanatory notes to the agenda.

7. a. Release from liability of the members of the Managing Board
b. Release from liability of the members of the Supervisory Board

The chair announces that agenda item 7. also consists of two parts, namely the release from liability of the members of the Managing Board and the release from liability of the members of the Supervisory Board. The Annual General Meeting votes on these separately. The release from liability relates to all information in the financial statements or otherwise known to the Annual General Meeting before these financial statements are adopted.

The chair then gives the shareholders the opportunity to ask questions about agenda items 3., 4., 5., 6. and 7.

Mr. Stevense asks how DSM can improve its current product portfolio via innovation. Mr. De Vreeze acknowledges that innovation is key to DSM's business and strategy to build a Nutrition, Health and Sustainable Living company. Therefore, DSM substantially invests in research and development and enters into partnerships with external parties to combine its own strengths with the innovation capabilities of such other parties. Veramaris which produces algae-based fish oils, is a joint venture with Evonik, and Cargill is DSM's partner in the Avansya project. He concludes that the turnover from products introduced over the last five years is above twenty percent (20%) which shows DSM's strong innovation capability.

Mr. Stevense raises a further question how DSM can add more value for its customers and its supply chain. Mr. De Vreeze responds that DSM sells solutions which help its customers to make a difference and which add value to the products. DSM's business model links global products to local solutions, combined with precision and personalization, as explained in the Co-CEO presentation. By way of an example, he mentions the launch of a tool, which transparently indicates the emissions of methane, greenhouse gas and nitrogen at a farm. This benefits the entire value chain.

Mr. Stevense's third question is about the future mix between in-house development and production of products compared to outsourcing in the interest of maximizing profit. Mr. De Vreeze answers that DSM will review this on a case-by-case basis guided by its strategy to be a Nutrition, Health and Sustainable Living company.

The chair hands over to Mr. Van Esch (Robeco) whose questions are also raised on behalf of APG, Menzis, MN and NN Investment Partners. His first question is what DSM sees as the most important challenge to achieve its ambition to align its services in the field of Nutrition more closely with the specific needs of customers and to provide tailored services. He starts his second question by mentioning that in January 2021 the European Commission announced a set of 'eco schemes' and that he expects that this may further promote the demand for products such as Bovaer®. He asks which effects the development of regulations also in other markets DSM foresees to have on its product portfolio - for example, in relation to the developments in antibiotics and regulation around animal wellbeing in China. His third question is whether DSM can comment on the foreseen timelines for product approval of Human Milk Oligosaccharides (HMO) in China.

His last question for agenda item 3. is whether DSM will also present its climate action plan for a shareholder vote in next year's Annual General Meeting. During the 2020 Annual General Meeting-season, he encountered several other companies which scheduled a shareholder vote on their climate strategies and he expects that, by having a frequent shareholder vote, best practices for reporting and ambition levels will evolve for the mitigation of climate change. In respect of agenda item 4. Mr. Van Esch mentions that DSM has decided to immediately vest all outstanding shares of the Long-Term Incentive-plan of the previous CEO at once. This is an uncommon practice for Dutch listed companies and is not part of DSM's remuneration policy; he concludes that this apparently is a standard policy for good leavers within DSM. He asks whether DSM's policy can be aligned with market practice whereby the Long-Term Incentive-plan vests pro rata also for good leavers.

Mr. De Vreeze answers the first question. To enhance precision and personalization, DSM has created a key data platform containing own nutrition knowhow and knowhow and experience from others to identify personal needs. This has already been done with Hologram Sciences and Animal Nutrition. DSM has knowledge on how its global products react and have impact. By using algorithms and a data platform, one can create new entries for new knowhow. This will allow defining precisely, for every person and animal, a special dietary micro nutritional proposal. The data platform will be built gradually. DSM is of the opinion that the platform will be scalable as it can be applied to all consumers or animals in the world. The main challenge is to build the data platform and make it precise and personalized so that there is a direct nutritional knowhow link where one can make a difference on a personal level. He continues with the second question that DSM is generally in favor of stricter requirements for emissions as this will create more innovation. CleanCow is an innovative result hereof. He furthermore refers to innovations such as Balancius® which reduces CO2-emissions at farms, DSM's food additives which reduce nitrogen emissions and eubiotics which replace antibiotics in the premix for animals. In relation to the third question, Mr. De Vreeze explains that DSM is in the process of obtaining approval for HMO in China but that it is difficult to give exact time-lines for the registration process. DSM is doing its best to complete the registration as soon as possible. He concludes with the last question from Mr. Van Esch. DSM has a 3P-business approach. Picking out a single issue in relation to planet or climate for the Annual General Meeting does not fit in DSM's holistic approach in respect of People, Planet and Profit. DSM's holistic approach is presented in the form of an integrated annual report containing each of these elements.

Ms. Van der Meer Mohr explains that the Supervisory Board has taken a balanced approach in relation to the vesting of outstanding shares of Mr. Sijbesma. Even though the former CEO could be entitled thereto, he did not receive any severance payment, short-term incentives or long-term grants over 2020. In accordance with the Supervisory Board's authorities, the Supervisory Board applied discretion to grant accelerated vesting to the outstanding performance share units. This discretion has been used as the former CEO led DSM for almost two decades and he delivered extraordinary shareholder returns during these years whilst also serving the other stakeholders of DSM exceptionally well. Therefore, the Supervisory Board is of the opinion that the exit arrangements for Mr. Sijbesma are entirely appropriate. Finally, she explains that the Supervisory Board intends to change the remuneration policy as it is up for renewal by no later than the Annual General Meeting in 2023. Her successor will lead the process to review the policy against the prevailing market conditions; at that time, the Supervisory Board will decide whether the practice needs to be changed.

Mr. Van den Hudding (VEB) asks how DSM defines value creation in the context of acquisitions and what DSM expects in terms of return on invested capital in the coming years with respect to the recently acquired companies Glycom and Erber. Furthermore, he asks why following the divestment of the Resins and Functional Materials business DSM still holds the remaining Materials business, Engineering Plastics (now called Engineering Materials) and Dyneema (now called Protective Materials), and whether the Materials business can reach an Adjusted EBITDA margin of over 20% (the existing target) after 2021.

Ms. Matchett explains that in the first place there must be a strong strategic fit for any acquisition. Although DSM's strategy is to grow predominantly through organic growth, DSM undertakes acquisitions if an opportunity underpins and solidifies the ambition of mid-single digit top-line growth and high single digit Adjusted EBITDA growth. She explains that acquisitions tend to have a negative impact on return on capital employed (ROCE) first. For the Nutrition business, the acquisitions impacted return on capital employed (ROCE) with approximately 300 basis points. Nevertheless, including these acquisitions the return on capital employed (ROCE) in 2020 is 12.6% which is well above the weighted average cost of capital (WACC) of 6.5%. The ambition is to continue to improve the return by about 100 basis points per year. In 2020, we reached 90 basis points for the Nutrition business which is not far from DSM's target. Mr. De Vreeze continues that DSM is building a company around Nutrition, Health and Sustainable Living. There is still a lot of innovation and growth ongoing for Sustainable Living where the remaining Materials business, Engineering Materials and Protective Materials fit in and which fits in the three identified global trends. The Adjusted EBITDA margin of the Materials business is over 20% after the divestment of the Resins and Functional Materials business. In Q1 2021, the Adjusted. EBITDA margin was 23% which shows the high-quality, specialty character of such business. Generally speaking, DSM always intends to improve margins on the topline and therefore create higher margins for DSM overall.

Mr. Van den Hudding continues with additional follow-up questions. He asks whether DSM can more specifically indicate when the return on capital employed (ROCE) will be above the weighted average cost of capital (WACC) in relation to DSM's recent investments. Thereafter, he acknowledges that the Materials business is a business with high Adjusted EBITDA margins and high returns on capital employed (ROCE) but that this in itself is not a reason to keep a business. He asks whether DSM is still the best owner of the Materials business or whether a competitor might be able to derive synergies from the Materials business which could result in a premium which is above the standalone value within DSM.

Ms. Matchett responds that it is difficult to give a generic answer to the first question, as these acquisitions are each made at a different stage of development. Consequently, this is also reflected in the ultimate growth pace and valuation of such acquisition. By way of an example, Glycom (the early life nutrition acquisition) is at an early stage of commercialization. This concerns a company in development with a dedicated, core customer. It is DSM's intention to broaden Glycom and give it access to HMOs. As this is a company in development, it may take longer than an up-and-running existing company. Erber on the other hand is an existing business and already has a record of accomplishment of approximately 8% EBIT per year. DSM has identified many synergies and expects faster accretion in relation to return on capital employed. On the second question, Ms. Matchett explains that generally DSM continuously evaluates whether it is the best owner of the businesses, which it operates. In such evaluation, DSM for example reviews whether the business has a meaningful presence in the market and innovates at a pace in the areas that DSM's customers need. This is the case for both the Engineering Materials and the Protected Materials businesses, and currently DSM also sees strong recovery in these businesses. Furthermore, the Materials business can have significant impact beyond DSM's financial performance matrix as a company focused on People, Planet and Profit. Therefore, DSM is of the opinion that it is indeed the best owner of the Materials business.

Mr. Van den Hudding mentions that according to his calculations Erber has a return on capital employed (ROCE) of approximately 4%. He asks whether this business will be able to generate at least the weighted average cost of capital (WACC) over the next three to five years. Ms. Matchett explains that DSM was a supplier of Erber and that it therefore knows Erber's products very well. DSM will now be able to leverage the existing customer base. Additionally, it has a strong innovation pipeline in the Animal Nutrition business in the form of Biomin and DSM acquired Romer Labs which is the diagnostic business (as explained during the Co-CEO presentation) which has good momentum .

There is no firm guidance but the aim is to extract growth and cross synergies, which are certainly present between Erber and DSM.

Mr. Van den Hudding continues with another set of questions. He mentions that during the investor day in November 2020, DSM indicated that the sales of its innovation products (including the main innovation projects Avansya, Bovaer and Veramaris) would reach EUR 1 billion with an Adjusted EBITDA margin of 40% by 2025. His first question is how confident DSM is on realizing this ambition and whether these margins will be sustainable for the long run in view of potential competitors, which may enter the market. His second question is how much of such EUR 1 billion and 40% Adjusted EBITDA margin is generated by the aforementioned main innovation projects.

Ms. Matchett explains that in November 2020 DSM communicated to the market that it has a strong innovation pipeline and the Managing Board provided an indication to expect that the innovation platform will generate or contribute 1.5% to DSM's organic sales growth which is a solid underpinning of DSM's topline growth, and that it will probably contribute approximately 2.5% to DSM's Adjusted EBITDA growth; DSM has a midterm target of high-single digits. DSM is not dependent on a blockbuster innovation, and has an entire innovation platform around protein, prevention, precision and pathways which each contribute to the company's innovation strength. She furthermore answers that the Adjusted EBITDA margin will not continue to be stable continuously as DSM operates in a commercial and dynamic market and competitors may enter into certain of DSM's markets. Customers must therefore be convinced of DSM's solutions. Therefore, DSM constantly regenerates its offering through innovation. As it has innovations in a unique field and it combines these innovations with continuing additional developments and innovations, it will be able to ensure that its sales driven by innovations remain at a healthy level.

Mr. Altena (VBDO) has three questions on biodiversity, supplier sustainability and people diversity. First, he mentions that DSM has committed itself to maintaining biodiversity. Although VBDO is pleased to see that DSM is taking a stance on this topic, he noticed that DSM makes qualitative statements with only one quantitative indicator on its efforts to minimize the impact on biodiversity. He asks whether DSM can commit to quantify and report on the most prominent biodiversity risks and the company's impact on these risks, and whether it can report on its progress to mitigate these risks in its own operations and supply chains. The second question is on supplier sustainability. DSM has piloted its first virtual supplier audit through the 'Together for Sustainability'-program (TFS) but mentions that such program is relatively non-transparent which does not allow VBDO and other interested stakeholders to form a clear picture of the risks to human rights and labor conditions in the supply chains of DSM. He asks whether DSM can explain how it will improve the transparency related to the identification and mitigation of risks to human rights and labor conditions in its supply chains in 2021. His third question relates to human diversity. DSM has expanded its scope of diversity beyond gender and nationality and has included the focus areas of disability, generations and LGBTQ^{+}. He asks how DSM aims to improve its inclusion index in the coming years and whether it will use and report on data related to the inclusion of specific minority groups.

Mr. De Vreeze answers the first question on biodiversity. He recognizes that DSM can have an impact on biodiversity across the value chain and that it is currently assessing its impact on biodiversity in a number of ways. In the first place, the areas of high biodiversity value around DSM sites are monitored. In 2020, DSM noticed that 27% of all its production sites were adjacent to protected areas. For these sites, certain programs linked to DSM's science-based emission reduction targets were introduced which are reported on a yearly basis. DSM also started and continued a program for greenhouse gas emission reductions; these are included in the reporting, in a science-based target way. Furthermore, DSM launched a new water target, which also helps the discussion around biodiversity per site. Secondly, on the sourcing base, it is important that DSM will look at sourcing in a responsible way, in particular for certain raw materials.

DSM does that via recognized certification schemes. These raw materials include special derivatives, wood-based materials and fish oil. DSM assesses the biodiversity impact on a product level, through life-cycle assessments as part of its Brighter Living solutions program. Thirdly, in the value chain, he mentions the example of Veramaris (DSM's algae-based fish oil) which saved sixty tons of wild fish from having to be caught from the ocean to produce salmon feed. This will have a positive impact on the marine biodiversity in the ocean. He concludes that this is a topic in further development. Therefore, in 2020 DSM joined the Science-Based Target Network's Corporate Engagement Program, through which it prepares a pilot to assess nature impacts along the value chain. DSM's reporting on the impact and progress made to mitigate risks across the value chain, are in line with the principle of materiality.

Ms. Matchett answers the second and third question of Mr. Altena. In relation to human rights and labor conditions, she mentions that DSM is working on its reporting. However, it is a difficult task to assess the human rights risks in a granular way. The focus with TFS and EcoVadis is to develop their assessment methodologies. The progress has been relatively slow in 2020, also due to COVID-19 restrictions. In relation to EcoVadis, DSM focuses on tier-one suppliers. It will be looking at the possibilities to move further in such direction, and to identify the risks within its key supply chains. Due to the related complexity, DSM will have to take a risk-based approach. Furthermore, she mentions that the aim is that internal results are validated before their disclosure. In respect of inclusion and diversity, Ms. Matchett refers back to the Co-CEO presentation explaining that the approach was broadened to five pillars. Inclusion as measured in the engagement survey went up 3% in 2020. However, the specific minority groups referred to by Mr. Altena are currently not included in the underlying data of the engagement survey which is primarily related to gender and location. A main reason for this is that it is not allowed in all jurisdictions to ask people to self-identify themselves in a more granular way. However, DSM piloted with voluntary self-identification surveys in a couple of geographies and noted that people tend to step forward in the DSM culture, which is a culture of inclusion and safety where people come to work as who they are. As progress is made, DSM may be able to link the inclusion measurement and KPI's to a more granular approach within the company. Apart from measuring, it is important that DSM has the right environment to not only create diversity but also retain it. For this purpose training courses have been given such as Brighter Together which focuses at intrinsic biases. Furthermore, the employee engagement survey provides reports to all managers with a team of eight people or more. This means that the organization already allows for a review at team level. In the future, we might be able to measure engagement in further subgroups as proposed by Mr. Altena.

Thereafter, Mr. Altena has another two questions. He notes that the birth-rate in China has fallen to an all-time low. This is clearly visible in the results of baby food manufacturers like Danone, Nestlé and Reckitt Benckiser. He asks for the consequences hereof for DSM's early life activities. Furthermore, he asks whether DSM is considering new acquisitions or a share buyback program as its debt-ratio dropped due to the sale of its Resins and Functional Materials business.

Mr. De Vreeze answers that birth-rate is indeed an important indicator for some parts of the market. He explains that DSM supplies ingredients to the early life nutrition products, which is a supply of high value-added ingredients in a premium space. As people are adverse to take risks with infants, it is important to be a credible, high-quality player where innovation is key. For this reason, the acquisition of Glycom is important as it added HMOs to DSM's innovation portfolio. Birth-rates themselves are difficult to predict but DSM has a good position in the premium business of early life nutrition.

Ms. Matchett answers the second question. She explains that DSM has approximately EUR 1.2 billion net debt after the divestment of the Resins and Functional Materials business. DSM does not envisage to continue its share buyback program which stopped in Q2 2020 after the Erber acquisition. Thereafter, she explains DSM's capital allocation priorities which have remained the same for many years. In the first place, DSM has an organic growth strategy which means that it will support the investments needed to grow organically. Secondly, it has a dividend policy of stable and preferably rising dividends. Thirdly, DSM is open for investments via M&A to continue to strengthen its business. Although the focus to growth is predominantly through organic growth, acquisitions can help solidify and accelerate such growth and DSM will continue to look at opportunities predominantly in the Nutrition business. The fourth priority is returning cash in the event that DSM finds itself in the position not to have the right opportunities to do value-creating investments of either an organic or an inorganic nature.

The chair notes that there are no further questions. After having mentioned that the shareholders may electronically vote on agenda items 4 through 7 during the meeting, he continues with agenda item 8.

8. Reappointment of Dimitri de Vreeze as a member of the Managing Board

The Supervisory Board has nominated Mr. De Vreeze for reappointment as member of the Managing Board. DSM has greatly benefitted from his managerial and leadership qualities, as well as from his contribution to the Managing Board and Executive Committee, over the past four years of his second tenure as a member of the Managing Board of which the last year as Co-CEO. In his first year as Co-CEO, Mr. De Vreeze, together with his Co-CEO, demonstrated a focus on business performance, financial discipline, innovation, sustainability and people. The very solid performance of DSM in 2020 is a testimony to that. The reappointment will be for a period of four years, ending by the close of the Annual General Meeting to be held in 2025.

The chair invites Mr. De Vreeze to share his motivation to be reappointed as member of the Managing Board following a question thereto from Mr. Stevense. Mr. De Vreeze thanks Mr. Stevense for raising this question. He mentions that he is with DSM for almost 31 years now and that DSM is part of his life. He is passionate about working for DSM and its purpose with the aim of creating Brighter Lives for all by integrating People, Planet and Profit. He strongly believes that future companies who are successful are companies who do well on People, Planet and Profit. He would be honoured to add another four years to his career at DSM.

9. a. Reappointment of Frits van Paasschen as a member of the Supervisory Board
b. Reappointment of John Ramsay as a member of the Supervisory Board
c. Appointment of Carla Mahieu as a member of the Supervisory Board
d. Appointment of Corien M. Wortmann-Kool as a member of the Supervisory Board

The chair continues with agenda item 9. which consists of four parts: the proposed re-appointments of two members of the Supervisory Board and the proposed appointments of two new members of the Supervisory Board.

Agenda item 9.a. consists of the reappointment of Mr. Frits van Paasschen as member of the Supervisory Board. According to the rotation schedule, Mr. Van Paasschen is due to resign in 2021. The Supervisory Board has nominated Mr. Van Paasschen for reappointment as a member of the Supervisory Board on the basis of his broad experience as a global business leader in both consumer markets and the service industry in various parts of the world, his deep understanding of the current trends that are impacting businesses around the world, his insights into how digital technology is changing the global economy and disrupting traditional business models, and his qualities as Supervisory Board member as demonstrated during his first term as member of the Supervisory Board. It is proposed that Mr. Van Paasschen will be reappointed as a member of the Supervisory Board for a period of four years, ending by close of the Annual General Meeting to be held in 2025.

Mr. Van Paasschen is invited to share his motivation to be reappointed as member of the Supervisory Board following a request from Mr. Stevense. Mr. Van Paasschen explains that the values of DSM live by the words purpose led and performance driven which you see back in the actions on sustainability, the products made as well as how these products are made, how DSM gives back to the communities where it operates and how it takes care of its employees. He is inspired being part of a company which uses innovation and science to create new businesses and also better living. He also respects the work of the Co-CEOs, the Executive Committee and the broader organization. He continues that he has ten years of experience as CEO of global companies and 25 years of experience in consumer related businesses, like many of DSM’s downstream customers. He furthermore works with digital transformation and with innovation lead businesses, and he is a public author on the topic of disruption. Due to his experience from working in hundred different countries, as well as being a Dutch and US dual-national, at times he considers himself as a cultural bridge. Therefore, he can make a valuable contribution to the Supervisory Board.

The chair continues with agenda item 9.b., the proposal for reappointment of Mr. John Ramsay as member of the Supervisory Board. According to the rotation schedule, Mr. Ramsay is due to resign in 2021. The Supervisory Board has nominated Mr. Ramsay for reappointment as a member of the Supervisory Board on the basis of his extensive knowledge and experience in the field of finance and accounting, built up in various parts of the world, his extensive experience with managing global finance organizations, with external stakeholders and with mergers, acquisitions and divestments, and his qualities as Supervisory Board member as demonstrated during his first term as member of the Supervisory Board. It is proposed that Mr. Ramsay will be reappointed as a member of the Supervisory Board for a period of four years, ending by close of the Annual General Meeting to be held in 2025.

Mr. Ramsay is also invited to share his motivation to be reappointed as member of the Supervisory Board following the question from Mr. Stevense. Mr. Ramsay mentions that his motivation is similar to the other members in the Supervisory Board. The purpose of DSM resonates with his personal ethos in life and also resonates with his professional experience. He is proud to have served on the Supervisory Board for the last four years and pleased to have participated in and contributed to the success of DSM in that time period. He explains that his international experience and his finance credentials will be of continuing value on the Supervisory Board to enable the company to execute its strategy and to achieve continued success. It would be a great privilege to serve another four years on the Supervisory Board.

The chair then continues that under agenda item 9.c. it is proposed to appoint Ms. Carla Mahieu as member of the Supervisory Board. The Supervisory Board has nominated Ms. Mahieu for appointment as a member of the Supervisory Board on the basis of her in depth knowledge of and experience with people and organization management in an international business environment and in the context of the strategy of the business at hand. It is proposed that Ms. Mahieu will be appointed as a member of the Supervisory Board for a period of four years, ending by close of the Annual General Meeting to be held in 2025.

The chair asks Ms. Mahieu to share her motivation to be appointed as member of the Supervisory Board. Ms. Mahieu thanks the chair for giving her the opportunity to introduce herself. After having given certain personal and professional credentials, she explains that DSM's strategic focus on Nutrition, Health, and Sustainable Living attracts her. The same holds for its ability to innovate and reinvent itself, and the emphasis that DSM places on sustainability. She believes that DSM is well positioned to make a meaningful contribution to global market trends and to sustainable development goals. She tells that people are the key to lasting business success and certainly that is true for an innovative company like DSM. Her main experience is in the field of organization and people, and of board-relevant topics like board remuneration, succession planning, inclusion and diversity. She explains that – for her nomination as proposed member of the Supervisory Board and for the preparation of this meeting – she has been given the opportunity to talk with many people within DSM across different areas of the business and the different layers in the company, including members of the Managing Board and the Supervisory Board. Since October 2020 she has also been present as an observer at Supervisory Board meetings and committee meetings, as well as certain other meetings. She concludes that she is sincerely committed to make an impactful contribution to DSM as a member of the Supervisory Board.

The chair then refers to agenda item 9.d., the proposal for appointment of Ms. Corien Wortmann-Kool as member of the Supervisory Board. The Supervisory Board has nominated Ms. Wortmann-Kool for appointment as a member of the Supervisory Board on the basis of her broad background in both public administration, politics and business. She brings a wealth of experience with and knowledge of finance and economics at executive level, as well as of the national and international societal and political context companies operate in. It is proposed that Ms. Wortmann-Kool will be appointed as a member of the Supervisory Board for a period of four years, ending by close of the Annual General Meeting to be held in 2025.

Ms. Wortmann-Kool is invited to share her motivation to be appointed as member of the Supervisory Board. Ms. Wortmann-Kool explains that she feels connected to DSM and its ambition anchored in People, Planet and Profit, being a purpose led and performance driven company. She gives some background about her professional career. She has extensive expertise in finance, risk and ESG related topics, both at executive and non-executive level. In particular two themes are relevant to DSM. Firstly, audit, accounting, and reporting of both financial and non-financial information. Secondly, the investor's perspective on financial and ESG performance with increased focus on big transitions regarding climate change, circular economy and digitization. Similar to Ms. Mahieu, she appreciates the competences, the dedication and the diversity of both the Managing Board and the Supervisory Board, as well as the open and frank character of the conversations in relation to her nomination as member of the Supervisory Board. She looks forward to contributing to DSM's ambition as a member of the Supervisory Board.

The chair continues with agenda item 10.

10. Reappointment of the External Auditor

The chair indicates that KPMG Accountants N.V. has been the external auditor of DSM since 2015. Following the recommendation of the Audit Committee and the Managing Board, the Supervisory Board proposes to reappoint KPMG Accountants N.V. as independent external auditor for the year 2022.

The proposal to reappoint KPMG is based on the Audit Committee's own assessment of KPMG, among others through discussions with KPMG in the absence of management, as well as the outcome of an evaluation amongst DSM executives. The Audit Committee conducts a more in-depth evaluation once every three years; in the two other years, a lighter evaluation is performed. For 2020, the more in-depth evaluation was performed. The auditor evaluations in prior years were positive, and the outcome of the evaluation for 2020 was positive as well.

The chair gives the meeting the opportunity to ask questions about agenda items 9.a, 9.b, 9.c, 9.d and 10. He concludes that there are no other questions than the question of Mr. Stevense that Mr. De Vreeze, Mr. Van Paasschen and Mr. Ramsay motivate their ambition to be re-appointed as member of the Managing Board respectively the Supervisory Board and Ms. Mahieu and Ms Wortmann-Kool motive their ambition to be appointed as member of the Supervisory Board, as set out before. He mentions that the shareholders may electronically vote on agenda items 8 through 10 during the meeting and continues with agenda item 11.

11. a. Authorization of the Managing Board to issue up to 10% ordinary shares and to exclude pre-emptive rights
b. Authorization of the Managing Board to issue an additional 10% ordinary shares in connection with a rights issue
12. Authorization of the Managing Board to have the company repurchase shares
13. Reduction of the issued capital by cancelling shares

The chair indicates that agenda items 11.a., 11.b., 12. and 13. are of a more technical nature and will be addressed as a cluster. Reference is made to the explanatory notes to the agenda.

It is proposed under item 11.a. to designate the Managing Board as the corporate body authorised (i) to issue ordinary shares, which includes the granting of rights to subscribe for ordinary shares, provided 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 (ii) in connection therewith, to limit or exclude the pre-emptive rights of existing shareholders when issuing such ordinary shares or the granting of rights to subscribe for ordinary shares, for a period of 18 months from the date of this Annual General Meeting (i.e. until 6 November 2022).

The proposal under agenda item 11.b. is to designate the Managing Board as the corporate body authorised (i) to issue ordinary shares in connection with a rights issue only, provided that this authority to 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 (ii) in connection therewith, to limit or exclude the statutory pre-emptive rights of existing shareholders to the extent that the Managing Board deems such limitation or exclusion or other arrangement necessary or conducive in the context of a rights issue, but affording eligible existing shareholders contractual pre-emptive rights to subscribe for the new ordinary shares in proportion to their shareholding in line with market practice in such a rights issue, for a period of 18 months from the date of this Annual General Meeting (i.e. until 6 November 2022).

The proposal under agenda item 12. authorizes the Managing Board to repurchase shares, on a stock exchange or otherwise, for a period of 18 months from the date of this Annual General Meeting (i.e. until 6 November 2022), up to a maximum of 10% of the issued capital as reported in the Financial Statements for 2020, 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 shares, also in volatile market conditions.

Agenda item 13. contains the proposal to resolve to reduce the issued capital by cancellation of shares held by the company in its own capital up to a maximum of the number that is or will be repurchased by the company. This will enable the company to further optimize its equity structure. The number of shares to be cancelled under this resolution shall be determined by the Managing Board in one or more tranches and shall be limited to a maximum of 10% of the issued capital as reported in the Financial Statements for 2020.

14. Any other business

The chair states that there are no items to be discussed under “Any other business”.

Thereafter, Mr. De Vreeze on his own behalf and on behalf of Ms. Matchett, thanks the chair for the performance of his duties as member and chair of the Supervisory Board. He will be remembered as a chair with a unique style, being warm, strict, always well informed, challenging and supportive. He continues with further acknowledgements on behalf of the whole DSM organization, as well as with the chair’s confidence and encouragement in the members of the Managing Board.

15. Voting results

The chair then continues with the voting results for agenda items 4., 5., 6.b., 7.a., 7.b., 8., 9.a., 9.b., 9.c., 9.d., 10., 11.a., 11.b., 12. and 13. He notes that each share confers the right to cast one vote. In the results the votes in favor, votes against and votes abstained are included. However, in accordance with statutory regulations, votes abstained are treated as non-casted votes.

The company secretary shows the results on the voting items on the agenda and the chair concludes to the following:

- agenda item 4. (the advisory vote on the Remuneration Report 2020): the secretary notes that 93.44% has voted in favor of the motion and 6.56% against. The chair concludes that the General Meeting has given a positive advice on the Remuneration Report 2020.

- agenda item 5. (the adoption of the financial statements for 2020): the secretary notes that 100% has voted in favor of the motion. The chair concludes that the General Meeting has adopted the financial statements for 2020.

- agenda item 6.b. (the adoption of the dividend on ordinary shares for 2020): the secretary notes that 98.64% has voted in favor of the motion and 1.36% against. The chair concludes that the dividend on ordinary shares for 2020 has been set in accordance with the motion.

- agenda item 7.a. (the release from liability of the members of the Managing Board): the secretary notes that 97.26% has voted in favor of the motion and 2.74% against. The chair concludes that the members of the Managing Board have been released from liability.

- agenda item 7.b. (the release from liability of the members of the Supervisory Board): the secretary notes that 97.26% has voted in favor of the motion and 2.74% against. The chair concludes that the members of the Supervisory Board have been released from liability.

- agenda item 8. (the reappointment of Mr. De Vreeze as member of the Managing Board): the secretary notes that 99.90% has voted in favor of the motion and 0.10% against. The chair concludes that Mr. De Vreeze has been reappointed as a member of the Managing Board and congratulates him on his reappointment.

- agenda item 9.a. (the reappointment of Mr. van Paasschen as member of the Supervisory Board): the secretary notes that 98.58% has voted in favor of the motion and 1.42% against. The chair concludes that Mr. van Paasschen has been reappointed as a member of the Supervisory Board and also congratulates him on his reappointment.

- agenda item 9.b. (the reappointment of Mr. Ramsay as member of the Supervisory Board): the secretary notes that 95.01% has voted in favor of the motion and 4.98% against. The chair concludes that Mr. Ramsay has been reappointed as a member of the Supervisory Board and also congratulates him on his reappointment.

- agenda item 9.c. (the appointment of Ms. Mahieu as member of the Supervisory Board): the secretary notes that 88.01% has voted in favor of the motion and 11.99% against. The chair concludes that Ms. Mahieu has been appointed as a member of the Supervisory Board and also congratulates her on her appointment.

- agenda item 9.d. (the appointment of Ms. Wortmann-Kool as member of the Supervisory Board): the secretary notes that 99.32% has voted in favor of the motion and 0.68% against. The chair concludes that Ms. Wortmann-Kool has been appointed as a member of the Supervisory Board and also congratulates her on her appointment.

- agenda item 10. (the reappointment of the external auditor): the secretary notes that 98.80% has voted in favor of the motion and 1.20% against. The chair concludes that KPMG has been reappointed as external auditor.

- agenda item 11.a. (the authorization of the Managing Board to issue up to 10% ordinary shares and to exclude or limit pre-emptive rights): the secretary notes that 88.76% has voted in favor of the motion and 11.24% against. The chair concludes that the meeting has granted the Managing Board authorization to issue up to 10% ordinary shares and to exclude or limit pre-emptive rights in accordance with the motion.

- agenda item 11.b. (the authorization of the Managing Board to issue an additional 10% ordinary shares in connection with a rights issue and to exclude or limit pre-emptive rights): the secretary notes that 90.66% has voted in favor of the motion and 9.34% against. The chair concludes that the meeting has granted the Managing Board authorization to issue an additional 10% ordinary shares in connection with a rights issue and to exclude or limit pre-emptive rights in accordance with the motion.

- agenda item 12. (the authorization of the Managing Board to have the company repurchase shares): the secretary notes that 98.97% has voted in favor of the motion and 1.03% against. The chair concludes that the meeting has granted the Managing Board authorization for acquiring the company’s own shares in accordance with the motion.

- agenda item 13. (the reduction of the issued capital by cancelling shares): the secretary notes that 99.46% has voted in favor of the motion and 0.54% against. The chair concludes that the meeting has resolved to reduce the issued capital by cancelling shares in accordance with the motion.

The chair thanks all shareholders for their votes.

16. Closure

Before closing the meeting, the chair thanks the other members of the Supervisory Board and the members of the Managing Board for their drive and passion for DSM and the shareholders for their trust in the Supervisory Board and in him as chair, and he continues that it has been a privilege having served as chair of the Supervisory Board. He concludes with an announcement that the 2022 Annual General Meeting will be held on Tuesday 10 May 2022 and thereafter closes the meeting at 16:47 CET.