



Other Information

dsm-firmenich figures: five-year summary

Balance sheet

x € million	2024	2023	2022	2021	2020
Assets					
Goodwill and intangible assets	18,078	18,738	5,147	5,309	4,440
Property, plant and equipment	5,725	5,549	3,576	3,964	3,775
Deferred tax assets	299	228	95	203	240
Share in associates and joint ventures	342	130	61	64	93
Derivatives	51	46	82	48	61
Other non-current assets	453	735	314	302	317
Non-current assets	24,948	25,426	9,275	9,890	8,926
Inventories	3,290	3,390	2,339	2,297	1,879
Current receivables	2,769	2,843	1,622	1,697	1,483
Derivatives	23	42	42	30	48
Current investments	50	107	125	489	43
Cash and cash equivalents	2,667	2,456	2,755	1,561	871
Assets held for sale	-	6	1,245	56	1,096
Current assets	8,799	8,844	8,128	6,130	5,420
Total assets	33,747	34,270	17,403	16,020	14,346
Equity and liabilities					
Shareholders' equity	22,511	22,908	10,743	9,318	7,399
Non-controlling interests	186	162	102	79	88
Equity	22,697	23,070	10,845	9,397	7,487
Deferred tax liabilities	1,556	1,751	476	490	431
Employee benefit liabilities	487	520	287	323	414
Provisions	87	142	50	96	123
Borrowings	4,444	4,114	2,978	2,995	3,484
Derivatives	7	8	4	9	1
Other non-current liabilities	109	146	205	280	163
Non-current liabilities	6,690	6,681	4,000	4,193	4,616
Employee benefits liabilities	62	49	5	21	42
Provisions	77	34	45	68	61
Borrowings	836	716	86	103	102
Derivatives	60	28	23	40	13
Current liabilities	3,325	3,684	1,969	2,188	1,771
Liabilities held for sale	-	8	430	10	254
Current liabilities	4,360	4,519	2,558	2,430	2,243
Total equity and liabilities	33,747	34,270	17,403	16,020	14,346



Income statement

x € million	2024	2023	2022	2021	2020
Net sales	12,799	11,015	10,480	9,468	9,038
Net sales from continuing operations	12,799	10,627	8,390	7,269	-
Adjusted EBITDA ¹	2,118	1,441	1,725	1,842	1,650
EBITDA	1,991	3,637	2,646	2,370	1,476
Adjusted operating profit (EBIT) ¹	926	428	1,071	1,167	1,011
Operating profit (EBIT)	561	2,330	1,994	1,689	736
Operating profit (EBIT) from continuing operations	561	(497)	682	711	-
Financial income and expense	(134)	(151)	(94)	(106)	(67)
Income tax expense	(147)	(19)	(190)	(245)	(129)
Share of the profit of associates and joint ventures	-	(7)	5	342	(32)
Net profit for the year	280	2,153	1,715	1,680	508
Net profit attributable to non-controlling interests	30	16	15	4	2
Net profit available to equity holders of the parent company	250	2,137	1,700	1,676	506
Dividend on Cumulative Preference Shares	-	(6)	(6)	(6)	(7)
Net profit available to holders of ordinary shares	250	2,131	1,694	1,670	499
Key figures and financial ratios					
Capital employed	26,474	26,766	11,473	11,019	10,557
Capital expenditure:					
- Intangible assets and Property, plant and equipment	830	700	636	614	622
- Acquisitions	-	14,569	77	754	1,579
Disposals	184	3,559	1,413	1,941	46
Depreciation, amortization and impairments	1,430	1,307	652	681	740
Net debt	(2,556)	(2,215)	(87)	(1,019)	(2,577)
Dividend	667	582	167	438	420
Workforce at 31 December, headcount	28,214	29,301	20,682	21,358	23,127
Financial ratios ¹					
Current assets / current liabilities	2.02	1.96	3.15	2.52	2.42
Equity / total assets	0.67	0.67	0.62	0.59	0.52
Gearing (net debt / equity plus net debt) in %	10.1%	8.8%	0.8%	9.7%	26.0%
Adjusted EBITDA / net sales in %	16.5%	13.1%	16.5%	19.5%	18.3%
Adjusted EBITDA / financial income and expense	15.8	12.3	20.1	17.4	24.6

1. In presenting and discussing dsm-firmenich's financial position, operating results and cash flows, dsm-firmenich uses certain Alternative Performance Measures (APMs) not defined by IFRS. These APMs are used because they are an important measure of dsm-firmenich's business development and management performance. A full reconciliation of IFRS performance measures to the APMs is given in [Note 2. Alternative performance measures](#).



Concepts and ratios

The following pages contain explanations for the many terms, concepts, ratios, and other definitions used in this Report. More information can be found on our corporate website at dsm-firmenich.com.

1) General

Biosciences

Biosciences are any of the sciences that deal with living organisms.

Business Partners

Business Partners enable excellence and efficiency, by partnering with the Group and the Business Units, helping them to deliver on their ambitions, serve their customers. In addition, the Business Partners will drive excellence with shared centers of expertise, to bring differentiated capabilities to our company.

Category of One

Our ambition is to be more than just a merger of two brilliant companies, each with its own incredible talent and history, but to be seen as a Category of One, unique in the world, and something that our customers and stakeholders are proud to be a part of.

Integrated Reporting <IR> Framework – value creation model

The value creation model is based on the International Integrated Reporting Council's

[Integrated Reporting <IR> Framework](#) and gives an overview of how we create value for our stakeholders based on six capital inputs.

- Human capital
- Societal & relationship capital
- Natural capital
- Financial capital
- Intellectual capital
- Manufactured capital

Plant-forward

A trend descriptor coined by Innova Market Insights in 2021 to signal the plant-based foods category's push toward broader consumer appeal and expansion into more market categories and regions of the world.

2) Sustainability

Bio-based

Bio-based refers to a material that is derived from a biological source, i.e., a living organism. This includes, but is not limited to, materials derived from plants, animals and fungi.

Circular economy

Circular economy refers to an economy that is restorative and in which materials flows are of two types: biological nutrients, designed to re-enter the biosphere safely, and technical nutrients, which are designed to circulate at high quality without entering the biosphere throughout their entire lifecycle.

Chemical Oxygen Demand

Chemical Oxygen Demand (COD) is an indicator of the degree of pollution of wastewater by organic substances.

Eco-efficiency

Eco-efficiency is a concept (created in 1992 by the World Business Council for Sustainable Development (WBCSD)) that refers to the creation of more goods and services while using less resources and creating less waste and pollution throughout their entire life cycle.

Energy

[Primary energy](#) is energy that has not yet been subjected to a human engineered conversion process. It is the energy contained in unprocessed fuels.

[Final \(consumed\) energy](#) is the energy that is consumed by end-users. The difference between primary energy and final consumed energy is caused by the conversion process between the two as well as any transmission losses.

Equal pay and gender pay gap

Equal pay is a legal requirement for men and women to be paid the same for performing the same or similar work or work that has been rated as being of equal value (by job evaluation). The gender pay gap zooms in on the difference between what men typically earn

overall in an organization compared to women, irrespective of their role or seniority.

Frequency index (Safety)

The Frequency Index is a way to measure safety performance. The number of accidents of a particular category per 100 employees per year.

Total Recordable Incident Rate

The Total Recordable Incident Rate (TRIR) is the number of recordable injuries per 100 dsm-firmenich employees and contractor employees in the past 12 months. The 'TRIR-own' refers only to dsm-firmenich employees. $TRIR\ rate = 100 * (\#\ of\ recordable\ incidents\ (past\ 12\ months) / average\ effective\ manpower\ (past\ 12\ months))$

Process Safety Incidents

The Process Safety Incidents (PSI) rate is the number of Process Safety Incidents per 100 dsm-firmenich employees and contractor employees in the past 12 months. $PSI\ rate = 100 * (\#\ of\ PSIs\ (past\ 12\ months) / average\ effective\ manpower\ (past\ 12\ months))$

Occupational health

The occupational health rate is the number of occupational health cases per 100 dsm-firmenich employees and contractor employees in the past 12 months. $REC\ rate = 100 * (\#\ of\ health\ cases\ (past\ 12\ months) / average\ effective\ manpower\ (past\ 12\ months))$



Global South

The term Global South is used to describe countries whose economies are not yet fully developed and which face challenges such as low per capita income, excessive unemployment, and a lack of valuable capital. These countries are located largely in the southern hemisphere.

Greenhouse gas emissions

dsm-firmenich applies the [Greenhouse Gas Protocol](#), which defines greenhouse gas emissions (GHG) as “atmospheric gases that absorb and emit radiation within the thermal infrared range and that contribute to the greenhouse effect and global climate change.” We report GHGs based on their global warming potential over 100 years in carbon dioxide equivalent (CO₂e).

Scope 1 & 2

Scope 1: Direct GHG emissions occur from sources that are owned or controlled by the company (i.e., emissions from combustion in owned or controlled boilers, furnaces, vehicles, etc.).

Scope 2: Indirect GHG emissions relate to the generation of purchased energy (i.e., electricity, heat or cooling) consumed by the company. Purchased energy is defined as energy that is purchased or otherwise brought into the organizational boundary of the company. Scope 2 emissions physically occur at the facility where the energy is generated.

Market-based emissions reflect GHG emissions from electricity supplies (Scope 2) that

companies have purposely chosen (or their lack of choice) and contracted. Corresponding emission factors:

- *Supplier specific emission factor* (provided by the supplier)
- *Residual emission factor* (country-based grid factor, corrected for allocated purchased electricity from renewable resources)

Scope 3

Scope 3 emissions are all indirect emissions (not included in Scope 2) that occur in the value chain of the reporting company, including both upstream and downstream emissions.

Net-zero emissions

The Intergovernmental Panel on Climate Change (IPCC) states: “net-zero emissions are achieved when anthropogenic emissions of greenhouse gases to the atmosphere are balanced by anthropogenic removals over a specified period. Where multiple greenhouse gases are involved, the quantification of net-zero emissions depends on the climate metric chosen to compare emissions of different gases (such as global warming potential, global temperature change potential, and others, as well as the chosen time horizon).”

GRI

The Global Reporting Initiative (GRI) has developed Sustainability Reporting Guidelines that strive to increase the transparency and accountability of economic, environmental, and social performance. The GRI was established in 1997 in partnership with the UN Environment

Programme. It is an international, multi-stakeholder and independent institution whose mission is to develop and disseminate globally applicable Sustainability Reporting Guidelines. These Guidelines are for voluntary use by organizations for reporting on the economic, environmental, and social dimensions of their activities, products and services.

Guarantee of origin

A guarantee of origin (GO) is defined in EU Directive 2009/28/EC as “an electronic document which has the sole function of providing proof to a final customer that a given share or quantity of energy was produced from renewable sources as required by Article 3(6) of Directive 2003/54/EC.” The requirements of a GO are explained in Article 15 of the same Directive.

Living wage

The remuneration received for a standard working time by an employee in a particular place sufficient to afford a decent standard of living for the employee and his/her family. Elements of a decent standard of living include food, water, housing, education, healthcare, transport, clothing, and other essential needs, including provision for unexpected events.

Loss of Primary Containment (LOPC)

Loss of Primary Containment is an unplanned or uncontrolled release of material from the container in direct contact with the material.

Mass-balance

Mass-balance accounting is a well-known approach that has been designed to trace the

flow of materials through a complex value chain. The mass-balance approach provides a set of rules for how to allocate the bio-based and/or recycled content to different products to be able to claim and market the content as ‘bio’-based or ‘recycled’-based.

NOx

Nitrogen oxides. These gases are released mainly during combustion.

Renewable resource

A natural resource which is replenished by natural processes at a rate comparable to, or faster than, its rate of consumption by humans or other users. The term covers perpetual resources such as solar radiation, tides, winds and hydroelectricity as well as fuels derived from organic matter (bio-based fuels).

Safety, Health and Environment (SHE)

Our policy is to maintain business activities and produce products that do not adversely affect safety or health, and that fit with the concept of sustainable development. We do this by setting the following objectives: to provide an injury-free and incident-free workplace; to prevent all work-related disabilities or health problems; to control and minimize the risks associated with our products for their whole life cycle and to choose production processes and products such that the use of raw materials and energy is minimized; to evaluate and improve our practices, processes and products continuously in order to make them safe and acceptable to its employees, the customers, the public and the environment.



SOx

Sulfur oxide. This gas is formed during the combustion of fossil fuels.

VOC

Volatile organic compounds. The term covers a wide range of chemical compounds, such as organic solvents, some of which can be harmful.

Water use and water consumption

Water use includes water used for ‘once-through cooling’ that is returned to the original water source after use. Water consumption is the portion of water used that is not returned to the original water source after being withdrawn.

3) Financial

This Report includes information that is presented in accordance with IFRS as issued by the International Accounting Standard Board and Alternative Performance Measures (APMs). The comparatives in the management report to this Integrated Annual Report contain information that is presented on a pro forma basis (‘pro forma’), which includes the Firmenich results as if the merger had occurred on January 1, 2022. The pro forma figures represent the results from continuing operations – please also refer to the Integrated Annual Report 2023.

Alternative Performance Measures (APMs)

In presenting and discussing dsm-firmenich’s financial position, operating results and net results, management uses certain other alternative performance measures (APMs) not defined by IFRS. To arrive at these APMs, adjustments are made for material items of income and expense arising from circumstances such as acquisitions and divestments, restructuring, impairments, and other events (i.e., APM adjustments).

For an overview of the APMs and the reconciliations to the most directly reconcilable IFRS metric, please see [Note 2. Alternative performance measures](#) to the Consolidated Financial Statements. In calculating financial profitability ratios, use is made of the average of the opening and closing values of balance sheet items in the year under review.

Capital expenditures

Capital expenditures (CAPEX) include all investments in intangible assets and property, plant and equipment.

Core capital employed

Core capital employed is defined as capital employed, adjusted for the impact of the Firmenich purchase price allocation (PPA). Average core capital employed is calculated as the average of the core capital employed at the end of the preceding five quarters, including the current quarter.

Core adjusted return on capital employed (ROCE)

Core adjusted return on capital employed (Core adj. ROCE) is core adjusted EBIT as a percentage of average core capital employed.

Disposals

The total of the carrying amount of intangible assets and property, plant and equipment, inventories, trade receivables and other receivables, less trade payables, other current liabilities, investment grants and customer funding disposed of.

Earnings per share

Net profit available to holders of ordinary shares, divided by the average number of ordinary shares outstanding. The financial indicators per ordinary share are calculated on the basis of the average number of ordinary shares outstanding (average daily number). In calculating Shareholders’ equity per ordinary share, however, the number of shares outstanding at year-end is used.

Net debt

Net debt is the total of current and non-current borrowings less cash and cash equivalents, current investments and the net position of derivatives.

Operating working capital

The total of inventories and trade receivables, less trade payables. See also Working capital.

Organic sales growth

Organic sales growth is the sales growth excluding the impact of acquisitions, divestments, and currency impacts.

Return on capital employed (ROCE)

ROCE is the adjusted operating profit from continuing operations as a percentage of average capital employed.

R&D expenditure

R&D expenditure relates to all efforts done across the company to develop new products or improve existing products and processes. As such, R&D expenditure includes all costs and capitalized expenditures that relate to Research & Development, as well as costs incurred by other departments to support R&D activities.

Total Shareholder Return

Total Shareholder Return (TSR) is capital gain plus dividend paid.

Working capital

The total of inventories and current receivables, less current payables. See also Operating working capital.



Abbreviations

This report may contain certain terms and abbreviations unfamiliar to certain international readers. The following section provides a list of key abbreviations we use.

ADR	American Depositary Receipts	CO₂e	Carbon dioxide equivalent	EPP	European People’s Party
AFM	<i>Autoriteit Financiële Markten</i> (The Dutch Authority for the Financial Markets)	COD	Chemical Oxygen Demand	EPS	Earnings Per Share
AGM	Annual General Meeting	CODM	Chief Operating Decision Maker	ERM	Enterprise Risk Management
AGOF CF	Adjusted Gross Operating Free Cash Flow	COSO	The Committee of Sponsoring Organizations of the Treadway Commission	ERT	European Round Table for Industry
AI	Artificial Intelligence	CPO	Chief Procurement Officer	ESG	Environmental, Social and Governance
AIF	Africa Improved Foods	CSD	Central Security Depository	ESRS	European Sustainability Reporting Standards
ANH	Animal Nutrition & Health	CSO	Chief Sustainability Officer	EUDR	European Union Deforestation Regulation
API	Active Pharmaceutical Ingredient	CSRD	Corporate Sustainability Reporting Directive	ExCo	Executive Committee
APM	Alternative performance measures	DCC	Dutch Civil Code	FCLT	Focusing Capital on the Long Term
B.E.N.	Better Eggs for Nutrition	DE&I	Diversity, Equity & Inclusion	FEMA	Flavor Extract Manufacturers' Association
BfN	Business for Nature	DHA	Docosahexaenoic Acid	FIFO	First in, first out
BMGF	Bill & Melinda Gates Foundation	DSFIR	dsm–firmenich, as listed on Euronext Amsterdam	FMO	<i>De Nederlandse Financierings-maatschappij voor Ontwikkelingslanden</i> (Dutch Entrepreneurial Development Bank)
CBD	Convention on Biological Diversity	EBIT	Earnings Before Interest and Taxes	FSC	Forest Stewardship Council
CDC	Commonwealth Development Corporation (British International Investment)	EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortization	G&A	General & Administrative
CDP	Carbon Disclosure Project	ECL	Expected Credit Loss	GBF	Global Biodiversity Framework
CEO	Chief Executive Officer	EFSA	European Food Safety Authority	GHG	Greenhouse gas
CFO	Chief Financial Officer	EPA	Eicosapentaenoic Acid	GMT	Global Management Team
CGU	Cash Generating Unit	EPD	Environmental Product Declaration	GNC	Governance & Nomination Committee
CHRO	Chief Human Resources Officer				



GO	Guarantee of origin	KPI	Key Performance Indicator	PPA	Purchase Price Allocation; also Power Purchase Agreement	SoD	Segregation of Duties
GRI	Global Reporting Initiative	LCA	Life Cycle Assessment			SPF	Sun Protection Factor
GSLT	Global Sustainability Leadership Team	LGBTIQ+	Lesbian, Gay, Bisexual, Transgender, Intersex and Queer	PPE	Personal Protective Equipment; also Property, Plant and Equipment	SPPI	Solely Payments of Principal & Interest
HMO	Human Milk Oligosaccharides	LNnT	Lacto-N-neotetraose	PSU	Performance Share Unit	SQLNS	Small Quantity Lipid-Based Nutrient Supplements
HNC	Health, Nutrition & Care	LSFF	Large-Scale Food Fortification	RCP	Representative Concentration Pathways	STI	Short-Term Incentive
HR	Human Resources	LT	Leadership Team	RE	Renewable Electricity	TCFD	Taskforce on Climate-related Financial Disclosures
HRLT	Human Resources Leadership Team	LTI	Long-Term Incentive	RfR	Relief-from-Royalty		
IASB	International Accounting Standards Board	M&A	Mergers and Acquisitions	ROCE	Return on Capital Employed	TfS	Together for Sustainability
ICF	Incremental Cash Flows	MEEM	Multi-period Excess Earnings Method	RoSPA	Royal Society for the Prevention of Accidents	TRIR	Total Recordable Incident Rate
IFC	International Finance Corporation	MMS	Multiple Micronutrient Supplement	RSPO	Roundtable for Sustainable Palm Oil	TSR	Total Shareholder Return
IFRS	International Financial Reporting Standards	MNP	Micronutrient Powder	RSU	Restricted Share Unit	TTH	Taste, Texture & Health
IIGCC	Institutional Investors Group on Climate Change	MSC	Marine Stewardship Council	SAL	Sight and Life	UEBT	Union for Ethical BioTrade
IMD	International Institute for Management Development	NCI	Non-Controlling Interests	SBC	Social Behavior Change	UN	United Nations
IP	Intellectual Property	NGO	Non-Governmental Organization	SBT	Science Based Target	UNGP	United Nations Guiding Principle
IPCC	Intergovernmental Panel on Climate Change	OCI	Other Comprehensive Income	SBTi	Science Based Targets initiative	WBCSD	World Business Council for Sustainable Development
IPO	Initial Public Offering	OECD	Organisation for Economic Co-operation and Development	SBTN	Science Based Targets for Nature	WEF	World Economic Forum
IR	Integrated Reporting	P&B	Perfumery & Beauty	SDG	Sustainable Development Goal	WFP	World Food Programme
ISDA	International Swaps and Derivatives Association	PEF	Product Environmental Footprint	SFDR	Sustainable Finance Disclosure Regulation	WRI	World Resource Institute
ISSB	International Sustainability Standards Board	PEFC	Program for the Endorsement of Forest Certification	SFE	Supercritical Fluid Extraction	WWF	Worldwide Fund for Nature
		PFS	Partners in Food Solutions	SHE	Safety, Health and Environment		
				SILC	Stanford Interdisciplinary Lifesciences Council		

