



Sustainability Statements

General information.....	150
Basis for preparation	150
Governance	153
Strategy	154
Impact, risk and opportunity management	156
Environmental information.....	157
EU Taxonomy	157
Climate change	162
Pollution	170
Water and marine resources	173
Resource use and circular economy	177
Social Information.....	178
Own workforce	178
Workers in the value chain	185
Consumers and end-users	189
Governance Information.....	190
Business conduct	190
Appendix to the Sustainability Statements.....	192
ESRS content index	193
ESRS datapoints	197
Other environmental information	200
Assurance report of the independent auditor	201

General information

Basis for preparation

Reporting policy and justification of choices

This is dsm-firmenich’s second Integrated Annual Report after the merger between DSM and Firmenich. In it, we report for the calendar year 2024. Our previous Report was the dsm-firmenich Integrated Annual Report 2023, published on 29 February 2024. We publish our Report exclusively in digital format, and the Report is available in an online version and as a PDF.

In the Management Report (consisting of the sections Our Company to Sustainability Statements) we explain our vision and policy with respect to sustainability practices and report on our activities. We are in favor of convergence in reporting standards and frameworks, moving to globally accepted non-financial reporting standards. Currently, we recognize and participate in a number of initiatives that are driving toward that goal.

Mandatory Reporting requirements

The basis for our non-financial reporting is the *Swiss Code of Obligations*. The Sustainability Report, as described in Article 964b of the Code, consists of all the information within the [Sustainability](#) chapter and the [Sustainability Statements](#) chapter. This Report also provides relevant climate-related financial disclosures as required by the *Swiss Ordinance on Climate Disclosures*. This Ordinance is based on the *Recommendations of the Task Force on Climate-related Financial Disclosures report*, version of June 2017, and the annex

Implementing the Recommendations of the Task Force on Climate-related Financial Disclosures, version of October 2021. This Report contains our disclosures on Governance, Strategy, Risk Management, and Metrics and Targets. For information on how we report against the TCFD recommendations, see [Appendix to the Sustainability Statements](#).

Our disclosures in the Sustainability Statements are reported in accordance with the *European Sustainability Reporting Standards* (as set out in *Annex 1 to the Commission Delegated Regulation (EU) 2023/2772 of 31 July 2023 supplementing Directive 2013/34/EU of the European Parliament and of the Council as regards sustainability reporting standards*) and are subjected to limited assurance. A small number of metrics are subjected to reasonable assurance and are indicated with ^[RA].

We highlight areas of relevance to our company in the [People](#) and [Planet](#) sections. Information from these sections is incorporated by reference where relevant into the Sustainability Statements.

As this is the first year of reporting in accordance with the ESRS in our Annual Report, we include dsm-firmenich-specific metrics based on existing metrics and targets, and we have interpreted the requirements according to our own insights, the FAQs and guidances that are available, and through engagement with peer companies and key industry associations and working groups. As the collective

experience with, and understanding of, ESRS matures, we will update our interpretations and the usage of entity-specific metrics, and address any inherent measurement or evaluation uncertainties.

Voluntary reporting requirements

Our reporting is also based on voluntary non-financial reporting guidelines such as the Global Reporting Initiative (GRI) Standards and the UN Sustainable Development Goals (SDGs). dsm-firmenich has reported with reference to the GRI Standards for the period 1 January 2024 to 31 December 2024.

A detailed overview of how we report according to the GRI Standards indicators, including a reference to relevant sections in this Report, is provided in the GRI Content Index, available separately on [our website](#).

We have also aligned our approach with the SDGs and are familiar with the opportunities and responsibilities the SDGs represent for our business. We embrace all SDGs, but have chosen to highlight those particular goals which most closely align with our business activities, along with our people and operations. In this Report, we include the SDGs in our reporting process, for example by mapping SDG reporting priorities in our value creation model, in the [Our approach to sustainability](#) section, and in the solutions that we highlight.



Selection of topics

The topics covered in this Report were selected on the basis of our materiality analysis, which assessed the relevance and impact of selected topics for both our company and various stakeholders. The sustainability data in this Report are qualitative as well as quantitative; the qualitative information can also contain quantitative elements. The Materiality Matrix and the process by which it is created is described later in this section.

Scope

The sustainability data in this Report cover all entities that belong to the scope of the [Consolidated Financial Statements](#). In the value chain, sustainability data relates primarily to tier 1 suppliers. Unless otherwise explicitly stated, the sustainability data in this Report have not been verified externally.

The time horizons used in the Sustainability chapter are short term (up to three years), medium term (four to ten years) and long term (greater than ten years). The short-term horizon is consistent with that used in our Risk Management process, with a further breakdown of the Risk Management ‘long term’ horizon to include a medium term. The sustainability time horizons are applied in the respective topical risk assessments. All IROs are in the short to medium term. Climate IROs extend into the long term. The lifetime of our assets is not considered in the definitions of the time horizons due to the variability in our operational footprint.

Environmental data are reported until the moment control of the company is transferred,

and social data until the end of the month in which control of the company is transferred. The date on which control of the company is transferred generally coincides with the date a divestment is closed, and control of the shares is transferred to the new owner.

Environmental methodology

Our progress on the key environmental performance indicators is collected and evaluated twice a year for all sites. The data are based on these sites’ own measurements and calculations, which in turn are founded on definitions, methods and procedures established at Group level. The site managers of reporting units are responsible for the quality of the data. Data are collected using measurements and calculations in the production processes, information from external parties (e.g., on waste and external energy), and estimates based on expert knowledge. Reporting units have direct insight into their performance compared to previous years and are required to provide justifications for any deviations above the threshold. For most parameters, the threshold is set at 10%.

The environmental materiality of all our operational sites is also evaluated at company level, based on the data collected by the sites. Each indicator has a specific threshold, and sites exceeding the thresholds on any indicator are included in the Environmental Material Sites list and are closely monitored. In 2024, over 90% of our total Scope 1 & 2 emissions and water withdrawals originate from our ISO 14001 certified sites.

Scope 3 greenhouse gas (GHG) emissions are calculated on the basis of activity data and

emission factors (GHGs emitted per unit of material or activity, usually kg, km or euro, depending on the category). Emission factors are obtained from a variety of sources, including suppliers, in-house Life-Cycle Assessment (LCA) models, and industry databases. Emission factors are chosen that are considered most representative and reliable. Activity data is based on spend, volume, distance, or number of employees, depending on the category. Data is reported on the basis of a 12-month timeframe and is obtained from a number of internal systems.

Our most significant category is category 1: Purchased goods and services. Our other significant categories are the other categories included in our Science Based Targets (SBTs), being categories 3, 4, and 5.

For category 1, the emissions are calculated using data from our ERP systems, with purchased quantities multiplied by one of over 1,000 emission factors approved by our in-house LCA experts. Emission factors are based on primary supplier data or secondary sources such as the Ecolnvent database. Where specific factors are unavailable, emissions are extrapolated based on spend, also for the entities not on SAP. Indirect sourcing emissions are also calculated using a spend-based approach whereby emission factors are allocated to specific indirect sourcing categories.

Emissions for category 3 (Fuel production, purchased energy, and transmission losses) and category 5 (Waste generated in operations) are calculated using data extracted from our environmental reporting system.

Emissions from fuel production, purchased energy, and transmission losses are determined using the average-data method, with quantities multiplied by emission factors developed and approved by our in-house LCA experts. Similarly, operational waste emissions are calculated based on their treatment method, where waste quantities for each method are multiplied by the corresponding emission factor, also developed and approved by our in-house LCA experts.

For category 4 (Upstream transportation and distribution), we apply the calculation methodology for both outbound and inbound transportation and distribution, covering road, marine, rail, and air transport. For outbound transportation, emissions are calculated within a dedicated logistics dashboard, which integrates data directly from SAP entities and freight carriers.

The dashboard multiplies the mass of goods transported by the distance travelled per leg, and then applies the appropriate well-to-wheel emission factor for each transport mode or vehicle. For entities outside of SAP and inbound transportation, emissions are extrapolated based on available data. The year-on-year comparability of the data can be affected by changes in our portfolio as well as by improvements to measurement and recording systems at the various sites.

Social methodology

All employees are in scope for our reporting. Social data for employees are collected per Business Unit and consolidated at corporate level. Metrics on workforce and workforce composition, as well as inflow and outflow, are



reported based on the year-end figures. In the year of our merger, inflow and outflow were measured versus the first full month after the merger. Employee engagement and the Inclusion index are measured via a survey that is conducted on an annual basis. Safety and health metrics are reported on a 12-month rolling average. Divestments are included for the months prior to transfer of control of the company. Occupational health cases and training hours are reported on the basis of the year-end figures. The approaches related to compensation-related metrics are included, together with the reporting of those metrics.

The reach of our nutrition improvement products is calculated based on the value of products sold in the different intervention areas. This is combined with market information on dosage, pricing, and usage to convert the value of products to the number of beneficiaries.

Statement on due diligence

Due diligence is how we identify, take action, and report on progress relating to impacts on the environment and/or on people. This is integrated into our existing processes and governance and is a continually evolving process.

Information on the governance structures responsible for our due diligence can be found in the [Internal engagement on sustainability](#) section. Information on how we implement our due diligence process relating to people can be found in the [Social impact](#), [Our suppliers](#), and [Workers in the value chain](#) sections. Information on our approach relating to environment can be found in the [Physical and transition climate risk](#)

[assessments](#), [Pollution](#), and the [Water and marine resources](#) sections.

Information on how we manage our material impacts, risks and opportunities is included at the start of every topical section further in the Sustainability Statements.

Risk management over sustainability reporting

Material sustainability risks are integrated and managed as part of our company-wide risk management processes. Our company-wide approach to risk management is described in the [Our approach to risk management](#) section.

Material risks are reported twice per year by the Business Units and the Business Partners to the Executive Committee, and, together with the Group Risk Assessment, validated by the Audit & Risk Committee and discussed with the Board of Directors. The top risks are disclosed in the Report. Further to this, a specific project risk assessment was performed on the CSRD reporting process.

The top risks identified were:

- **Data quality:** risk of gaps in sustainability reporting, due to processes & systems not fully aligned, could impact our reputation
- **Project timeline:** due to tight timelines, risk of disclosing incomplete assessments or unchecked data in the annual report

The mitigating actions for these risks are:

- Further aligning the processes and internal controls for sustainability into our CSRD-related activities in 2025

- Further combining sustainability data into one data lake and improving data architecture and granularity
- Implementing training to deepen and broaden CSRD reporting competencies of the team

Current and anticipated financial effects, and critical assumptions

The current and anticipated effects of our sustainability matters have been evaluated and disclosed throughout the Sustainability Statements. However, we do not yet have a complete view of the current and expected financial effects of our sustainability matters other than those explicitly mentioned in our Report. See the preceding section on Risk management over sustainability reporting, as well as the Material impacts, risk and opportunities sections at the start of each topical standard. There are currently no critical climate-related assumptions that have an impact on the Financial Statements.

Judgements and estimates

The inclusion of new metrics has required us to make certain assumptions and estimates in order to enable compliance with the reporting requirements. These assumptions and estimates are made based on our current knowledge and are intended to provide our best insights into the current state. Key assumptions are made in the metric related to the reach of our nutrition improvement products. Judgements are used in the Scope 3 reporting and Substances of concern reporting.

The assumptions used to calculate the reach of our nutrition improvement products relate to

the use of third-party information to estimate the intervention cost per beneficiary in each of the intervention areas. These assumptions are based on average market prices, price points defined by NGO partners or dosage and usage information based on scientific studies. As these intervention areas support different levels of malnutrition and access to nutrition, we assume that beneficiaries are only reached by one type of intervention.

In Scope 3 reporting for Category 1, direct In-house modelled emission factors (EFs) are used where supplier-specific EFs are not available and there is no representative EF from approved industry databases. In-house EFs are based on models developed by our dedicated LCA experts using product and process specific data. These LCA models are developed as per ISO 14040/14044 and our methodology is also externally reviewed.

Substances of (very high) concern (SOC/SVHC) are identified based on product and ingredient composition data included in our two main internal product data systems. This information is also used for, e.g., the creation of product labels and safety datasheets. The quantity of SOC/SVHC is calculated based on this information, with a threshold of 0.1% in the finished product, and the sales volume.

Comparative data is provided for data points that were included in the Integrated Annual Report 2023. In some cases, the definitions for comparative data may differ from the reporting year due to different reporting requirements and will be explicitly mentioned.



Governance

Our disclosures on Governance are incorporated from other sections of the Report. Please see the table opposite.

Topic	Comment and references
Administrative, management and supervisory bodies	<p>Board of Directors As the Board of Directors is the highest executive oversight body, it has the ultimate authority on matters relating to Sustainability, including climate. Furthermore, the Board of Directors has established a Sustainability Committee that is responsible for reviewing sustainability and the sustainability performance of the company. See Board of Directors and Sustainability Committee in Governance & Risk Management for more information on their responsibilities and activities. According to the independence criteria defined in the section on Board of Directors, 73% of the members are independent.</p> <p>Executive Committee By way of delegation of the Board of Directors, the Executive Committee, led by our CEO, is responsible for the management of the company, including pursuing leadership on sustainability, and implementing the sustainability strategy. Among other items, the Executive Committee approved, with the Board of Director’s endorsement, the SBTs that were submitted for validation in early 2024 and were validated later that year by the Science Based Targets initiative (SBTi). See the Executive Committee in Governance & Risk Management for more information on the composition and roles of the Executive Committee.</p> <p>Other sustainability governance Operational responsibility for sustainability lies with the relevant functional Leadership teams. These teams are described in the Stakeholder engagement – Internal engagement on sustainability section. The teams have the relevant topical skills and expertise to take responsibility for the IROs within the topics described in the Sustainability Statements.</p> <p>The Double Materiality Assessment (DMA), which underpins our reporting in line with the ESRS, was reviewed by the Global Sustainability Leadership Team and reviewed and approved by the Sustainability Committee of the Board of Directors. Sustainability is integral to our strategy, so the sustainability matters, including the IROs, described in the Sustainability Statements are considered to be fully addressed in our strategy and are monitored on an as-needed basis by the bodies described above.</p>
Sustainability-related performance measures in incentive schemes	Compensation – Compensation of the Executive Committee Consolidated Financial Statements – Note 27 Share-based compensation
Due diligence	People – Human rights Stakeholder engagement – Supplier engagement
Risk Management	Governance & Risk Management – Our approach to risk management



Strategy

Business Model and value chain

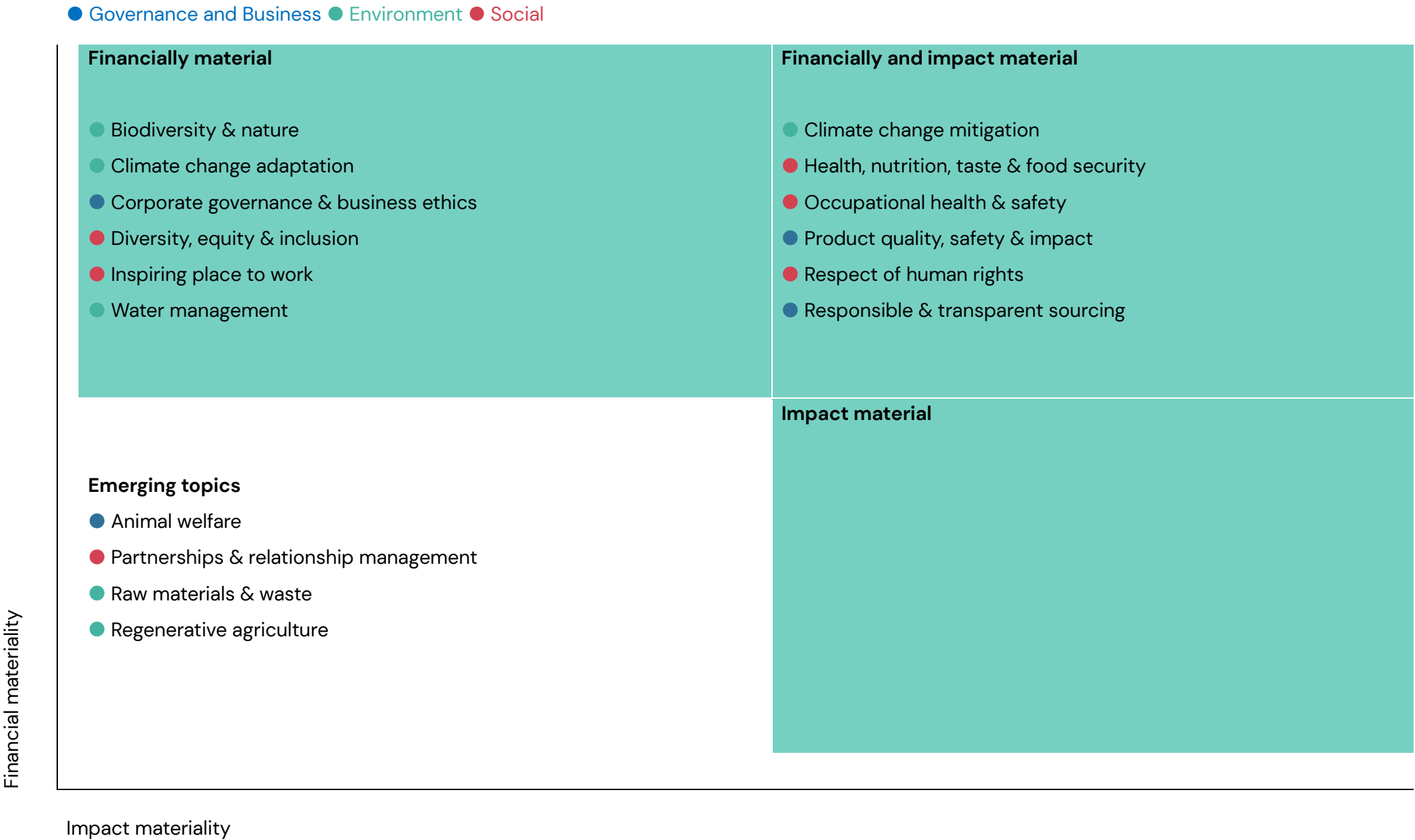
Our business model and value chain can be found in the [Our integrated report and value creation](#) section.

We are developing our approach to assess the sustainability of our portfolio. More information can be found [in Our approach to sustainability – Impact measurement and reporting](#). The aspects of our strategy that relate to sustainability can be found in [Strategy – Our approach to business](#).

Materiality Matrix

The recalibration of the Materiality Matrix resulted in 12 Material topics and four ‘emerging topics.’ The emerging topics are topics that warrant monitoring but are considered not material in the reporting year.

Topics are listed in each of the quadrants alphabetically and are grouped into three areas: Governance and Business, Environment, and Social. No topics were identified as only impact material, as all material topics were expected to be financially relevant.



Material topics

The material topics map to the ESRS topics according to the accompanying table.

Stakeholder engagement

Our approach toward the interests and views of our stakeholders is incorporated from the following sections in the People and Stakeholder engagement sections:

- [Nutrition and health](#)
- [Supplier engagement](#)
- [Investor engagement](#)
- [Community engagement](#)
- [Partnerships](#)

The outcomes of our engagement with stakeholders are discussed internally in the relevant functions and teams. In turn, this feeds into our strategy and business approach. Our due diligence is referenced in the [Statement on Due Diligence](#).

ESRS topical standard	Relevant material topics	
E1 Climate change	Material	Climate change mitigation, Climate change adaptation
E2 Pollution	Material	Product quality, safety & impact (only Substances of concern and Substances of very high concern are considered material)
E3 Water and marine resources	Material	Water management (only Water is considered material)
E4 Biodiversity and Ecosystems	Not material	The material driver of biodiversity loss for dsm–firmenich is Climate which is reported under E1
E5 Resource use and circular economy	Not material	
S1 Own workforce	Material	Diversity, equity & inclusion, Inspiring place to work, Occupational health & safety, Respect of human rights
S2 Workers in the value chain	Material	Respect of human rights, Responsible & transparent sourcing (the material part of our value chain relates to our supply chain).
S3 Affected communities	Not material	
S4 Consumers and end–users	Material	Health, nutrition, taste & food security (the material sub–sub–topic of this standard is Access to products and services
G1 Business conduct	Material	Corporate governance and business ethics, Responsible & transparent sourcing



Impact, risk and opportunity management

Materiality assessment process

The materiality assessment is an annual process. The first step evaluates the business context to identify if material changes have occurred. If none have occurred, the previous conclusions are re-assessed. If material changes have occurred, a full materiality assessment is performed. The assessment of potential and actual positive and negative impacts, risks and opportunities, including applied thresholds, will be based on current guidance documents relating to the assessment, such as the Materiality Assessment Implementation Guidance by EFRAG. An assessment of Business Unit-specific activities is performed before aggregating to the Group level. The assessment is validated by the Global Sustainability Leadership Team (GSLT) and approved by (the Sustainability Committee of) the Board of Directors.

The Materiality assessment process, as well as the due diligence process, are dynamic and are constantly evolving, based on internal and external learnings. We anticipate performing the next full materiality assessment process in 2025, including engagement with various stakeholder groups. We aim to continuously improve our materiality assessment and due diligence processes to better address the evolving needs of our stakeholders. This includes enhancing transparency and accountability in reporting, as well as integrating feedback from stakeholders to refine and strengthen the company's sustainability practices. It is important to note that our materiality assessment process may not have captured every impact, risk and

opportunity that any individual stakeholder (group) may have identified.

2024 Materiality assessment

As there were no material changes in our organizational or operational context, such as a merger or acquisition, changes in the supply chain or global events, the conclusions of the previous materiality analysis were still considered to be relevant, and were used in the preparation of the 2024 Materiality Matrix. As a result, no additional consultations were conducted in 2024.

A re-assessment of the 2023 outcomes was performed based on additional information and new insights. This was through the assessment of seven 'lenses':

- Defining topics
- Benchmark
- Enterprise Risk Management
- Methodologies
- Scale, scope, and irremediability
- Value creation model
- Grouping of topics

The outcome of the seven lenses was aggregated. This aggregated outcome was further reviewed in combination with thresholds focusing on 2023 topics that scored low on impact and financial materiality and assessed as being of low stakeholder importance. The re-assessment resulted in the following changes:

- The topics *Animal welfare*, *Partnerships & relationship management*, *Raw materials & waste*, and *Regenerative agriculture* have been classified as emerging topics. These are topics that warrant monitoring but are

considered not material in the reporting year

- *Innovation, digital & technology* was considered as an enabler, and as such has been integrated into multiple topics
- *Cybersecurity* was considered part of *Corporate governance, business ethics & transparency*
- Multiple topics related to our workforce have been integrated into a single topic: *Inspiring place to work*

The proposed Materiality Matrix was reviewed and approved by the Sustainability Committee.

Content index

An overview of the location of the material disclosure requirements, including those that have been incorporated by reference, can be found in [Appendix to the Sustainability Statements– ESRS content index](#). Disclosure requirements that have been voluntarily complied with to meet the needs of ratings, rankings, and other stakeholders are not included in this index as they are not considered material for dsm-firmenich to report on from an ESRS perspective. The list of datapoints in cross-cutting and topical standards that derive from other EU legislation can be found in [Appendix to the Sustainability Statements – ESRS Datapoints derived from other EU legislation](#).



Environmental information

EU Taxonomy

Regulation

The EU Taxonomy Regulation (EU 2020/852) entered into force on 12 July 2020, establishing criteria for environmentally sustainable economic activities related to six environmental objectives:

- Climate change mitigation (CCM)
- Climate change adaptation (CCA)
- Sustainable use and protection of water and marine resources (WTR)
- Transition to a circular economy (CE)
- Pollution prevention and control (PPC)
- Protection and restoration of biodiversity and ecosystems (BIO)

The Taxonomy Regulation requires companies subject to the obligation to publish non-financial information under the EU Accounting Directive to disclose the proportion of their activities that qualify as environmentally sustainable.

Supplementing the Taxonomy regulation, the first delegated act concerning the technical screening criteria for economic activities with substantial contribution to climate change mitigation and adaptation (the Climate Delegated Act) was formally adopted on 4 June 2021. A delegated act specifying the content and presentation of information to be disclosed by companies in scope of the EU Taxonomy was formally adopted on 6 July 2021. A delegated act amending the Climate Delegated Act (covering the environmental objectives of climate change mitigation and adaptation) and

an Environmental Delegated Act addressing the remaining four environmental objectives were published in 2023.

We welcome the implementation of the EU Taxonomy and have assessed its impact on our company in line with its overall objectives, albeit accepting that parts of the Taxonomy regulation are subject to interpretation, which may lead to variability in its application. Considering the level of complexity as well as the evolving character of the framework, we expect that Taxonomy reporting will develop over time. As such, we shall apply a conservative approach to, and interpretation of, the Taxonomy legislation until we believe it has sufficiently matured. We will periodically revalidate our methodology and our reported KPIs based on the evolution of the regulations and forthcoming guidance from, among others, the European Commission and the European Securities and Markets Authority (ESMA).

Disclosures

Under the Taxonomy regulation, dsm-firmenich is required to report on how much Turnover, Capital Expenditure ('CapEx') and Operating Expenses ('OpEx') are in scope of the Taxonomy Regulation (i.e., 'Taxonomy-eligible activities'), and how much are aligned with the Taxonomy regulation (i.e., 'Taxonomy-aligned activities'). In 2024, the required disclosures apply in full to all six environmental objectives. In this assessment, potential double-counting in the KPIs has been considered. As 2024 is the first year in which dsm-firmenich has to report under the Taxonomy regulation, no comparative information is provided. In addition, as dsm-firmenich does not carry out nuclear and fossil gas related activities, the standard template on the disclosure of these activities is not provided.



EU Taxonomy

Turnover

Total turnover, as defined by the Taxonomy regulation, corresponds to the sales from continuing operations as reported on the basis of the income statements in the Consolidated Financial Statements. In 2024, dsm-firmenich only identified the Pharma business (part of the Business Unit Health, Nutrition & Care) as an eligible activity under the environmental objective pollution prevention and control.

Taxonomy-eligible turnover amounted to €363 million, or 2.8% of total turnover. Given the Pharma business is not considered material to dsm-firmenich's business as well as the lack of evidence for alignment, no alignment was established for the taxonomy-eligible turnover and, hence, we disclose 0% alignment.

Capital Expenditure

Total CapEx is determined based on the 2024 additions to, and acquisitions of, property, plant and equipment, intangible assets, and additions to right-of-use assets. More specifically, it includes the following items that can also be found in the Consolidated Financial Statements:

- Changes in the carrying amount of intangible assets (excluding goodwill) from 'Capital expenditure' and 'Acquisitions' (see also [Note 8 Goodwill and intangible assets](#) to the Consolidated Financial Statements)
- Changes in the carrying amount of items of property, plant & equipment from 'Capital expenditure' and 'Acquisitions' (see also [Note 9 Property, plant and equipment](#) to the Consolidated Financial Statements)
- Changes in the carrying amount of right-of-use assets from 'New leases / terminations' (see [Note 9 Property, plant and equipment](#) to the Consolidated Financial Statements)

In 2024, dsm-firmenich made no acquisitions. While we did not identify any CapEx related to the Pharma business, which was identified as an eligible activity, Taxonomy-eligible CapEx also includes expenditures related to the purchase of output from Taxonomy-aligned economic activities and individual measures enabling the target activities to become low-carbon or to lead to greenhouse gas reductions, primarily relating to our office buildings. Taxonomy-eligible CapEx amounted to €209 million, or 20.3% of total CapEx. In 2024, dsm-firmenich did not establish alignment for the eligible CapEx, as the relevant activities are not considered material to dsm-firmenich's total business as well as the lack of evidence for

alignment. Therefore, DSM discloses 0% alignment with respect to the CapEx KPI.

Operational Expenditure

Total OpEx, as defined by the Taxonomy regulation, includes direct non-capitalized costs that relate to research and development, building renovation measures, short-term lease, maintenance and repair, and any other direct expenditures relating to the day-to-day servicing of assets. Applying this definition to dsm-firmenich, total OpEx consists of maintenance (including building renovations) and direct R&D costs, excluding costs and income related to bad debts, government grants, depreciation and amortization, and own work capitalized. This definition has been applied to the calculation of both numerator and denominator.

Taking into consideration the assessment of the limited contribution of the Pharma business to both the turnover KPI and the CapEx KPI, the eligible OpEx related to this business within dsm-firmenich's business model is considered immaterial from an EU Taxonomy perspective. In addition, no other eligible activities have been identified for the OpEx KPI. As such, the numerator reflecting the eligible OpEx attributable to this business is considered negligible and dsm-firmenich discloses 0% eligible and aligned OpEx.



Turnover

		Substantial contribution criteria								DNSH criteria (‘Does Not Significantly Harm’)													
Economic activities (1)	Code (2)	Absolute Turnover (3)	Proportion of Turnover(4)	Climate change mitigation (5)	Climate change adaption (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaption (12)	Water (13)	Pollution (14)	Circular economy (14)	Biodiversity (16)	Minimum safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) Turnover 2023 (18)	Category (enabling activity) (19)	Category (transitional activity) (20)				
			%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T				
A. TAXONOMY-ELIGIBLE ACTIVITIES																							
A.1 Environmentally sustainable activities (Taxonomy-aligned)																							
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%						
Of which Enabling		0	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%	E					
Of which Transitional		0	0%	0%						N	N	N	N	N	N	N	0%		T				
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																							
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL														
Manufacture of active pharmaceutical ingredients (API) or active substances	PPC1.1	363	2.8%	N/EL	N/EL	N/EL	EL	N/EL	N/EL											0%			
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		363	2.8%	0%	0%	0%	2.8%	0%	0%											0%			
A. Turnover of Taxonomy-eligible activities (A.1 + A.2)		363	2.8%	0%	0%	0%	2.8%	0%	0%											0%			
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																							
Turnover of Taxonomy-non-eligible activities (B)		12,436	97.2%																				
Total (A+B)		12,799	100.0%																				



CapEx

		Substantial contribution criteria								DNSH criteria (‘Does Not Significantly Harm’)													
Economic activities (1)	Code (2)	Absolute CapEx (3)	Proportion of CapEx (4)	Climate change mitigation (5)	Climate change adaption (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaption (12)	Water (13)	Pollution (14)	Circular economy (14)	Biodiversity (16)	Minimum safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) CapEx 2023 (18)	Category (enabling activity) (19)	Category (transitional activity) (20)				
		%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T				
A. TAXONOMY-ELIGIBLE ACTIVITIES																							
A.1 Environmentally sustainable activities (Taxonomy-aligned)																							
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%						
Of which Enabling		0	0	0	0	0	0	0	0	N	N	N	N	N	N	N	0	E					
Of which Transitional		0	0	0						N	N	N	N	N	N	N	0		T				
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																							
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL														
Installation, maintenance and repair of energy efficient equipment	CCM7.3	8	0.8%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										0%				
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance	CCM7.5	1	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										0%				
Installation, maintenance and repair of renewable energy technologies	CCM7.6	1	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										0%				
Acquisition and ownership of buildings	CCM 7.7	199	19.3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										0%				
Manufacture of active pharmaceutical ingredients (API) or active substances	PPC1.1	0	0%	N/EL	N/EL	N/EL	EL	N/EL	N/EL										0%				
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		209	20.3%	20.3%	0%	0%	0%	0%	0%										0%				
A. CapEx of Taxonomy-eligible activities (A.1 + A.2)		209	20.3%	20.3%	0%	0%	0%	0%	0%								0%						
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																							
CapEx of Taxonomy-non-eligible activities (B)		819	79.7%																				
Total (A+B)		1,028	100.0%																				



OpEx

		Substantial contribution criteria								DNSH criteria (‘Does Not Significantly Harm’)											
Economic activities (1)	Code (2)	Absolute OpEx (3)	Proportion of OpEx (4)	Climate change mitigation (5)	Climate change adaption (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaption (12)	Water (13)	Pollution (14)	Circular economy (14)	Biodiversity (16)	Minimum safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) OpEx 2023 (18)	Category (enabling activity) (19)	Category (transitional activity) (20)		
			%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T		
A. TAXONOMY-ELIGIBLE ACTIVITIES																					
A.1 Environmentally sustainable activities (Taxonomy-aligned)																					
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%				
Of which Enabling		0	0	0	0	0	0	0	0	N	N	N	N	N	N	N	0	E			
Of which Transitional		0	0	0						N	N	N	N	N	N	N	0		T		
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																					
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL												
Manufacture of active pharmaceutical ingredients (API) or active substances	PPC1.1	n.a.	0.0%	N/EL	N/EL	N/EL	EL	N/EL	N/EL								0%				
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		-	0%	0%	0%	0%	0%	0%	0%								0%				
A. OpEx of Taxonomy-eligible activities (A.1 + A.2)		-	0%	0%	0%	0%	0%	0%	0%								0%				
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																					
OpEx of Taxonomy-non-eligible activities (B)		528	100.0%																		
Total (A+B)		528	100.0%																		



Climate change

Material impacts, risks and opportunities

Impacts	Risks and opportunities	Management
<div> <div> </div> <div> Climate change mitigation (own operations and the value chain) – dsm-firmenich generates GHG emissions and is dependent on using fossil (energy) sources as a basis for purchased feed stocks </div> </div>	<div> <div> </div> <div> Climate change mitigation and energy (climate transition risk in own operations) – carbon pricing schemes may directly impact costs, especially in the EU, Switzerland, the UK, and China </div> </div> <div> <div> </div> <div> Climate change mitigation (Value chain) – dsm-firmenich’s products and services can help reduce the carbon footprint of our customers and downstream partners and therefore avoid GHG emissions in the broader value chain, resulting in increased sales and added value for our customers </div> </div> <div> <div> </div> <div> Climate change adaptation (climate physical risk in own operations and the value chain) – acute and chronic physical hazards (e.g., droughts, flooding, extreme heat, and extreme precipitation) – and related changes in biodiversity – may impact our supply chain (supplier locations, natural raw materials) or our own operations. This potentially leads to higher operational costs or business interruption </div> </div>	<ul style="list-style-type: none"> Validated SBTi Scope 1 & 2 target of 42% reduction by 2030, securing 100% purchased renewable electricity by 2025 and net zero by 2045, delivered through out energy efficiency program to reduce Scope 1 & 2 GHG emissions and save energy, plus a move into renewables; also reducing carbon pricing liabilities Validated SBTi Scope 3 target of 25% reduction in Scope 3 emissions by 2030 and a net-zero target by 2045, delivered by working with our suppliers to reduce our Scope 3 upstream emissions, specifically the most material category 3.1 – direct materials Redeveloping our approach to sustainable portfolio steering (SPS) to quantify/improve the positive contributions of our solutions and innovation pipeline, including criteria related to minimizing carbon footprint Innovative solutions, e.g., Bovaer® (avoided emissions), Eversweet® (reduced carbon footprint), Re: New collection of renewable, upcycled ingredients from by-products of the wood and paper industries
<div> <div> </div> <div> positive impact on environment/society or on dsm-firmenich </div> </div> <div> <div> </div> <div> negative impact on environment/society or on dsm-firmenich </div> </div>		



Strategy

In 2024, we formalized our Climate Transition Action Plan (CTAP) for the first time to support the delivery of our broader climate agenda but more specifically our climate mitigation commitments. This plan, which will remain a living document and will be continually updated, was based on the guidance document from the CDP, *CDP Technical Note: Reporting on Climate Transition Plans*. It covers:

- Governance
- Strategy, including scenario analysis, financial planning, low-carbon initiatives, and policy engagement
- Risk management
- Metrics and targets, including accounting with verification

The document outlines our strategy to transition to a low-carbon business. The plan focuses on both climate mitigation and climate adaptation, aiming to reduce our carbon footprint and build resilience against climate-related risks. The document highlights our commitment to ambitious climate targets, including achieving net-zero emissions by 2045 and reducing Scope 1 & 2 emissions by 42% and cutting Scope 3 emissions by 25% by 2030 from a 2021 baseline. The plan also emphasizes the importance of collaboration with suppliers and customers to drive decarbonization across the value chain.

Governance is a key aspect, with the Board of Directors and the Executive Committee playing crucial roles in overseeing and implementing the sustainability strategy. The plan also details the company's approach to assessing climate risks and opportunities, using climate scenarios

to evaluate potential impacts on the business. Overall, the CTAP demonstrates our proactive approach to addressing climate change, along with our commitment to sustainability.

The CTAP is anchored in our company purpose of *bringing progress to life* by combining the essential, the desirable, and the sustainable. This means that, for us, sustainability never stands alone or on the sidelines. Instead, it sits at the heart of what we do and who we are. As such, our strategy is aligned with the delivery of our climate commitments, guided by the CTAP, and we do not envision a requirement to fundamentally change our business model or strategy to meet our 1.5°C aligned commitments, nor have we identified assets that are incompatible with a net-zero economy. We do not expect material impacts on our own workforce because of this.

However, the CTAP does not currently address any potential locked-in emissions. Nor do we disclose, or intend to disclose, any activities related to the alignment of economic activities with the EU Taxonomy Regulation, as this is not material to the company. dsm-firmenich is also not excluded from the EU Paris-Aligned Benchmarks. Further information about our CTAP can be found in [Climate – Our net-zero roadmap](#) and on our [website](#).

Impact, risk and opportunity management

Identifying IROs

Scenario analysis

In line with TCFD, we use climate scenarios to assess risks and opportunities for our business, over various time horizons, up to 2050. The

scope is not limited to our own operations but includes the impact along the full value chain. Scenarios are based on IPCC temperature models – the Representative Concentration Pathways (RCP):

- 1.5°C (RCP 2.6)
- 2°C (RCP 4.5)
- 3+°C (RCP 8.5)

For transition to a net-zero world, we enrich the IPCC scenarios with forward-looking business context (e.g., regulations on land and/or water use, eco-footprint of products, shifts in consumption patterns).

Approach to assessing climate risks and opportunities

For physical climate risk assessments, including climate change adaptation, we use desk studies for a high-level screening of physical hazards – for example, heatwaves, drought, flooding, precipitation, high winds or wildfire (RCP 4.5, RCP 8.5). This gives us the major impact factors for our portfolio. We conduct on-site deep dives to obtain a more detailed understanding of actual risks for our assets. These consider the specifics of the site, using local “climate event site scenarios” over short-, medium- and long-term time horizons. See [Climate change adaptation](#) for our progress in 2024.

For transition climate risk assessments, we organize separate sessions, with input from experts and senior management, to assess risks and opportunities for each scenario. The material risks identified through the physical and transition climate risk assessments are integrated and managed as part of our regular

risk management processes, see [Risk management over sustainability reporting](#).

Resilience Analysis

Managing the impact of climate change is integral to our business strategy and not simply about resilience to its effects. We have performed scenario analysis and risk assessments as previously disclosed, but not a resilience analysis attached to our strategy and business model, nor do we intend to do so.

Policies

We have a structured process regarding our policies, standards, and requirements which is detailed in our Group Policy Framework. The following are summaries of our key policy documents relating to Climate change, with the most senior level that is accountable for implementation of the policy referenced.

Climate and Nature Approach

This is an internal document that outlines our sustainability strategy, focusing on integrating climate action, nature conservation, and resource management into our business operations and supply chains. The approach emphasizes accelerating climate action through emission reductions and the use of renewable energy, safeguarding nature and biodiversity by responsible sourcing and ecosystem protection, and conserving resources through water stewardship and waste management. It sets out specific requirements employees must follow, ensuring accountability at all levels of our organization and engaging with external partners to advance environmental stewardship.



The *Climate and Nature Approach* document highlights our commitment to sustainability by embedding climate and nature considerations into all aspects of our operations. This includes setting ambitious targets for reducing emissions, increasing the use of renewable energy, and promoting responsible sourcing practices to prevent deforestation. Additionally, this approach involves active engagement with stakeholders such as governments, NGOs, and local communities, to drive collective action and achieve broader environmental goals. The overarching aim is to create a positive impact on the planet while maintaining transparency and accountability through regular reporting and continuous improvement.

We ensure accountability at the highest level of the organization. The Board of Directors has the highest level of authority on matters related to Sustainability. Our Climate and Nature agenda is reviewed by the Sustainability Committee and the execution of the agenda is delegated to the Executive Committee. This includes strategy, targets, and target delivery, as well as the management of principal risks related to Climate and Nature. The Committees' responsibilities also include reviewing the effectiveness of our risk management and internal control processes. The day-to-day responsibility for our Climate and Nature agenda sits with the Chief Sustainability Officer (CSO), who periodically updates these Committees.

Group Standard Business Continuity Management

The internal Group Standard Business Continuity Management outlines the framework

for ensuring the continuity of our critical processes and activities during disruptions. This Standard emphasizes the importance of resilience and proactive measures to anticipate and prevent disruptions, as well as quick restoration of operations when needed. The document highlights the roles and responsibilities within the Business Continuity Management (BCM) Program, including the involvement of various teams such as the Group Risk Center of Expertise, Global Crisis Response Team, and local BCM teams.

It also underscores the need for regular reviews, audits, and testing exercises to ensure the BCM Program's effectiveness. While the document focuses on business continuity, it indirectly supports climate resilience by promoting risk awareness, horizon scanning, and the implementation of mitigation actions to protect against potential climate-related disruptions. The Group Risk Center of Expertise is responsible for this Standard, together with related Group Guidelines, and defines and supports the implementation of the Program.

In alignment with the BCM Program, our Business Unit /Business Partner leadership team defines priorities, assigns proper resources, and monitors implementation of the Program at their Business Unit /Business Partner. Any incident, if escalated as a 'crisis', is reported to, and managed by, the Global Crisis Response Team (GRT), as described in the Global Crisis Response Plan.

Responsible Sourcing standard

The [Responsible Sourcing standard](#) outlines our commitment to sustainability, emphasizing the importance of responsible sourcing practices

to minimize environmental impact. The document highlights our dedication to fighting climate change by aligning with the Paris Climate Agreement and setting a target to achieve a 25% absolute reduction in Scope 3 GHG emissions by 2030.

Suppliers are required to implement environmental management systems, reduce raw material consumption, and source at least 50% of their electricity from renewable sources by 2025. Additionally, the document stresses the importance of protecting nature and ecosystems, ensuring that commodities are not linked to deforestation or land degradation, and complying with the EU Deforestation Regulation.

Our leadership is committed to responsible sourcing practices and will provide the necessary resources to ensure compliance with our standards. The day-to-day responsibility for responsible sourcing sits with our Chief Procurement Officer (CPO), who provides periodic updates and reports to our Executive Committee.

Group Policy Operations

The Group Policy Operations is a document with broad application but contains elements specific to climate mitigation and adaptation. It emphasizes the importance of sustainability in our operations. It highlights our commitment to minimizing environmental impact by adhering to science-based target directives and other external sustainability requirements. The policy mandates the development and execution of improvement roadmaps to achieve key sustainability and environmental KPIs, ensuring that operations are conducted in a sustainable

manner throughout the product lifecycle. This includes providing and utilizing data and insights on key sustainability and environmental metrics in line with company standards.

Operations is the responsibility of line management and the Business Units, supported by different Requirements, Standards, and Best Practices defined by Group Operational Excellence in collaboration with the Business Units. Group Operational Excellence is the owner of the Group Policy Operations and related Group Standards and supports the Business Units and their sites with Continuous Improvement, Manufacturing Excellence, transformation in Operations, competence development, OT and sustainable operations.

Group Policy Safety, Health & Environment

The [Safety, Health & Environment Policy Statement](#) outlines our commitment to environmental sustainability and climate action. It emphasizes the importance of operating within planetary boundaries and complying with relevant environmental legislation. The policy highlights our dedication to environmental restoration and protection, aiming to reduce the environmental footprint of our activities, products, and services through efficient use of resources and the minimization of emissions and waste. Additionally, it mentions the development of multi-year programs focusing on major environmental topics and sustainable resource management, ensuring continuous improvement of operational systems and standards.

In addition to our policies on Scope 1 & 2 and energy management, included in internal



requirements and standards, we are renewing our environmental and sustainable operations standard. This document provides guidance on how to manage improvement roadmaps and renewable energy at our locations.

SHE is a line management responsibility and is supported at Group and regional level by the SHE organization. The Group sets the strategy in collaboration with the businesses, and the Regional SHE organization provide SHE leadership, expertise with proximity, and support to operationalize SHE across the organization. Business Units and Business Partner functions allocate adequate and qualified resources, with defined roles and responsibilities, at both management and site levels to enable compliance to the policy.

Actions and resources

In addition to the detailed narrative in the Planet – Climate section, the following further information is provided relating to actions and resources.

Scope 1 & 2

To deliver on our Scope 1 & 2 target of reducing absolute emissions by 42% from a 2021 baseline, we have developed a rigorous and continuous process of identifying and implementing new initiatives to lower our own emissions. This has been extremely successful over the past few years. It builds on two parallel activities:

- The identification of site improvement opportunities (e.g., site deep dives and energy scans)

- Reviewing the deployment of sustainable technologies (e.g., energy dashboarding and monitoring, and heat pumps)

These activities culminate twice a year in a detailed, bottom-up Scope 1 & 2 GHG roadmap. This is organized by site, by Business Unit and Group level, and evaluates the gaps and resources necessary to close those gaps. Implementation is reviewed throughout the year and built into the annual financial planning and capex allocation cycle. To achieve our current results and continue to progress toward our targets, the roadmap consists of two pillars:

- Reducing our energy consumption through energy efficiency measures
- Transitioning toward renewable energy over time, with an initial focus on increasing the amount of purchased renewable electricity

Energy efficiency improvements arise from the development and implementation of multi-year project plans that are continuously improved to generate maximum savings per investment, thereby supporting business resilience. Energy efficiency projects may be wide-ranging in nature: from process optimization, ensuring that basics (such as insulation or heat recovery) are in place, and implementing best-available techniques in support of innovation and the implementation of digital solutions. Examples are given in the accompanying diagram.

The implementation of roadmap projects that reduce GHG emissions is supported by a yearly ring-fenced capex budget. Based on our 2030 Scope 1 & 2 GHG roadmap, we estimate an average investment of €10–25 million per year for the period 2025–2030 to achieve our ambition. Investments are selected in such a

way as to also bring about reductions in opex, and a review process aims at minimizing the investments while maximizing cost savings together with GHG savings.

Renewable electricity

Alongside the summary of our recent success relating to our renewable electricity strategy, the following paragraphs expand on the narrative in Planet – Toward renewable energy.

North America

All claims in North America correspond to long-term virtual power purchase agreements (VPPAs). Besides the already-active wind park, a solar park became operational in 2024, while another is still under construction. The production from the first two agreements and the pre-production Energy Attributes Certificates (EACs) from the asset under construction provided 100% purchased renewable electricity for our sites in the United States and Canada.

Europe

In Europe, we powered our sites with 100% renewable electricity via a combination of

contracts: long-term wind and solar VPPAs in Spain and the Netherlands; pre-production EACs from another solar asset constructed under the VPPA in Spain; hydro-blocks in Switzerland; and several green-tariff agreements.

China

In 2024, we purchased 65% of our electricity in China from national renewable sources while concluding several long-term contracts. We entered long-term renewable electricity contracts for three sites in the province of Shanghai, two sites in the province of Jiangsu, and a site in Jilin province. Additionally, short-term contracts (e.g., Sichuan province) were concluded, as well as a long-term agreement for our site in Inner Mongolia, starting in 2025. Due to challenging policies in some provinces, we purchased fewer unbundled EACs for 2024.

Scope 3 upstream

Detailed in our CTAP are the levers we have identified as part of the Scope 3 emission reduction road mapping process. In addition to the identification of Scope 3 levers (which are detailed in the diagram on the next page) and

Energy efficiency	Operational optimization and transparency	E.g. leakages, energy dashboards
	Basics in place	E.g. insulation, condensate recovery
	State of the art equipment	E.g. energy-efficient chillers, motors, compressors, boilers
	Process optimization	E.g. membranes, fermentation optimization
	Smart electrification	E.g. heat pumps, Mechanical Vapory Recompression



the supporting set of initiatives, our efforts are further supported by a commitment to transparency and accountability. We report on all relevant Scope 3 categories. We have also harmonized and developed a unified company methodology across all categories. We have worked on automating our Scope 3 calculation flows accordingly and have designed and implemented process controls across our material categories to ensure robust reporting. These efforts improve process flow, enhance data quality and accuracy, and qualify the reporting for reasonable assurance.

We participate in consortia such as the Partnership for Carbon Transparency program (PACT) which aim to facilitate and streamline data exchange between suppliers and customers along the full value chain. Moreover, we are actively evaluating various digital tools for environmental data exchange to increase the primary data share in emission reporting.

Avoided emissions

We are also giving increased attention to identifying, developing and strengthening the products that can create impact through avoided emissions. These are emissions that are not part of our own Scope 1, 2 or 3, but can be reduced due to our unique product performance. The ways avoided emissions are realized are driven by the global challenges in the business context in the specific sectors we serve and how our products can best help address them in their market applications.

We use Life-Cycle Assessment (LCA) studies to quantify and substantiate the benefits of avoided emissions enabled by our products when sufficient reliable data is available. We are

an active participant in the WBCSD working group, further shaping eligibility criteria and calculation guidelines of avoided emissions.

Metrics and targets

Our primary targets are our Science Based Targets (SBTs). Our performance against these targets can be found in [Climate – Progress](#). Our targets, and the CTAP which includes the plans on how we intend to deliver them, are designed to cover the full scope of our impact on the climate and the impact of the climate on us. As such, this includes both our own operational control but also far up- and downstream in our value chains.

Our Scope 1 & 2 emissions arise primarily in our manufacturing sites, pre-mix sites, distribution centers, offices, labs and research sites due to activities such as the combustion of fuel (e.g., for process heating) and purchasing electricity. Scope 1 & 2 represents less than 10% of our footprint, and significant effort has gone into reducing our emissions and transitioning from purchased electricity to renewable sources.

Scope 3 emissions, which account for most of our Group GHG footprint, are the result of the emission footprint of our upstream supply chain producing the goods and services we require to manufacture our products. Other sources include in- and out-bound logistics, operational waste, and the emissions that are downstream in the use of our products. Almost all the 15 Scope 3 categories are used in the calculation of our GHG inventory, in accordance with the GHG protocol. Category 13: Downstream leased assets and Category 14: Franchises are deemed immaterial based on the *Guidance for Accounting & Reporting*

Corporate Emissions in the Chemical Sector Value Chain for Scope 3 reporting, as published by the WBCSD. The following four emissions categories are relevant to the near-term SBTi targets (covering 73% of Scope 3 emissions):

- *Category 1:* Purchased goods and services
- *Category 3:* Fuel and energy-related activities
- *Category 4:* Upstream transportation and distribution
- *Category 5:* Waste generated in operations

We take accountability for our role in our industry’s decarbonization and have ambitious targets that have been validated by SBTi. We will continuously monitor our progress to ensure our actions align with our commitment and will engage our suppliers to shoulder their responsibilities and set SBTi targets as well. We are actively working toward primary activity-based data for driving actionable insights. We believe that Scope 3 emission reduction is a challenge that requires cross-collaboration both within and outside the organization and requires business integration. Our teams across multiple functions, and our businesses work collectively, with common goals. As emission reduction opportunities and potential are closely linked with the product strategies of

individual Business Units, our main levers for Scope 3 reduction are clustered around:

- Product/market portfolio optimization and product innovation
- Supplier optimization
- Operations optimization

Carbon credits and carbon pricing

We do not currently implement materially relevant GHG removals or mitigation projects or finance climate change mitigation activities through carbon credits. However, to progress our Nature agenda, we engage in beyond-value-chain mitigation projects with the Livelihoods Funds. These generate a limited amount of carbon credits each year. No carbon credits generated were retired in 2024.

Projects within the company should, at minimum, not increase GHG emissions (among other things, by assessing Best Available Techniques with respect to energy consumption / GHG footprint minimization). In the event this is not (economically) feasible, the absolute emissions growth should be compensated by measures in the same Business Unit (within a three-year timeframe). Given this mechanism, we do not consider a carbon price to be material at this time.

Levers for Scope 3 upstream	Sub-lever
Value chain energy transition	Value chain renewable electricity adoption
	Sectoral decarbonization
	Value chain energy transition (biofuels, etc.)
Sustainable ingredients	Sustainable agriculture / deforestation-free
	Low-carbon raw materials
Product strategy	
Design and innovation	
Supplier engagement	
Process optimization	



Energy

Energy Consumption

	2024		2023	
	TJ	MWh	TJ	MWh
Total (net) energy consumption			19,300	
Total (net) primary energy consumption	17,100			
Total fuel consumption	10,000		10,500	
- Fossil sources	9,600		9,800	
- Coal and coal products	0			
- Crude oil and petroleum products	200			
- Natural gas	8,300			
- Other fossil sources	1,100			
- Renewable sources including biomass	400		700	
Total electricity purchased	4,300	1,206,000	4,700	1,316,000
- Purchased or acquired electricity from fossil sources		61,200		160,500
- Purchased or acquired electricity from renewable sources		1,144,700		1,155,500
Self-generated non-fuel renewable energy with ownership ¹	20	4,500	20	4,600
Total purchased heat	3,400		4,100	
- Purchased or acquired heat, from fossil sources	2,100			
- Purchased or acquired heat from renewable source	1,300			
Total energy exported	900		800	
- Non-renewable + renewable electricity, exported		154,300		146,000
- Total heat exported	300		300	

¹ The 2023 figure was restated due to a calculation error at one site

Energy intensity

	2024	2023	year-on-year change
(MWh / million euros)			
Energy intensity per net revenue ^{1 2}	371.4	435.9	-14.8%

¹ dsm-firmenich's activities are associated with NACE Section C – Manufacturing, which is listed as a high climate impact sector. Total net revenue (Net sales 2024 and 2023) is reported in the [Consolidated Financial Statements](#).

² 2023 intensity is calculated against energy, 2024 intensity is calculated against primary energy



Greenhouse gas emissions

Greenhouse gas emissions Scope 1, 2 & 3

	Base year (2021)	2023	2024	year-on-year change	2030	2045	Annual % target / Base year
(x 1,000 tonnes)							
Scope 1 & 2 CO ₂ e emissions (market-based)		915.4	778.1	-15.0%			
SBT Scope 1 & 2 emissions (market-based)	1,072.9		777.2		-42%		-4.7%
Total Scope 1 CO ₂ e emissions ^[RA]							
- Gross Scope 1 CO ₂ e emission		606.6	594.4	-2.0%			
- Emissions from regulated emissions trading schemes ¹		286	268.0				
Total Scope 2 CO ₂ e emissions ^[RA]							
- Market-based		308.8	183.7	-40.5%			
- Location-based		602.3	476.9	-20.8%			
Total biogenic CO ₂ emissions from combustion of biofuels		66.0	34.4				
Scope 3 CO ₂ e emissions ^{2 [RA]}		10,459.7	11,156.1	6.7%			
SBT Scope 3 emissions	11,205.9	8,300.0	9,003.9	8.5%	-25%		-2.8%
- 1 Purchased goods and services		7,699.3	8,378.7	8.8%			
- 3 Fuels		204.7	201.3	-1.7%			
- 4 Transport & Distribution		221.7	240.1	8.3%			
- 5 Waste treatment		174.3	183.8	5.5%			
Other categories		2,159.7	2,152.2	-0.3%			
- 2 Capital goods		268.9	272.2	1.2%			
- 6 Business travel ³		18.9	15.4	-18.5%			
- 7 Employee commuting		39.8	38.4	-3.5%			
- 8 Leased assets		21.5	21.2	-1.4%			
- 9 Transport & Distribution		154.6	110.8	-28.3%			
- 10 Processing of sold products		285.2	266.3	-6.6%			
- 11 Use of sold products ³		-	-				
- 12 End-of-life treatment		1,092.8	1,149.8	5.2%			
- 15 Investments		278.0	278.1	0.0%			
Total CO ₂ e emissions							
- Market-based		11,375.1	11,934.2	4.9%		-90%	
- Location-based		11,668.6	12,227.4	4.8%			

¹ Scope 1 emissions from sites with direct obligations in Emission Trading Systems (EU ETS, UK ETS, Swiss ETS, Shanghai ETS)
² 2023 emissions for Scope 3 have been restated due to methodology improvements, and the expansion of the reporting scope of downstream categories. Non-reported categories (13 and 14) are considered not material in line with 'Guidance for Accounting & Reporting Corporate GHG emissions in the Chemical Sector Value Chain' for Scope 3 GHG reporting published by WBCSD. 14% of Scope 3 emissions (Category 1) have been calculated using primary data obtained from suppliers
³ In line with applicable guidance, hotel emissions (Category 6 Business travel) amounting to 4,900 tonnes and metabolic emissions (Category 11) amounting to 491,500 tonnes are optional and reported outside the above table.



Greenhouse gas emissions

Total greenhouse gas intensity

	2024	2023	year-on-year change
(1,000 tonnes / million euros)			
GHG intensity (market-based)	0.93	0.92	1.1%
GHG intensity (location-based)	0.96	0.95	1.1%

¹Total net revenue (Net sales 2024 and 2023) is reported in the [Consolidated Financial Statements](#).



Pollution

Material impacts, risks and opportunities

Impacts	Risks and opportunities	Management
<div><div>↓</div><div>Our operations and our upstream/downstream value chain use substances that may impact human health</div><div>↑</div><div>Many of our substances of concern are considered essential for life, and have beneficial impacts on human health. Other substances of concern can also reduce energy use and improve productivity</div></div>	<div><div>↓</div><div>Increasing restrictions/bans by regulators or customers can lead to non-compliance, replacement costs, or missed sales opportunities</div></div>	<div><div>•</div><div>We make conscious choices about the substances we use and produce. We actively identify the risks attached to, and the potential impact of, our products on people and the environment, including their production processes</div><div>•</div><div>We support our customers (and other interested stakeholders) in doing the same by providing them with clear information on potential health and environmental impacts</div><div>•</div><div>We closely monitor external developments, including any relevant regulatory changes</div></div>
<div><div>↑</div><div>positive impact on environment/society or on dsm-firmenich</div><div>↓</div><div>negative impact on environment/society or on dsm-firmenich</div></div>		



Impact, risk and opportunity management

Policies

Product stewardship is a guiding principle at dsm-firmenich, anchored in our Code of Business Ethics and in the Group Policy Safety, Health and Environment (SHE). It is an integral part of the Group SHE requirements.

The [SHE Policy](#) addresses the safety of our products, including substances known as ‘substances of concern.’ ¹ More information on this policy can be found in the [Climate change policies](#) section.

The SHE policy applies to all dsm-firmenich entities worldwide, as well as our contractors and supply chain partners. Our Executive Committee is fully committed to the implementation of the SHE policy and its requirements.

Our product stewardship contributes to our business value proposition in a world that is increasingly interested in nutrition, health, and beauty. We strive to apply high standards in producing essential and desirable products that are safe² and healthy for people, animals and the planet. We support our customers to do the same. We carefully manage the impact of all the substances we use and produce following a risk-based approach, using alternatives whenever feasible, and always

when required. Every product must be safe in its production, application, and until end of life.

Actions and resources

In 2024 we focused on product stewardship, and on our product data landscape. Given the complexity, timing and starting points for reporting (for example, we do not make assumptions), we report on what we know regarding substances of concern and substances of very high concern.

The harmonization of data and the identification and closure of gaps will gradually take place in the coming two years, with highest priority being assigned to finished products, followed by purchased raw materials and intermediates. We also serve our customers with tailored information on request. In the longer term, migrating to one product data platform will facilitate our product stewardship actions, target-setting, and monitoring of improvements.

Metrics and targets

Substances of concern and substances of very high concern

We actively monitor and manage the impact of substances of concern that are currently used in our portfolio. Due to the complex integrated data landscape, we have not yet been able to set quantitative ambitions. In 2024, our product

	2024 Products, or part of products or services
(tonnes)	
Substances of concern by hazard class ¹	
Carcinogenicity categories 1 and 2	423
Germ cell mutagenicity categories 1 and 2	176
Reproductive toxicity categories 1 and 2	1,430
Endocrine disruption for human health	n.a. ²
Endocrine disruption for the environment	n.a. ²
Persistent, Mobile and Toxic or Very Persistent, Very Mobile properties	n.a. ²
Persistent, Bio-accumulative and Toxic or Very Persistent, Very Bio-accumulative properties	n.a. ²
Respiratory sensitization category 1	429
Skin sensitization category 1	24,664
Chronic hazard to the aquatic environment categories 1 to 4	35,425
Hazardous to the ozone layer	0
Specific target organ toxicity, repeated exposure categories 1 and 2	64,865
Specific target organ toxicity, single exposure categories 1 and 2	360
Substances of very high concern	1,062

¹ Some substances of concern are accounted for in multiple hazard classes if relevant
² As CLP Annex VI doesn't yet include classified substances for those new hazard classes

safety and digital teams worked on a program definition for developing a roadmap for substances of (very high) concern. This is planned to continue in 2025. In the meantime, we are driving continuous improvements of our portfolio.

The assessment of the presence and quantity of SOC and SVHC is based on sales volume (in kg) and composition information from the two main product data platforms of the company. All components with a CAS number, equal or

above 0.1% in the product sold were checked against ATP 19 of Annex VI of CLP – Regulation (EC) No 1272/2008 and ECHA candidate list (June 2024).

Over 2024, 117 ktonnes of substances of concern were present in our finished products. The estimated quantity per main hazard class is presented in the accompanying table.

¹ Where defined as substances that either fulfil certain regulatory criteria (e.g., carcinogenic – category 1B) or are listed by recognized organizations, for their (potential) serious health or environmental risk.
² Where ‘safe’ is defined as “in all we do, we follow high standards and regulatory requirements, so our products are not likely to harm the health of people, animals, or the environment under the conditions of use and disposal”



Pollution of air, water, and soil

While this sub-topic was assessed to be not material, the following data are provided to meet the needs of ratings, rankings and other stakeholders.

Air emissions decreased year-on-year mainly as a result of the reorganization of industrial assets and operational improvements. At the end of 2024, an internal steering target was set to reduce the intensity of phosphorous and nitrogen emissions in areas with a high water pollution index.

(tonnes)	2024	2023
Emissions to air		
Volatile Organic Compounds (VOC)	2,400	2,700
Nitrogen oxide (NO _x)	500	600
Sulfur dioxide (SO ₂)	20	20
Emissions to water		
Chemical Oxygen Demand (COD) ¹	3,000	2,600
Nitrogen	350	-
Phosphorus	70	-

¹The 2023 value was restated due to double counting at a small number of sites.



Water and marine resources

Material impacts, risks and opportunities

Impacts	Risks and opportunities	Management
<p> ↓ Water withdrawal for our own operations: dsm-firmenich water withdrawal in 2024 was 103 million m³, of which majority relates to Once-through-Cooling, i.e., fresh surface water that is used for cooling and is returned to the water bodies after use. Less than 4% of that water withdrawal came from water-stressed areas. </p>	<p> ↓ Water consumption and water withdrawals for our own operations: Limited access to water (water availability and water quality) can lead to business interruption. Limited water access can occur in water-stressed areas or during periods of drought/extreme heat (see Climate change – Identifying IROs) </p>	<ul style="list-style-type: none"> Water stewardship program: focuses on water use reduction, esp. in water stressed areas. Water management standard: we do regular assessments at company level and take action in case of high risks Water management practices: we engage with local communities, water catchment management authorities and other users
<p> ↑ positive impact on environment/society or on dsm-firmenich ↓ negative impact on environment/society or on dsm-firmenich </p>		



Impacts, risk and opportunity management

Policies

To ensure our business not only aligns with our purpose and values, but also that we achieve progress on water issues, we adhere to several key requirements.

Accountability is maintained at the highest organizational levels, with our Sustainability Committee and Executive Committee overseeing our Climate and Nature agenda, including strategy, targets, and risk management. We also integrate climate and nature goals across all functional teams and include related risks and opportunities in our company-wide processes, reporting them in our Report.

We align with Group policies, continuously improve reporting systems, set ambitious targets, and transparently monitor progress. Employees are engaged and trained in Climate and Nature activities, and we partner with various entities to advance environmental stewardship. We foster a culture of excellence through science, research, and benchmarking, while actively monitoring and responding to external issues and public concerns.

Water is crucial for human and community development, playing a vital role in business manufacturing processes and supporting raw material suppliers. Its importance cannot be overstated: access to clean water, sanitation, and hygiene is essential for the health of people and ecosystems, the sustainability of communities, and the growth of the economy.

However, the world faces increasing pressure on its water catchments. Climate change, rising demand for freshwater, and deteriorating water quality are formidable challenges. To address these issues, collaboration with local communities, regulators, and organizations is crucial. Our [Code of Business Ethics](#) describes our commitment to use water responsibly and our Climate and Nature approach (see [Climate change – Policies](#) for more information) describes our approach to water stewardship. These documents do not currently address water in the context of product design.

We are committed to taking decisive actions to safeguard water resources. Within our operations, we strive to continuously reduce water consumption and withdrawal, particularly in high-risk areas. We ensure that our wastewater is treated in accordance with local laws, often exceeding minimum requirements to minimize our impact on freshwater ecosystems. Additionally, we are dedicated to improving the quality of our waste water to further protect water quality.

Our overall commitment extends beyond our immediate operations. We regularly assess the future availability of water in high-risk catchments and evaluate the environmental and social risks associated with our water usage. By actively participating in initiatives and forming partnerships, we aim to drive significant progress in water stewardship, ensuring a sustainable future for all.

Actions and resources

At the end of 2024, the implementation of our water policy was further reinforced by the development of a company steering KPI for

water of a 10% water intensity reduction in water-stressed areas from 2023 to 2030.

To enable the company to reach this new target, the same principles as for our Scope 1 & 2 GHG roadmap development are applied:

- We identify site improvement opportunities by performing site assessments with water experts
- We deploy sustainable technologies (e.g., dashboarding and monitoring)

The resulting roadmap will be continually improved to ensure that the best solutions are implemented with a view to the local water challenges. These solutions include water efficiency measures such as leakage reduction or cooling tower optimizations, and to a lesser extent water reuse options (e.g., implementing more closed loop systems, wastewater effluent recovery). The resources needed to achieve these water improvements can be handled within our regular operational improvement programs.

Concrete actions to reduce our water consumption are also being conducted and will be further reinforced under the drive of the new target. Recent successes include reducing water withdrawal by more than 20% at our sites in Village-Neuf (France) and Yimante (Hubei province, China) between 2022 and 2024 as a result of several operational improvements. Yimante implemented awareness campaigns and performance tracking, a steam condensate recovery project, the reuse of low-concentration wastewater instead of tap water, and fixed a pipeline leak. Village-Neuf, meanwhile, implemented a condensate recovery process, optimized cooling water and

vacuum pump operations, and made several other improvements thanks to its continuous improvement methodology.

Metrics and targets

Our new voluntary water target, aiming to reduce our water intensity in water-stressed areas by 10% between 2023 and 2030, will be implemented as of 2025.

This target has been defined considering external developments around water stewardship, including:

- The importance of reducing water withdrawal and aligning with, among other things, the SBTN framework development
- The importance of focusing on areas with the highest water stress, as described by, for example, WRI and WWF

This target encompasses all dsm-firmenich sites that are located in a water-stressed area and is measured based on the reported water withdrawal of associated sites (in 1000m³) and production volumes (in tons). Progress will be monitored and reviewed regularly. Beyond this target, we report and track other water-related metrics as defined in our Reporting Standard for Environmental Sustainability. Our primary data source relies on flowmeter readings and bills from third parties for both water withdrawal and discharge. All water-material sites use direct measurements for water withdrawal and discharge.



Water withdrawal

Water withdrawal is the sum of all water drawn into the site from all sources for any use over the course of the reporting period. It includes, but is not limited to, the below six categories:

- Fresh surface water – once-through cooling (OTC)
- Fresh surface water – non-OTC
- Fresh ground water
- Brackish water / sea water
- Water (third-party source)
- Water from processing raw materials
- Material collected rainwater

Once-through cooling refers to the continuous flow of water used only for cooling purposes, which is returned to the same source immediately after use. As we do not reuse or recycle water, nor do we store water, these indicators are considered not material.

Water discharge

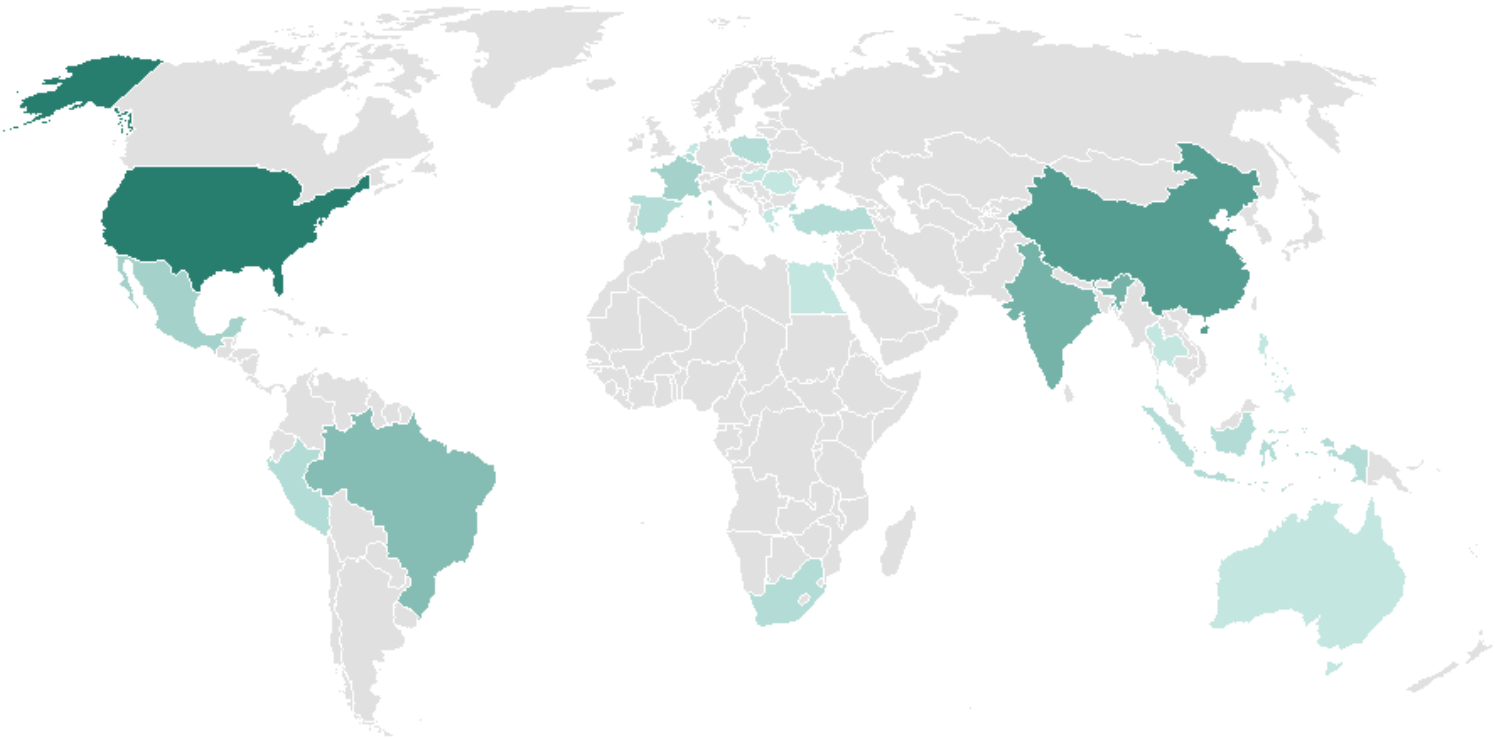
Water discharge is the sum of liquid effluents and other water leaving the boundaries of the organization (or facility) and released to surface water, groundwater, or third parties over the course of the reporting period. This includes all water leaving the company boundary. The destination can be:

- Water discharge, fresh surface water – OTC and water discharge, fresh surface water – non-OTC
- Brackish water / sea water
- Groundwater
- Third-party destinations

Water consumption

Water consumption is the amount of water drawn into the boundaries of the organization (or facility) and not discharged back to the water environment or a third party over the course of the reporting period. It includes the water incorporated into products, crops or waste, evaporated or transpired, consumed by humans or livestock, or stocked on site in a controlled manner which is unusable and therefore not released back to the environment. Water consumption can be metered or calculated by subtracting the total water discharge from the company boundary from the total water withdrawn into the company boundary during the reporting period.

Our approach to defining water-stress locations is based on [WRI Aqueduct](#) (v4.0 – World Resources Institute) freshwater data. Following an extraction of the database based on our locations, we retain those with ‘Extremely High’ or ‘High’ risks based on the time horizon of today or by 2030 using the scenario ‘Business as usual’.



Water stress: distribution of our sites linked to water-stressed areas



Water use

Total water withdrawal decreased slightly by 1%. However, when excluding once-through cooling, the reduction was 17%. Significant progress was made in water-stressed areas. These achievements are attributed to both the reorganization of industrial assets and operational improvements.

Water withdrawal, discharge and consumption

	2024	2023
(x 1,000m³)		
Total water withdrawal	103,200	104,400
- Fresh surface water (OTC)	80,700	77,400
- Fresh surface water (non-OTC)	5,500	5,500
- Fresh ground water	6,200	9,100
- Brackish water/sea water	0	0
- Third party source	10,000	11,500
- Other ¹		800
- From processing of raw materials	200	
- Material collected rain water	600	
Total water discharge	97,700	98,600
- to environment (OTC)	80,700	77,400
- to environment (non-OTC)	7,600	9,800
- to fresh surface water	6,500	
- to brackish water/sea water	900	
- to ground water	200	
- to offsite treatment (3 rd party destinations)	9,500	11,400
Water consumption	5,400	5,800
- in water-stress areas	1,150	
Water consumption intensity ²	0.42	0.47

¹Other withdrawal includes water from processing of raw materials, and rainwater
²Water consumption intensity is reported versus total net revenue, Total net revenue (2024 and pro forma 2023) is reported in the [Consolidated Financial Statements](#).



Resource use and circular economy

While this Standard has been assessed as not material, these data are provided to meet the needs of ratings, rankings, and other stakeholders.

As no material IROs were identified, no screening or consultations were performed.

Following on from the legacy targets to reduce waste to landfill, significant landfill reduction was achieved in 2024 with a 15% reduction compared to 2023. Many sites contributed to this substantial progress, reflecting the global effort to reduce waste, such as through material reuse or more efficient processes, finding alternatives to landfilling and promoting waste recycling. In addition, we strictly limit the landfilling of hazardous waste, leading to 86% of our sites reporting no hazardous waste to landfill.

Waste by disposal method

	2024	2023
(tonnes)		
Process-related non-hazardous waste	135,600	
Landfill	5,400	9,000
Offsite incineration with heat recovery	30,100	19,600
Offsite incineration without heat recovery ¹	4,700	5,600
Offsite recovery (recycled waste)	95,300	
Process-related hazardous waste	94,700	
Landfill ¹	6,200	6,000
Offsite incineration with heat recovery	47,500	51,700
Offsite incineration without heat recovery	16,400	13,500
Offsite recovery (recycled waste)	24,600	
Total recycled waste (hazardous and non-hazardous)	119,900	129,700

¹The 2023 value was restated due to the alignment of definitions post-merger, and reporting scope correction



Social information

Own workforce

Material impacts, risks and opportunities

Impacts	Risks and opportunities	Management
<div><div>↑</div>By providing good labor conditions we can improve the lives of our employees and their families, and attract talent</div> <div><div>↑</div>We can positively impact the lives of our employees by promoting a safe and healthy environment at work, in both physical and mental terms</div>	<div><div>↑</div>If Diversity, Equity & Inclusion (DE&I) is seen as a shared responsibility in the organization, we create an inspiring place to work that will not only benefit our people, customers, and communities but also drive business value</div> <div><div>↓</div>Due to the competitive labor market, tightness for certain specialist roles, and ongoing uncertainties (e.g., the separation of our Animal Nutrition & Health business), we run the risk of not being able to retain and attract key talents and/or keep the workforce motivated. This could impact the delivery of our strategic targets</div> <div><div>↓</div>With ongoing changes inside and outside the organization, employees are faced with uncertainty, increasing complexity, and new ways of working (i.e. the increased influence of digitalization), which can have a negative effect on employees' health & wellbeing, impacting the business value chain (supplier locations, natural raw materials) or own operations. This potentially leads to higher operational costs or business interruption</div>	<div>Policies<ul style="list-style-type: none">• People Policy (applicable to all employees and contractors): to support our employees' professional growth and maintain a fair and inclusive work environment• Human Rights policy, including internal procedures on labor rights and working conditions• DE&I policy/standard: emphasizes equal access to opportunities, the celebration of authenticity, and the removal of barriers to success• Safety & Health policies/ SHE requirements – aiming for an injury-free and incident-free workplace; to prevent all work-related disabilities or health problems</div> <div>Programs/initiatives<ul style="list-style-type: none">• Talent retention in our Core Capabilities program: to foster a sense of belonging and a supportive work environment• Our Upskilling and Reskilling for Technological Advancements program: to ensure our workforce remains future-ready• Initiatives to support well-being, such as 'Boost Your Vitality', the 'Mental Fitness Champions' program, and a flexible hybrid workplace policy• Engagement via Employee Resources Groups (ERGs)• Mandatory training for all employees</div> <div>Monitoring/reporting<ul style="list-style-type: none">• Employee Engagement survey and other surveys• Social performance of own sites via Smeta audits• SpeakUp platform: for confidential and, if desired, anonymous reporting• Monitoring of safety and health incidents</div>

↑

positive impact on environment/society or on dsm-firmenich

↓

negative impact on environment/society or on dsm-firmenich



Impact, risk and opportunity management

At dsm-firmenich, each Business Unit and partner organization conducts biannual reviews of material risks, reporting findings directly to the CEO. This process includes a thorough assessment of workforce-related risks and actionable mitigation plans. We monitor these initiatives through Employee Engagement surveys, using employee insights to shape future actions. More information about our actions related to the workforce can be found in the [Our people](#) section.

Policies

Our internal People Policy underscores our dedication to enhancing employee well-being, promoting equal opportunities, and fostering a respectful workplace. This policy ensures that all recruitment, placement, training, and advancement decisions are based on qualifications, skills, and experience. It is designed to support our employees' professional growth and to maintain a fair and inclusive work environment.

Our [Human Rights Policy](#) is based on international human rights standards, including the International Bill of Human Rights and the Declaration on the Fundamental Principles and Rights at Work of the International Labour Organization (ILO). We follow the UN Guiding Principles for Business and Human Rights (UNGPs) and the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct as we implement our commitments. This policy applies to everyone working for and with our company and its subsidiaries worldwide. Any human rights incidents reported via our grievance

mechanism can be found in the Business ethics' [Speaking up](#) section. Our [Code of Business Ethics](#) contains our principles on human rights, including the prohibition on forced labor, child labor and modern slavery. More information on human rights can be found in the [People – Social Impact](#) section.

The Travel & Events Standard provides clear guidelines for business travel and events. It emphasizes safety, efficiency, and cost-effectiveness, and applies to all employees globally. The standard includes provisions for manager approval of travel plans, conscious travel choices to reduce environmental impact, and adherence to updated caps for hotels and meals. This ensures that our travel practices align with our commitment to sustainability and employee well-being.

Our [DE&I Policy](#) is central to our commitment to fostering a diverse, equitable, and inclusive workplace. It sets out the principles and requirements for creating an environment where all employees feel valued and empowered. The policy emphasizes equal access to opportunities, the celebration of authenticity, and the removal of barriers to success. It applies to all employees, including external staff and contractors, ensuring fairness and inclusivity across our organization.

Our internal DE&I Standard outlines our commitment to fostering an inclusive and equitable workplace where all individuals can thrive. It provides clear guidelines for addressing discrimination and bias, emphasizing that DE&I benefits everyone by promoting fairness and belonging. The grounds for discrimination covered include gender,

gender identity, gender expression, transgender or intersex status, sexual orientation, pregnancy, age, race, ethnicity, national origin, color, religion, experience, socioeconomic status, diverse abilities, marital status, family structure, political beliefs, or any other legally protected category. The Standard defines expectations for our recruitment, compensation, performance management and development, and awareness and support tools. A detailed grievance process ensures a zero-tolerance stance on retaliation, reinforcing employee safety and support. This Standard applies to all employees, promoting fairness, impartiality, and operational excellence while building a culture in which everyone belongs.

Our Safety, Health and Environment Policy addresses the safety and health of our employees and non-employees. More information on this policy can be found in [Climate change – Policies](#).

Lastly, the internal Delegation of Authority guidelines ensure that appropriate individuals have the necessary authority to carry out their responsibilities effectively. This program is designed to cascade authority down through the organization, ensuring that all managers and employees understand their roles and responsibilities. It supports our commitment to efficient and transparent decision-making processes.

Actions and resources

Implementation and monitoring

We have established robust procedures to implement and monitor these policies. Our Human Resources Leadership Team (HRLT) is

responsible for overseeing the implementation of these policies and ensuring compliance across the organization. The Human Rights Policy is owned by Group Sustainability, which is responsible for overseeing implementation and compliance. Regular audits and reviews are conducted to assess the effectiveness of these policies and identify areas for improvement. See [People – Our people](#) for more information on actions and resources relating to our people.

Engagement with stakeholders

We actively engage with our employees and their representatives to ensure that their views and concerns are considered in the development and implementation of our policies and targets. This engagement includes regular meetings, surveys, and feedback sessions to gather input and address any issues that may arise.

Remediation and grievance mechanisms

We have established clear processes for addressing any negative impacts on our workforce and providing channels for employees to raise concerns. Our grievance mechanisms are designed to be accessible, transparent, and effective in resolving issues promptly and fairly. Information about grievance mechanisms and reporting can be found in the [Speaking up](#) section in the Business ethics chapter.

Continuous improvement

We are committed to continuously improving our policies and practices to ensure that they remain relevant and effective in addressing the needs of our workforce. This includes regular



updates to our policies based on feedback from employees, changes in regulations, and best practices in the industry.

Metrics and targets

We have set targets across multiple areas to address the relevant impacts, risks and opportunities for our workforce:

- **Safety:** our long-term TRIR target level is 0.20
- **Gender diversity in the Global Management Team:** reach 36% female or non-binary colleagues by the end of 2025
- **Employee Engagement and inclusion:** measure engagement scores of employees self-identifying as minorities; focus on creating a workplace where everyone feels valued and heard; annually measure our overall engagement score; drive focused action planning across our Business Units and Business Partners, report target levels for employee engagement and inclusion post factum as part of the [Compensation report](#)
- **Living wage:** we commit to pay a living wage to all our employees in our own operations
- **Gender pay equity:** we commit to deliver gender pay equity across the different levels of our workforce.

In 2024, our TRIR^[RA] was 0.24, a significant improvement versus the 2023 performance of 0.31, and on track toward our target level. Employee engagement^[RA] was 79% and inclusion was 67%. For our Global Management Team, the next measurement will be performed at the end of 2025, as per the LTI vesting period.

No employees were paid below a living wage, delivering on our commitment. On gender pay equity, the gross gender pay gap was 4.97% in favor of women. This figure does not address the different levels of our organization. We will run internal analysis on the gap for different levels in the coming period. More information can be found in [Our People](#).

Human rights

Information on human rights incidents is reported in [Speaking up](#) in the Business ethics section. In 2024, there were 52 alleged cases of incidents of discrimination and harassment. 28 cases of them were closed, 12 of these cases were substantiated. Additional reporting relating to human rights due diligence is published separately in our [Human Rights Report](#).

We operate in geographies with higher risks of human rights incidents. Based on the assessment of our geographies and the SEDEX risk register, a high risk of child labor is identified in East Asia, and of compulsory labor or forced labor in East Asia, West Asia, South Asia, and Southeast Asia. No severe human rights incidents or fines, sanctions or compensation relating to human rights incidents in our own workforce were reported in 2024.

Safety and health

Our ambition is to provide an injury-free, healthy and secure workplace for everyone in our company. Our health and safety management system addresses occupational safety, industrial hygiene and occupational health. It includes our Safety Standards,

Occupational Health Standards and our SHE Guidelines and is anchored by our strong SHE culture. Our Life Saving Rules (LSRs) address the most significant risks that we face in our work, and have been shaped through our insights and lessons learned.

Our Health and Safety Management System covers 100% of our locations and 100% of the employees of our company, including all contractor employees ('non-employees').

In 2024, dsm-firmenich recorded one fatality from work-related injuries, and no fatalities from work-related ill-health. There were 87 recordable work-related accidents in 2024 (employees and non-employees), resulting in a rate of 1.24 accidents per 1 million hours worked. There were 35 work-related ill health cases (employees). In total, there were 3,789 days lost to work-related injuries (excluding the fatality) and ill-health (employees). These numbers and rates are reported according to the descriptions and definitions as described in the ESRS.

According to our internal incident reporting approach, we recorded zero health and safety

fatalities. This extends a health and safety record of zero employee fatalities since 2010 and zero (employee and non-employee) fatalities since 2018. dsm-firmenich recorded one security fatality, with the loss of an employee in a security incident while commuting between two of our premises. With 85 recordable safety incidents, our total recordable incident rate (TRIR-all) was 0.24. This rate includes all recordable occupational safety incidents for employees and non-employees per 100 man days worked (equivalent to 200,000 hours). It does not include incidents related to ill-health or security injuries.

Collective bargaining agreements

Collective bargaining agreement coverage by region is based on country-level coverage as reported through our regional human resources organization. At least 43% of employees are covered by collective bargaining agreements, and a European Works Council is in place. As dsm-firmenich has no EEA countries meeting the ESRS thresholds, the total EEA percentage is reported.

Coverage rate ¹	Collective bargaining coverage		Social Dialogue
	Employees EEA ²	Employees Non-EEA ²	Workplace representation (EEA only) ²
0-19%		• North America	
20-39%		• Asia Pacific • EMEA (excl. EEA)	
40-59%			
60-79%		• Latin America	
80-100%		• EEA	

¹ Reported percentages are based on reporting by countries coverage 89% of total headcount
² No EEA country meets the reporting threshold of 10% of workforce, so EEA has been added as a separate region



Characteristics of our employees

All characteristics are reported on a (percentage of) headcount basis. Headcount reporting on our employees is also included in [Note 4 Segment information](#) to the Consolidated Financial Statements.

Temporary contracts are used within the company to backfill absences and temporary leave, cover peak workload periods, and address country-specific practices for probation periods. It also includes all students, trainees and internships.

Employees by gender

	2024	2023
Male	17,968	18,487
Female	10,242	10,811
Not disclosed / Unknown	4	3
Total Employees	28,214	29,301

Employees by country

Country ¹	2024	2023
China	3,365	4,664
USA	4,084	4,059
Switzerland	3,734	3,647
Rest of World	17,031	16,931
Total Employees	28,214	29,301

¹ 'Significant countries' are countries where the company has at least 50 employees representing at least 10% of the total employee count.

Employees by contract type

	Female	Male	Not disclosed / Unknown	Total
2024				
Permanent	8,897	15,814	4	24,715
Temporary	932	981	0	1,913
Non-guaranteed hours	0	0	0	0
Non-integrated acquisitions	413	1,173	0	1,586
Total	10,242	17,968	4	28,214
Full-time	8,740	16,247	4	24,991
Part-time	1,089	548	0	1,637
2023				
Permanent	9,462	17,178	3	26,643
Temporary	372	244	0	616
Non-integrated acquisitions	977	1,065	0	2,042
Total	10,811	18,487	3	29,301



Characteristics of our employees

Employees by contract type by region

	Netherlands	Switzerland	Rest of EMEA	North America	Latin America	China	Rest of Asia	Total
2024								
Permanent	1,675	3,613	7,399	4,137	3,324	1,587	2,980	24,715
Temporary	101	121	602	18	241	688	142	1,913
Non-guaranteed hours	0	0	0	0	0	0	0	0
Non-integrated acquisitions	0	0	133	0	0	1,090	363	1,586
Total	1,776	3,734	8,134	4,155	3,565	3,365	3,485	28,214
Full-time	1,265	3,270	7,438	4,139	3,489	2,275	3,115	24,991
Part-time	511	464	563	16	76	0	7	1,637
2023								
Permanent	1,783	3,607	7,469	4,145	3,172	3,522	2,945	26,643
Temporary	0	40	315	19	182	11	49	616
Non-integrated acquisitions	0	0	169	100	263	1,131	379	2,042
Total	1,783	3,647	7,953	4,264	3,617	4,664	3,373	29,301

Inflow and outflow

	2024				2023 ¹			
	Female	Male	Not disclosed / unknown	Total	Female	Male	Not disclosed / unknown	Total
Inflow¹								
Total number of new hires (excluding acquisitions)	1,166	1,852	2	3,020	547	1,011	2	1,560
Acquisitions	0	21	0	21	45	44	0	89
Total inflow	1,166	1,873	2	3,041	592	1,055	2	1,649
% new hires by region								
Netherlands	1.6%	2.9%	0.0%	4.5%	0.6%	1.2%	0.0%	1.7%
Switzerland	3.6%	6.0%	0.0%	9.6%	2.8%	6.3%	0.0%	9.0%
Rest of EMEA	13.4%	17.7%	0.0%	31.1%	9.3%	17.3%	0.0%	26.6%
North America	7.0%	14.0%	0.1%	21.1%	9.0%	18.8%	0.1%	27.9%
Latin America	4.6%	10.2%	0.0%	14.8%	5.2%	9.0%	0.0%	14.2%
China	2.1%	2.9%	0.0%	5.0%	1.7%	4.4%	0.0%	6.0%
Rest of Asia	6.1%	7.9%	0.0%	14.0%	6.6%	7.8%	0.0%	14.4%
Outflow								
Voluntary resignations	696	1,190	3	1,889	349	708	0	1,057
Total outflow (excluding divestments)	975	1,851	4	2,830	548	1,360	2	1,910
Divestments	451	1,017	0	1,468	24	42	0	66
Total outflow	1,426	2,868	4	4,298	572	1,402	2	1,976
Voluntary resignations (%)	7.5%	7.2%		7.3%	3.2%	3.8%		3.6%
Total turnover (%)	10.5%	11.2%		10.9%	5.3%	7.6%		6.7%

¹ Inflow and outflow in 2023 are reported as of the first full month following the date of the merger.



Other indicators

Diversity

	Executives ¹	Management ¹	Other ¹	Non-integrated acquisitions
2024				
Female	140 31.3%	4,936 43.1%	4,753 32.3%	413 26.0%
Male	307 68.7%	6,526 56.9%	9,962 67.7%	1,173 74.0%
Not disclosed / Unknown	0 0%	2 0.01%	2 0.01%	0 0%
TOTAL	447 100%	11,464 100%	14,717 100%	1,586 100%
2023				
Female	181 34.4%	1,077 37.4%	8,576 36.0%	977 47.8%
Male	345 65.6%	1,801 62.6%	15,276 64.0%	1,065 52.2%
Not disclosed / Unknown	0 0%	0 0%	3 0.01%	0 0%
TOTAL	526 100%	2,878 100%	23,855 100%	2,042 100%

¹ Executives are Vice Presidents, Presidents, and C-suite officers, with some minor exceptions. Management are Directors, Managers, and Experts, with some minor exceptions. Other refers to all other employees

Employees by age group

	<30 years	30 – 50 years	>50 years	Unknown	Non-integrated acquisitions
2024					
Female	1,913	6,422	1,907	0	413
Male	2,360	10,978	4,630	0	1,173
Not disclosed / Unknown	3	1	0	0	0
TOTAL	4,276	17,401	6,537	0	1,586
2023					
Female	1,759	6,224	1,842	9	977
Male	2,199	10,539	4,662	22	1,065
Not disclosed / Unknown	3	0	0	0	0
TOTAL	3,961	16,763	6,504	31	2,042



Compensation-related metrics

Living wage

We care for our employees and their families by securing a decent standard of living for them. That is why we commit to pay a living wage to all our employees in our own operations.

A living wage is the wage required to purchase the goods and services needed to meet a minimum acceptable living standard for workers and their families. This includes proper access to health, food and nutrition, housing, and education. Ensuring that people earn a living wage is a critical step toward building a more equitable and inclusive society.

In 2024, we analyzed our wage levels, including all employees in the calculation who have been in active service for more than one year, with the exception of apprentices and interns.

This analysis was based on WageIndicator’s benchmark methodology as follows:

- The typical family is defined as two adults, with a number of children derived from the national fertility rate
- The employment rate is defined as one adult working full-time, while the employment rate of the other adult is derived from the national employment rate
- The lower-bound figure uses prices at the 25th percentile (where 75% of people report higher prices)
- If the WageIndicator benchmark is lower than the country’s adequate (minimum) wages, we always adopt the higher-level option as our benchmark.

Based on our assessment, no employees were paid below the benchmark level

As a next step, we want to secure the same for more people beyond our workforce, specifically focusing on the most vulnerable workers in manufacturing and agriculture. We will work with our suppliers, other businesses, governments, and NGOs to bring about change and encourage the global adoption of living wage practices.

Gender pay gap

We are committed to fostering an inclusive workplace where all employees are rewarded equitably. The gender pay gap constitutes the difference between what men typically earn overall in an organization compared to women, irrespective of their role or seniority.

Our 2024 results showed a gender pay gap of 4.97% in favor of women (i.e. the average pay level of women is 104.97% of the average pay level of men). This is mainly due to more female representation in the management levels of the organization as compared to the other more junior levels.

Pay ratio

This section provides details of the ratio of the annual total compensation for the organization’s highest-paid individual (our CEO) to the median annual total compensation for all permanent dsm-firmenich employees (excluding the highest-paid individual), hereafter referred to as ‘Annual pay ratio’.

The Annual pay ratio will be calculated as at the reference date (i.e., 31 December) of the relevant financial year. Only permanent employees of a consolidated dsm-firmenich subsidiary on the Reference date will be considered; there will be no correction for hires or terminations during the year, nor for the impact of any M&A activities.

Compensation for part-time employees is extrapolated to represent full-time equivalent figures. Currency conversion is based on the average year-end rate set by our Treasury department. The Annual pay ratio includes annual base salary (for the CEO on actual basis, for other employees as applicable on the reference date), annual cash incentives paid during the financial year, and the fair value of the at target Long-Term incentive (LTI) grant during the financial year. Finally, social security contributions (Employer part) and Employer contributions to company pension plans are considered (for the CEO on actual basis and for other employees based on a multiplier). Other benefits, fixed allowances, and perks are not included.

Given the above assumptions, the CEO’s total compensation in 2024 was EUR 5,518,160, whereas the median 2024 compensation for permanent employees was EUR 76,914. This results in an Annual pay ratio of 71.7. If the ratio were to consider average employee remuneration (EUR 100,864) rather than the median, the ratio would amount to 54.7.

It is noted that, for the calculation of the Annual pay ratio, the total compensation of the CEO is calculated based on the similar assumptions as

	2024	2023
Employees paid below benchmark	0	-
Gender pay gap	-4.97%	-
Remuneration ratio	71.7	-

the median for all other employees was determined; the amount therefore differs from that stated in the [Compensation report](#). The main differences concern the STI (STI paid in 2024 achieved over 2023 versus the STI accrued in 2024 in the Compensation report) and the LTI (fair value versus face value used in the Compensation report).

Any comparison over time and/or between companies should be made with great caution and restraint. Companies may use different calculation methods, and their geographical footprint may also vary significantly. The outcome of the Annual pay ratio is largely determined by the share of variable remuneration (Short- and Long-Term Incentives) in total remuneration. The proportion of variable remuneration (i.e., remuneration at risk) in total remuneration increases for higher job classes and amounts (at target) to 75% of the CEO’s total direct compensation. Additionally, remuneration structures may differ by country, and acquisitions, divestments, growth or decline in certain areas and exchange rate fluctuations will also affect the Annual pay ratio.



Workers in the value chain

Material impacts, risks and opportunities

Impacts	Risks and opportunities	Management
<div> <div>↑</div> <div>We can have a positive impact in the value chain by selecting suppliers who are committed to making positive impacts on People and Planet</div> </div> <div> <div>↑</div> <div>We can have a positive impact in the upstream value chain by supporting our partners in improving lives and livelihoods, advancing well-being, accelerating climate action, and safeguarding and restoring nature</div> </div> <div> <div>↑</div> <div>We can positively impact the lives of our contractors' and suppliers' employees by promoting a safe and healthy environment at work</div> </div> <div> <div>↓</div> <div>A violation of human rights in our upstream value chain would cause human suffering</div> </div>	<div> <div>↓</div> <div>A severe breach of working condition standards within our supply chain could damage our reputation as a sustainability leader, result in the loss of value, or incur liabilities</div> </div> <div> <div>↓</div> <div>Significant health and safety incidents within our supply chain could cause supply chain disruptions and negatively affect our reputation</div> </div>	<ul style="list-style-type: none"> • All suppliers must adhere to our Supplier Code and Responsible Sourcing standard, which include working conditions • Our SpeakUp platform for anonymous reporting • Including minimum Occupational Safety & Health requirements in contracts with our suppliers • Including contractors working at our sites in our safety programs (training, monitoring of incidents) • Monitoring social performance via EcoVadis, Sedex, Union for Ethical Biotrade (UEBT), and Sphera risk alerts • Due Diligence Framework to identify, assess and address salient issues with high-risk suppliers or value chains • Collaborating with value-chain partners on human rights via Due Diligence at Source program and networks such as UEBT
<div> <div>↑</div> <div>positive impact on environment/society or on dsm-firmenich</div> </div> <div> <div>↓</div> <div>negative impact on environment/society or on dsm-firmenich</div> </div>		



Impacts, risks, and opportunity management

The material part of our value chain that is in scope of our disclosures for this standard is our upstream value chain.

We identify risks, impacts, and opportunities at Group level through an internal supplier risk assessment which is conducted by the Procurement Leadership Team (PLT) on an annual basis. Conducted most recently in March 2024, our risk related to workers in the value chain is that our suppliers may not comply with our Responsible Sourcing standard and all consequences thereof, i.e., human rights violations and inaccurate reporting of environmental data.

We leverage risk-screening solutions such as SEDEX, Union for Ethical BioTrade (UEBT) and other third-party sources to prioritize our suppliers based on risk exposure (country and industry risk) and mitigating actions taken against this exposure (EcoVadis ratings). Our risk analyses have identified that our exposure to human rights-related risks is most significant within the flower and spice derivatives supply chains in regions such as EMEA, South America, and Southeast Asia.

These analyses enable us to set up a prioritization plan with our Business Units to address the risks identified. Besides our continuous monitoring of supplier sustainability performance data, we use third-party live news monitoring and alert systems, as well as our own SpeakUp grievance mechanism to address immediate negative impacts in a timely manner. Our policies and frameworks have been designed to reduce negative impacts and support positive ones wherever possible.

Policies

We are committed to managing our material impacts on value chain workers and addressing related risks and opportunities. Our policies are designed to ensure the highest standards of honesty, fairness, and integrity, as outlined in our [Code of Business Ethics](#). These policies apply universally across our company and are mandatory for all employees, ensuring compliance with relevant laws, regulations, and industry standards. Our [Supplier Code](#) and [Responsible Sourcing standard](#) set out our expectations for our direct suppliers, and we expect our suppliers to set similar standards for their respective supply chains. These documents include provisions addressing the safety of workers, human trafficking, forced labor, child labor, and adherence to ILO standards. The ultimate accountability and operational responsibility for implementing the Supplier Code and Responsible Sourcing standard lie with our Chief Procurement Officer. We emphasize responsible sourcing practices and expect our suppliers to engage in sustainability performance monitoring and continuous improvement.

Our external-facing policies are embedded by means of internal protocols governing responsible sourcing and aligned with other directives relevant to value chain workers, such as our [Human Rights Policy](#). This document outlines our commitment to promoting decent work, respecting human rights, and supporting the safety of the communities where we operate. We follow the UN Guiding Principles for Business and Human Rights and the OECD Guidelines for Multinational Enterprises. The ultimate accountability and operational

responsibility for implementing the Human Rights Policy lie with our Chief Sustainability Officer, who provides periodic updates and reports to our Executive Committee and Board of Directors. Our Group Sustainability team collaborates closely with Procurement and Human Resources to ensure alignment and effective implementation. Our policies cover all direct suppliers' value chain workers who could be affected by material impacts identified under ESRS 2 Disclosure Requirements IRO2 and 3. We continuously assess and address any gaps in our policies to ensure comprehensive coverage and effective management of risks and impacts. We ensure adherence through regular training, internal and external audits, and a robust grievance mechanism. We monitor compliance with our Supplier Code and report any violations in our value chain. We communicate our policies to relevant individuals and entities through various channels, including flyers, newsletters, dedicated websites, social media, and face-to-face interactions. We ensure accessibility by translating policies into relevant languages and using graphic depictions where necessary.

Actions and resources

When entering into a business relationship with suppliers, we ensure that sustainability ambitions are aligned by means of a supplier self-assessment and ensure that the supplier accepts our mandatory policy documents. Continuous adherence to these policies is validated through third-party sustainability assessments. We obtain information on the perspectives of these suppliers through standard supplier management activities such as business review meetings and supplier

audits. We also collect data from sustainability assessments to drive improvement discussions. In cases where the rationale is more critical – such as severe deviations uncovered by means of a due diligence field assessment or third-party alert – we may extend the engagement with our suppliers in the field to our suppliers' suppliers (and potentially beyond), while considering their individual risks, perspectives, and impacts. Our Sustainability at Source team, part of the Group's responsible sourcing department, is dedicated to identifying and coordinating the execution of corrective actions.

Between April 2024 and the end of the year, we trained 49% of our targeted suppliers (those with a score below 60 on the EcoVadis Labor and Human Rights pillar) by providing them an introduction to human rights and the impact on business value, the UNGP, and how to set up a Due Diligence management system. This training was developed in-house with the UNGC Switzerland and provides our suppliers with clear expectations and tools to fast-track compliance. We also ensure that suppliers have access to resources to independently improve their performance, primarily in the form of (online) educational material.

Our Sustainability at Source team plays a key role in monitoring and addressing risks within our supply chain. When a risk indicator or alert system is triggered during the screening of supplier performance, the team conducts detailed desk assessments to evaluate the situation. If necessary, this process is followed by a field assessment, which allows us to gain a deeper understanding of the operational context and stakeholders involved, as well as to



verify both actual and potential adverse impacts identified in earlier assessments. Beyond implementing corrective actions, the team also drives positive changes all the way to the source.

Stakeholder engagement in field assessments

Field assessments are carried out in close consultation with a variety of stakeholders, including suppliers, their workforce, local communities, NGOs, trade unions, and local or national institutions. These stakeholders serve as credible partners and are directly involved or consulted during the field assessments to ensure a comprehensive understanding of the situation.

Identifying sensitive supply chains and defining actions

Based on the results of supplier performance reviews and risk analysis, as well as ongoing business reviews, our Sustainability at Source team identified the most sensitive supply chains in 2024. These supply chains will undergo detailed investigations to assess potential adverse effects and determine how the likelihood and impact of these effects can be minimized or remediated. In 2024, 25 field actions (due diligence field assessments, follow-up visits on action plans, projects at source such as certification preparation) were performed as per plan.

Collaborative action plans and ownership

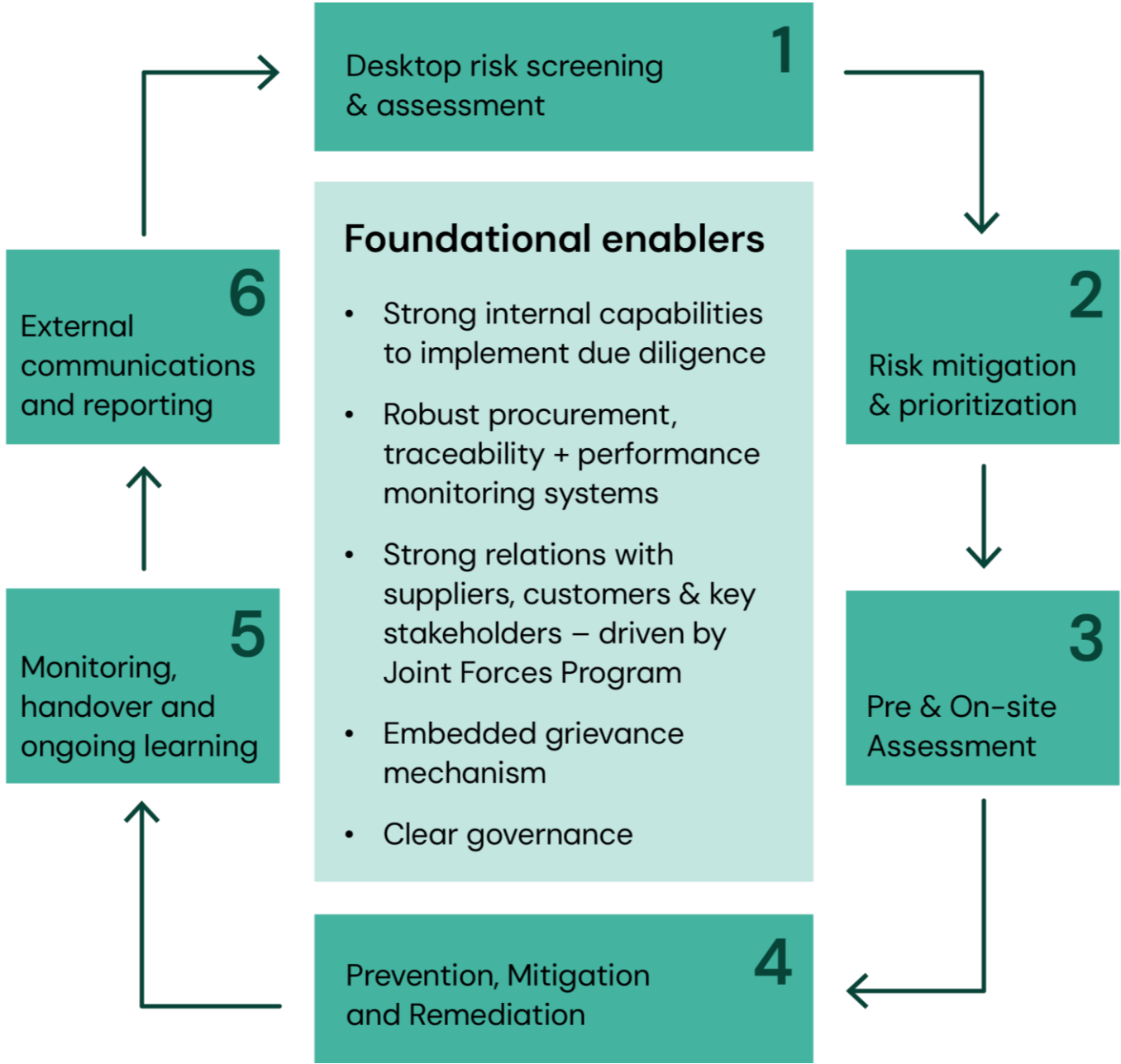
For each issue identified, Sustainability at Source collaborates with procurement managers, Business Units, sustainability teams, and, depending on the project, with NGOs and

local organizations to define clear action plans. These plans cover, among other things, target groups, resources, timelines, escalation paths (via grievance mechanisms), and ownership.

If an action plan does not sufficiently address the impacts identified, ownership of the action will remain within dsm-firmenich. In some cases, we may conduct additional site visits and due diligence to identify any new concerns and take timely action to address these. The effectiveness of these actions is monitored by means of follow-up field visits. The frequency and timing of these visits depends on the severity of the impacts and the established timelines for the corrective actions.

Grievance mechanisms and reporting

We understand the importance of reporting any violations of our Supplier Code, Responsible Sourcing standard, or external commitments. To ensure transparency and accountability, we encourage value chain workers to report any such violations through our SpeakUp grievance channel. This anonymous channel is managed by an external service provider to ensure an independent investigation process. Further information on the SpeakUp channel can be found in the Business ethics section. Awareness of the SpeakUp channel was validated through our Join Forces event in April, where we asked our partners about their familiarity with our requirements and expectations. Learn more about how we perform due diligence in our story on driving positive social impact in our pink pepper supply chains. Our full due diligence framework, which we strengthened in



The stages of the Due Diligence framework



2024 and was reviewed by a third party, is depicted in the image on the previous page.

Jasmine production in Egypt

We conduct due diligence on our most sensitive supply chains. After identifying salient human rights (child labor and working conditions) impacts in the Egyptian jasmine supply chain, including our own supply chain, we took immediate, targeted actions.

Addressing human rights challenges requires a holistic, multi-stakeholder approach. Therefore, in 2024, we joined a coalition that includes the Fair Labor Association, the International Labour Organization, over 15 national and international producers and purchasers of jasmine products, the government of Egypt, and several local civil society organizations. Together, we work to promote child protection and decent working conditions in the jasmine sector in Egypt.

The 2024 launch of this initiative focused on addressing child labor in jasmine production, with specific field-level interventions aimed at breaking the cycle of child labor and empowering workers. The key activities, backed by strong evidence, are as follows:

- **Root Cause Analysis and Gender-Sensitive Actions:** analyzing gender dynamics in jasmine production to tailor interventions to the needs of men and women, particularly around access to resources and support.
- **Social Support and Financial Literacy:** awareness-raising sessions on children’s rights and how families can access public services. Distribution of pre-paid cards for better access to government services, alongside financial literacy training for workers and families.

- **Health and Safety:** over 7,500 jasmine pickers received personal protective equipment (PPE) like headlamps, waterproof boots, and aprons. The program organized 23 medical convoys and mobile clinics, providing medical services, including surgeries and health education, with over 1,000 medical exams conducted to date, primarily for women and children.
- **Monitoring and Case Management:** hiring 16 monitors to work with local teams, covering 21 villages and over 150 hectares, to ensure child labor does not occur. The monitors not only address cases of child labor but also facilitate community awareness sessions and collaborate with national child protection committees for remediating and rehabilitating affected children.
- **Economic Empowerment:** programs to promote financial education and economic empowerment for jasmine pickers and workers, with the aim of improving their overall living conditions.

Metrics and targets

We have set a clear and ambitious target to enhance human rights awareness and compliance among our suppliers. Recognizing the challenges inherent in taking the first steps toward a full appreciation of human rights obligations, we have developed a comprehensive training program aimed at supporting our suppliers on this journey. Our 2024 objective was to train 54% of our targeted suppliers (those with a score of below 60 on the Labour & Human Rights pillar in EcoVadis) who underperform on human rights, ensuring that they align with our expectations and industry standards.



This target is integral to our policy objectives of promoting fair compensation, economic resilience, and robust human rights practices within our value chain. The scope of this target includes our entire upstream value chain, covering all regions where our suppliers operate. The baseline value for this target is derived from the percentage of targeted suppliers identified in late 2023. The target period spanned 2024, with progress reviewed monthly and interim reporting to the PLT.

To define this target, we utilized methodologies based on EcoVadis assessment scores, externally validated by ISO Certifications. Our methodology for targeting and training suppliers is validated by the EcoVadis assessment, an external tool that measures supplier performance on human rights. The metric we use is the percentage of targeted suppliers trained on human rights, providing a meaningful and precise measure of our progress. Targeted suppliers are informed of, but not directly engaged in the development of, this target. This approach aligns with international human rights standards and our commitment to the UN Guiding Principles on Business and Human Rights.

We monitor our progress through regular assessments and training completions. At the

time of publication, we have successfully trained 49% of our targeted suppliers. This includes suppliers who have completed an EcoVadis Academy Training or a Together for Sustainability (TfS) Academy training, those who have demonstrated a score improvement of 60 or higher during a reassessment, and those who have confirmed participation in our supplier engagement program. Monthly reviews and trend analyses help us address any significant changes in performance and ensure we remain on track to meet our goals.

As part of our ongoing commitment to sustainability and human rights, we are currently in the process of developing measurable outcome-oriented targets related to enhancing human rights awareness and compliance among our suppliers. We recognize the importance of having clear and measurable targets to drive progress and accountability. Therefore, we are dedicating significant resources to ensure our targets are robust, achievable, and aligned with our policy objectives. We anticipate finalizing and publicly disclosing these targets in the second half of 2025. Pending approval of our commitments, we continue to monitor adherence to our policies through our standard supplier engagement activities (see [Supplier engagement](#)).



Consumers and end-users

Material impacts, risks and opportunities

Impacts	Risks & opportunities	Management
<p> ↑ We touch the lives (health and well-being) of many people by providing good-quality, sustainable ingredients to our customers (major companies with a global footprint) </p>	<p> ↑ By taking into account currently unmet needs of consumers or certain end-users, we can improve access to our products and services, leading to increased sales </p> <p> ↓ Contamination or other quality issues with our products could negatively impact our reputation and License to Operate or lead to loss of customers (see also Quality in Our drivers of success) </p>	<ul style="list-style-type: none"> Partnerships for Nutrition and Health e.g., with UN WFP, UNICEF (malnutrition), World Vision International, Africa Improved Foods, Bill & Melinda Gates Foundation Strict Quality policy, standards, and training, including protocol for critical incidents/non-conformity Monitoring and resolution of customer complaints
<p> ↑ positive impact on environment/society or on dsm-firmenich ↓ negative impact on environment/society or on dsm-firmenich </p>		

Impact, risk and opportunity management

Policies

As we have limited direct engagement with consumers and end-users, we have no specific policies relating to them. At time of publication, we have no plans to develop such policies. We engage with consumers and end-users via our customers, or through consumer studies to understand consumer trends. Our grievance mechanism, SpeakUp, is available to all stakeholders, and we encourage them to raise concerns via this channel should the need arise. More information can be found in

[Speaking up](#) in the Business ethics section. Nutrition and health are also a core part of our consumer strategy. More information can be found in the [People – Nutrition and health](#).

Actions and resources

One way to achieve our malnutrition impacts is through our partnerships. These partnerships are supported by in-kind, direct and indirect financial contributions of more than EUR 3 million a year. The partnerships are managed by a team within Group Sustainability in close collaboration with relevant Business Units (such as the Nutrition Improvement team within HNC)

and Business Partners (such as Human Resources and Group Communications).

Information about how these partnerships take action on malnutrition impacts can be found in [Nutrition and health](#). Additional information on the impact of our products and solutions on consumers and end-users, via our customers, can be found in [Our Businesses](#).

Metrics and targets

As dsm-firmenich does not directly engage with consumers and end-users, we currently do not have specific targets related to consumers

and end-users. We measure certain metrics to understand the scale of our reach among consumers and end-users.

Through our Nutrition Improvement products, acting both independently and through our partnerships, we reached 620 million beneficiaries with our high-quality nutritional intervention solutions: large-scale staple food fortification, emergency and therapeutic foods and public health supplementation. For more information on our nutrition partnerships, see [People – Nutrition and health](#).



Governance information

Business conduct

Material impacts, risks and opportunities

Impacts	Risks and opportunities	Management
<div> <div>↑</div> <p>An ethical company culture is the foundation of good business practices and underpins positive impacts in other areas.</p> </div> <div> <div>↑</div> <p>Good management of relationships with suppliers, including reliability of payment and the promotional of ethical practices, can improve resilience in our supply chains.</p> </div> <div> <div>↑</div> <p>Implementing relevant prevention, detection, and training programs strengthens the company's commitment to ethical practices, enhancing its integrity and trustworthiness among stakeholders, partners, investors, and society at large. These initiatives mitigate the risk of corruption and bribery, protecting the company from potential legal, reputational, and financial repercussions</p> </div> <div> <div>↓</div> <p>As we are part of a value chain, a corruption incident within our company could have far-reaching consequences, impacting not only our company but also our related sectors, undermining trust and integrity throughout the industry</p> </div> <div> <div>↑</div> <p>Implementing a speak up platform is essential for promoting ethical behavior, enhancing trust, and protecting employees by providing a safe, confidential way to report concerns without fear of retaliation. It allows for early detection and resolution of issues, and helps meet regulatory compliance while mitigating risks</p> </div>	<div> <div>↑</div> <p>By fostering an ethical company culture within dsm-firmenich, we contribute to strong stakeholder engagement, resulting in positive performance and increased company value</p> </div> <div> <div>↑</div> <p>The good reputation of the company as a trustworthy partner to its customers, suppliers, and other business stakeholders is earned by acting with integrity</p> </div> <div> <div>↓</div> <p>Any failure to comply with laws and regulations in our supply chain could lead to reputational risk and loss of business</p> </div> <div> <div>↑</div> <p>Implementing robust prevention, detection, and training programs against corruption and bribery enhances an organization's reputation, builds trust among stakeholders, and drives legal compliance</p> </div> <div> <div>↓</div> <p>Developing and maintaining comprehensive prevention, detection, and training programs requires significant resources. If we fail to maintain these programs, this could result in lack of awareness in the areas of ethics and compliance within the company, leading to acts of corruption or bribery</p> </div> <div> <div>↓</div> <p>If we fail to manage our grievance reporting system diligently, this could lead to unchecked unethical behavior, decreased employee morale, and potential legal and reputational consequences (e.g., non-compliance with the EUWBD)</p> </div>	<ul style="list-style-type: none"> Our Code of Business Ethics, applicable for all employees, outlines what it means at dsm-firmenich to do the right thing The dsm-firmenich Behaviors (derived from our purpose and values), used in performance development reviews of all employees All third parties who do business with or on behalf of dsm-firmenich are expected to follow the dsm-firmenich Supplier Code, our Responsible Sourcing standard, and all relevant laws and regulations Relationship management, see Supplier engagement and Workers in the value chain Our Code of Business Ethics, Supplier Code, Policy / Standard on Anti-Bribery and Corruption, and Due Diligence Framework for suppliers Global Mandatory training on bribery and corruption and on the Code of Business Ethics to raise awareness on business ethics Our speak up platform is available to anyone with grievances, and facilitates anonymous reporting if desired
<div> <div>↑</div> <p>positive impact on environment/society or on dsm-firmenich</p> </div> <div> <div>↓</div> <p>negative impact on environment/society or on dsm-firmenich</p> </div>		



Impact, risk, and opportunity management

Policies

We are committed to maintaining the highest standards of business conduct and ethics. Our [Code of Business Ethics](#) serves as a comprehensive guide for all employees, emphasizing the importance of honesty, fairness, and integrity in all our operations. To further reinforce our commitment to ethical practices, we have implemented a robust [Group Policy on Anti-Bribery and Corruption](#). This underscores our zero-tolerance approach to bribery and corruption, ensuring all business activities are conducted transparently and ethically. We also prioritize open communication and accountability through our SpeakUp platform, which allows users to report any concerns or suspected misconduct confidentially and without fear of retaliation. It is an essential tool in fostering a culture of transparency and integrity within our organization.

Our Group Policy is further developed by specific Group Standards. Our internal Group Standard on Donations & Sponsorships ensures that all donations and sponsorships align with our ethical standards and business objectives. This standard mandates that all donations and sponsorships should be conducted transparently and should not create any conflicts of interest or the appearance of improper influence. Any endorsement, financial support, or donation by or on behalf of the company to any political party, candidate, or religious organization is strictly prohibited. We respect our employees’ right to engage in the political process, but only on a private basis.

Together, these policies and platforms form the cornerstone of our commitment to ethical business conduct, ensuring that we operate with integrity and accountability in all our endeavors. Information on our relationships with suppliers can be found in [Stakeholder engagement – Supplier engagement](#) and information on corruption and bribery can be found in [Business ethics – Identifying and managing bribery and corruption risks](#).

Metrics and targets

Incidents of corruption and bribery

Information on incidents of corruption and bribery can be found in [Business ethics – SpeakUp reports](#). No convictions or fines relating to anti-corruption and bribery laws have been reported.

Political influence and lobbying

Our Code of Business Ethics states that “we do not publicly endorse, financially support, or donate to any political party, candidate or any religious organizations.” As such, the total monetary or in-kind political contributions, made directly and indirectly, is zero. Our company is registered in the EU Transparency Register with REG Number 73926352722-07.

Payment practices

We do not apply differentiated payment practices to our suppliers, nor do we have a policy specifically addressing payment practices, beyond the *Contractual obligations* principle in our [Code of Business Ethics](#). Our standard payment terms are 90 days, end of month of the date of receipt of the invoice,

Priority areas for advocacy	Main positions
The role of vitamins in food and nutrition security	Raise awareness about the EU’s and US’s vitamin dependencies and call for action to ensure resilient supply of these vital ingredients for both animal and human nutrition.
Regulatory framework on ingredients and raw materials	Raise awareness about the importance of food, feed and beauty ingredients and advocate for a related science-based and proportionate regulatory framework for those ingredients within the EU.
Regulatory landscape for biotech innovations	Promote policy and legislative change to facilitate the regulatory approval and uptake of, and investment in industrial biotechnology innovation in the EU and boost the global competitiveness of the biotechnology sector.

unless stipulated otherwise on the purchase order (as stated in the [general purchase conditions of dsm-firmenich](#)). The average payment term (excluding supply chain financing agreements, see [Note 21 Current liabilities](#) for information) is under 60 days. 98% of suppliers (including supply chain financing agreements) have an average payment term within the standard payment terms. There are currently no reported legal proceedings outstanding for late payment.



Appendix to the Sustainability Statements

Swiss Ordinance on Climate Matters

The mapping table provided opposite provides guidance on how dsm-firmenich has reported with regard to the Swiss Ordinance on Climate Matters, which came into force on 1 January 2024. These disclosures are based on the TCFD Requirements.

Swiss Ordinance on Conflict Minerals

We have assessed our exposure to the minerals and metals specified in Annex I of the Swiss Ordinance. We do not meet the thresholds and have concluded that we are exempted from the due diligence and reporting obligations.

Elements	Recommended disclosures	References in this report
Governance	1. Management’s oversight on climate-related risks and opportunities	General information – Governance
	2. Management’s role in assessing and managing climate-related risks and opportunities	Climate change – Impact, risk and opportunity management Climate – Physical and transition climate risk assessments
Strategy	1. Description of climate-related risks and opportunities	Climate change – Impact, risk and opportunity management Climate – Physical and transition climate risk assessments
	2. Impact of climate-related risks on the company’s business activities and strategic and financial planning	Climate change – Impact, risk and opportunity management Climate – Physical and transition climate risk assessments
	3. Resilience of the organization’s strategy	Climate change – Impact, risk and opportunity management
Risk management	1. The company’s processes for identifying and assessing climate-related risks	Climate change – Impact, risk and opportunity management Climate – Physical and transition climate risk assessments
	2. The company’s processes for managing climate-related risks	Climate change – Impact, risk and opportunity management Climate – Physical and transition climate risk assessments
	3. Integration of processes for identifying, assessing and managing climate-related risks into the company’s general risk management system	Climate change – Impact, risk and opportunity management Climate – Physical and transition climate risk assessments
Metrics and targets	1. Metrics with which the company assesses climate-related risks and opportunities	Climate change – Metrics and targets
	2. Disclosure of Scope 1, Scope 2 & Scope 3 GHG emissions	Climate change – Greenhouse gas emissions
	3. Targets used to manage climate-related opportunities and risks against performance	Climate change – Metrics and targets



ESRS content index

ESRS 2 General disclosures

Disclosures that are incorporated by reference are indicated with (IbR)

DR	Requirement	Reference
BP-1	General basis for preparation of sustainability	Sustainability Statements – Basis of preparation
BP-2	Disclosures in relation to specific circumstances	Sustainability Statements – Basis of preparation
GOV-1	The role of the administrative, management and supervisory bodies	Sustainability Statements – Governance Governance & Risk Management – Board of Directors (IbR) Governance & Risk Management – Sustainability committee (IbR) Stakeholder engagement – Internal engagement on sustainability (IbR)
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	Sustainability Statements – Governance Governance & Risk Management – Board of Directors (IbR) Governance & Risk Management – Sustainability committee (IbR) Stakeholder engagement – Internal engagement on sustainability (IbR)
GOV-3	Integration of sustainability-related performance in incentive schemes	Compensation – Compensation of the Executive Committee (IbR) Consolidated Financial Statements – Note 27 Share-based compensation (IbR)
GOV-4	Statement on due diligence	People – Human rights (IbR) Stakeholder engagement – Supplier engagement (IbR)
GOV-5	Risk management and internal controls over sustainability reporting	Governance & Risk Management – Our approach to risk management (IbR) Sustainability Statements – Risk management over sustainability reporting
SBM-1	Strategy, business model and value chain	Strategy – Our approach to business Our approach to sustainability – Our integrated report and value creation (IbR) Our approach to sustainability – Impact measurement and reporting
SBM-2	Interests and views of stakeholders	People – Nutrition and health (IbR) Stakeholder engagement – Supplier engagement (IbR) Stakeholder engagement – Investor engagement (IbR) Stakeholder engagement – Community engagement (IbR) Stakeholder engagement – Partnerships (IbR)
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Climate change – Material impacts, risks and opportunities Pollution – Material impacts, risks and opportunities Water and marine resources – Material impacts, risks and opportunities Own workforce – Material impacts, risks and opportunities Workers in the value chain – Material impacts, risks and opportunities Consumers and end-users – Material impacts, risks and opportunities Business conduct – Material impacts, risks and opportunities



IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	Climate change – Our net zero roadmap Climate change – physical and transition climate risk assessments Sustainability Statements – Materiality assessment process Nature – Biodiversity management (IbR) [Related to E4]
IRO-2	Disclosure requirements in ESRS covered by the undertaking’s sustainability statement	Sustainability Statements – ESRS content index

ESRS E1 Climate Change

DR	Requirement	Reference
GOV-3	Integration of sustainability-related performance in incentive schemes	Compensation – Compensation of the Executive Committee (IbR)
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Climate change – Material impacts, risks and opportunities
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	Climate change – Our net-zero roadmap Climate change – Physical and transition climate risk assessments
E1-1	Transition plan for climate change mitigation	Climate change – Our net-zero roadmap Climate change – Strategy
E1-2	Policies related to climate change mitigation and adaptation	Climate change – Policies
E1-3	Actions and resources in relation to climate change policies	Climate change – Our net-zero roadmap Climate change – Actions and resources
E1-4	Targets related to climate change mitigation and adaptation	Climate change – Metrics and targets
E1-5	Energy consumption and mix	Climate change – Energy
E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	Climate change – Greenhouse gas emissions
E1-7	GHG removals and GHG mitigation projects financed through carbon credits	Climate change – Our net-zero roadmap Climate change – Carbon credits and carbon pricing
E1-8	Internal carbon pricing	Climate change – Carbon credits and carbon pricing
E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	Transitional provision

ESRS E2 Pollution

DR	Requirement	Reference
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	Sustainability Statements – Materiality assessment process
E2-1	Policies related to pollution	Pollution – Policies
E2-2	Actions and resources related to pollution	Pollution – Actions and resources
E2-3	Targets related to pollution	Pollution – Metrics and targets
E2-4	Pollution of air, water and soil	Not material



E2-5	Substances of concern and substances of very high concern	Pollution – Metrics and targets
E2-6	Anticipated financial effects from pollution-related impacts, risks and opportunities	Transitional provision

ESRS E3 Water and marine resources

DR	Requirement	Reference
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	Sustainability Statements – Materiality assessment process
E3-1	Policies related to water and marine resources	Water and marine resources – Policies
E3-2	Actions and resources related to water and marine resources	Water and marine resources – Actions and resources
E3-3	Targets related to water and marine resources	Water and marine resources – Metrics and targets
E3-4	Water consumption	Water and marine resources – Water use
E3-5	Anticipated financial effects from water and marine resources-related impacts, risks and opportunities	Transitional provision

ESRS S1 Own workforce

DR	Requirement	Reference
SBM-2	Interests and views of stakeholders	Own workforce – Policies Own workforce – Actions and resources
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Own workforce – Material impacts, risks and opportunities
S1-1	Policies related to own workforce	Own workforce – Policies
S1-2	Processes for engaging with own workers and workers’ representatives about impacts	Own workforce – Actions and resources
S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	Own workforce – Actions and resources Business ethics – Speaking up (IbR)
S1-4	Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	Own workforce – Actions and resources
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Own workforce – Metrics and targets
S1-6	Characteristics of the undertaking’s employees	Own workforce – Characteristics of our employees
S1-7	Characteristics of non-employee workers in the undertaking’s own workforce	Transitional provision
S1-8	Collective bargaining coverage and social dialogue	Own workforce – Collective bargaining agreements
S1-9	Diversity metrics	Own workforce – Other indicators
S1-10	Adequate wages	Own workforce – Compensation-related metrics
S1-11	Social protection	Transitional provision
S1-12	Persons with disabilities	Transitional provision

S1-13	Training and skills development metrics	Transitional provision
S1-14	Health and safety metrics	Own workforce – Safety and health
S1-15	Work-life balance metrics	Transitional provision
S1-16	Compensation metrics (pay gap and total compensation)	Own workforce – Compensation-related metrics
S1-17	Incidents, complaints and severe human rights impacts	Own workforce – Human rights Business ethics – Speaking up (IbR) Business ethics – SpeakUp reports (IbR)

ESRS S2 Workers in the value chain

DR	Requirement	Reference
SBM-2	Interests and views of stakeholders	Workers in the value chain – Policies Workers in the value chain – Actions and resources
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Workers in the value chain – Material impacts, risks and opportunities
S2-1	Policies related to value chain workers	Workers in the value chain – Policies
S2-2	Processes for engaging with value chain workers about impacts	Workers in the value chain – Actions and resources Stakeholder engagement – Supplier engagement (IbR)
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	Workers in the value chain – Actions and resources Stakeholder engagement – Supplier engagement (IbR) Business ethics – Speaking up (IbR)
S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action	Workers in the value chain – Actions and resources Stakeholder engagement – Supplier engagement (IbR)
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Workers in the value chain – Metrics and targets

ESRS S4 Consumers and end-users

DR	Requirement	Reference
SBM-2	Interests and views of stakeholders	Consumers and end-users – Policies Consumers and end-users – Actions and resources
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Consumers and end-users – Material impacts, risks and opportunities
S4-1	Policies related to consumers and end-users	Consumers and end-users – Policies
S4-2	Processes for engaging with consumers and end-users about impacts	Consumers and end-users – Actions and resources



S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	Consumers and end-users – Actions and resources Business ethics – Speaking up (IbR)
S4-4	Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	Consumers and end-users – Actions and resources People – Nutrition and health (IbR)
S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Consumers and end-users – Actions and resources Business ethics – Speaking up (IbR)

ESRS G1 Business Conduct

DR	Requirement	Reference
GOV-1	The role of the administrative, management and supervisory bodies	Governance & Risk Management – Governance
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	Sustainability Statements – Materiality assessment process
G1-1	Corporate culture and business conduct policies and corporate culture	Business conduct – Policies Business ethics – Code of Business Ethics (IbR)
G1-2	Management of relationships with suppliers	Stakeholder engagement – Our Suppliers (IbR)
G1-3	Prevention and detection of corruption and bribery	Business ethics – Identifying and managing bribery and corruption risks (IbR)
G1-4	Confirmed incidents of corruption or bribery	Business ethics – SpeakUp reports (IbR)
G1-5	Political influence and lobbying activities	Business conduct – Political influence and lobbying
G1-6	Payment practices	Business conduct – Payment practices



ESRS datapoints derived from other EU legislation

DR	Related datapoint	Paragraph	SFDR	Pillar 3	Benchmark Regulation	Climate law	Location
GOV-1	Board's gender diversity	21 (d)			●		Governance & Risk Management – Overview of the Board of Directors
GOV-1	Percentage of board members who are independent	21 (e)			●		General Information – Governance
SBM-1	Involvement in activities related to fossil fuel activities	40 (d) i			●		Not material
SBM-1	Involvement in activities related to chemical production	40 (d) ii			●		Not material
SBM-1	Involvement in activities related to controversial weapons	40 (d) iii			●		Not material
SBM-1	Involvement in activities related to cultivation and production of tobacco	40 (d) iv			●		Not material
GOV-4	Statement on due diligence	30					Basis of preparation – Statement on due diligence
E1-1	Transition plan to reach climate neutrality by 2050	14				●	Climate Change – Strategy
E1-1	Undertakings excluded from Paris-aligned Benchmarks	16 (g)		●	●		Climate Change – Strategy
E1-4	GHG emission reduction targets	34	●	●	●		Climate Change – Metrics and targets
E1-5	Energy consumption from fossil sources disaggregated by sources	38	●				Climate Change – Energy
E1-5	Energy consumption and mix	37	●				Climate Change – Energy
E1-5	Energy intensity associated with activities in high climate impact sectors	s 40 to 43	●				Climate Change – Energy
E1-6	Gross Scope 1, 2, 3 and Total GHG emissions	44	●	●	●		Climate Change – Greenhouse gas emissions
E1-6	Gross GHG emissions intensity	s 53 to 55	●	●	●		Climate Change – Greenhouse gas emissions
E1-7	GHG removals and carbon credits	56				●	Climate Change – Carbon credits and carbon pricing
E1-9	Exposure of the benchmark portfolio to climate-related physical risks	66			●		Not material
E1-9	Disaggregation of monetary amounts by acute and chronic physical risk	66 (a)		●			Not material
E1-9	Location of significant assets at material physical risk	66 (c).		●			Not material
E1-9	Breakdown of the carrying value of its real estate assets by energy-efficiency classes	67 (c).		●			Not material
E1-9	Degree of exposure of the portfolio to climate- related opportunities	69			●		Not material
E2-4	Amount of each pollutant listed in Annex II of the E-PRTR Regulation emitted to air, water and soil,	28	●				Pollution – Pollution of air, water and soil
E3-1	Water and marine resources	9	●				Water and marine resources – Policies
E3-1	Dedicated policy	13	●				Water and marine resources – Policies
E3-1	Sustainable oceans and seas	14	●				Not material
E3-4	Total water recycled and reused	28 (c)	●				Not material
E3-4	Total water consumption in m3 per net revenue on own operations	29	●				Water and marine resources – Water use
IRO 1 – E4		16 (a) i	●				Not material
IRO 1 – E4		16 (b)	●				Not material
IRO 1 – E4		16 (c)	●				Not material
E4-2	Sustainable land / agriculture practices or policies	24 (b)	●				Not material
E4-2	Sustainable oceans / seas practices or policies	24 (c)	●				Not material
E4-2	Policies to address deforestation	24 (d)	●				Not material
E5-5	Non-recycled waste	37 (d)	●				Resource use and circular economy



E5-5	Hazardous waste and radioactive waste	39	●		Resource use and circular economy
SBM3 – S1	Risk of incidents of forced labour	14 (f)	●		Social information – Own workforce – Human rights
SBM3 – S1	Risk of incidents of child labour	14 (g)	●		Social information – Own workforce – Human rights
S1-1	Human rights policy commitments	20	●		Own workforce – Policies
S1-1	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8	21		●	Own workforce – Policies
S1-1	processes and measures for preventing trafficking in human beings	22	●		Own workforce – Policies
S1-1	workplace accident prevention policy or management system	23	●		Own workforce – Policies
S1-3	grievance/complaints handling mechanisms	32 (c)	●		Business ethics – Speaking Up
S1-14	Number of fatalities and number and rate of work-related accidents	88 (b) and (c)	●	●	Own workforce – Safety and health
S1-14	Number of days lost to injuries, accidents, fatalities or illness	88 (e)	●		Own workforce – Safety and health
S1-16	Unadjusted gender pay gap	97 (a)	●	●	Own workforce – Compensation-related metrics
S1-16	Excessive CEO pay ratio	97 (b)	●		Own workforce – Compensation-related metrics
S1-17	Incidents of discrimination	103 (a)	●		Own workforce – Human rights
S1-17	Non-respect of UNGPs on Business and Human Rights and OECD	104 (a)	●	●	Own workforce – Human rights
SBM3 – S2	Significant risk of child labour or forced labour in the value chain	11 (b)	●		Workers in the value chain – Impacts, risks, and opportunity management
S2-1	Human rights policy commitments	17	●		Workers in the value chain – Policies
S2-1	Policies related to value chain workers	18	●		Workers in the value chain – Policies
S2-1	Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines	19	●	●	Workers in the value chain – Policies
S2-1	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8	19	●		Workers in the value chain – Actions and resources
S2-4	Human rights issues and incidents connected to its upstream and downstream value chain	36	●		Workers in the value chain – Actions and resources
S3-1	Human rights policy commitments	16	●		Not material
S3-1	non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines	17	●	●	Not material
S3-4	Human rights issues and incidents	36	●		Not material
S4-1	Policies related to consumers and end-users	16	●		Consumers and end-users – Policies
S4-1	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	17	●	●	Not material
S4-4	Human rights issues and incidents	35	●	●	Not material
G1-1	United Nations Convention against Corruption	10 (b)			Business conduct – Policies
G1-1	Protection of whistle- blowers	10 (d)	●		Business conduct – Policies
G1-4	Fines for violation of anti-corruption and anti-bribery laws	24 (a)	●	●	Business conduct – Incidents of corruption and bribery
G1-4	Standards of anti- corruption and anti- bribery	24 (b)	●		Business conduct – Incidents of corruption and bribery



Other environmental information

	2024	2023
Fines (in €)	47,600	259,000
Non-monetary sanctions	7	13



Assurance report of the independent auditor

To the General Meeting and the Board of Directors of DSM-Firmenich AG

Assurance report on the sustainability statements 2024 included in the Integrated Annual Report

Our conclusion and opinion

We have performed a limited assurance engagement on the consolidated sustainability statements for 2024 of DSM-Firmenich AG based in Kaiseraugst (hereinafter: ‘the Company’) in section Sustainability Statements of the accompanying management report including the information incorporated in the sustainability statements by reference (hereinafter: ‘the sustainability statements’).

Based on the procedures performed and the assurance evidence obtained, nothing has come to our attention that causes us to believe that the sustainability statements are not, in all material respects:

- Prepared in accordance with the European Sustainability Reporting Standards (ESRS) as adopted by the European Commission and in accordance with the double materiality assessment process carried out by the company to identify the information reported pursuant to the ESRS; and
- Compliant with the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation).

Furthermore, we have performed a reasonable assurance engagement on the scope 1, 2 and 3 GHG emissions, employee engagement indicators and the TRIR (hereinafter: ‘reasonable assurance indicators’). The reasonable assurance indicators are included in the sections ‘Environmental information’ on page 168, and in the ‘Social information’ on page

180 in the sustainability statements and marked with a ^[RA].

In our opinion, the reasonable assurance indicators in the sustainability statements are prepared, in all material respects in accordance with the European Sustainability Reporting Standards (ESRS) as adopted by the European Commission.

Basis for our conclusion and opinion

We performed our limited assurance engagement on the sustainability statements and the reasonable assurance engagement on the reasonable assurance indicators, in accordance with Dutch law, including Dutch Standard 3000A ‘Assurance-opdrachten anders dan opdrachten tot controle of beoordeling van historische financiële informatie (attest-opdrachten) (assurance engagements other than audits or reviews of historical financial information (attestation engagements)). Our responsibilities under this standard are further described in the section ‘Our responsibilities for the assurance engagement on the sustainability statements’ section of our report.

We are independent of the Company in accordance with the ‘Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten’ (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence). Furthermore, we have complied with the ‘Verordening gedrags-

en beroepsregels accountants’ (VGBA, Dutch Code of Ethics for Professional Accountants).

We believe the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion and opinion.

Emphasis of matters on the sustainability statements

Emphasis on the context of the new sustainability reporting standards

We draw attention to section ‘General information’, more specifically, the paragraph ‘Mandatory reporting requirements’ of the sustainability statements. This disclosure sets out that the sustainability statements have been prepared in a context of new sustainability reporting standards requiring entity-specific and interpretations and addressing inherent measurement or evaluation uncertainties.

Emphasis on the most significant uncertainties affecting the quantitative metrics and monetary amounts

We draw attention to section ‘General information’, more specifically, the paragraph ‘Judgements and estimates’ that identifies the quantitative metrics and monetary amounts that are subject to a high level of measurement uncertainty and discloses information about the sources of measurement uncertainty and the assumptions, approximations and judgements the company has made in measuring these in compliance with the ESRS.



The comparability of sustainability information between entities and over time may be affected by the lack of historical sustainability information in accordance with the ESRS and by the absence of a uniform practice on which to draw, to evaluate and measure this information. This allows for the application of different, but acceptable, measurement techniques.

Emphasis on the double materiality assessment process

We draw attention to section ‘General information’, more specifically, the paragraph ‘Materiality assessment process’ in the sustainability statements. This disclosure explains future improvements in the ongoing due diligence and double materiality assessment process, including robust engagement with affected stakeholders. Due diligence is an on-going practice that responds to and may trigger changes in the company’s strategy, business model, activities, business relationships, operating, sourcing and selling contexts. The double materiality assessment process may also be impacted in time by sector-specific standards to be adopted. The sustainability statement may not include every impact, risk and opportunity or additional entity-specific disclosure that each individual stakeholder (group) may consider important in its own particular assessment.

Our conclusion and opinion are not modified in respect to these matters.

Limitations to the scope of our assurance engagement

Assurance has been provided on the sustainability information reported in the prior year Integrated Annual Report, however, not in the context of the new sustainability reporting standards (ESRS). Consequently, the corresponding sustainability information and thereto related disclosures for the year 2023 have not been subject to assurance procedures in the context of the ESRS.

In reporting forward-looking information in accordance with the ESRS, the Management Board of the Company is required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the company. The actual outcome is likely to be different since anticipated events frequently do not occur as expected. Forward-looking information relates to events and actions that have not yet occurred and may never occur. We do not provide assurance on the achievability of this forward-looking information.

The references to external sources or websites in the sustainability information are not part of the sustainability information as included in the scope of our assurance engagement. We therefore do not provide assurance on this information.

Our conclusion and opinion are not modified in respect to these matters.

Description of responsibilities regarding the sustainability statements

Responsibilities of the Executive Committee and the Board of Directors for the sustainability statements

The Executive Committee is responsible for the preparation of the sustainability statements in accordance with the ESRS, including the double materiality assessment process carried out by the Company as the basis for the sustainability statements and disclosure of material impacts, risks and opportunities in accordance with the ESRS. As part of the preparation of the sustainability statements, the Executive Committee is responsible for compliance with the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation). The Executive Committee is also responsible for selecting and applying additional entity-specific disclosures to enable users to understand the company’s sustainability-related impacts, risks or opportunities and for determining that these additional entity-specific disclosures are suitable in the circumstances and in accordance with the ESRS.

Furthermore, the Executive Committee is responsible for such internal control as it determines is necessary to enable the preparation of the sustainability statements that is free from material misstatement, whether due to fraud or error.

The Board of Directors is responsible for overseeing the sustainability reporting process including the double materiality assessment process carried out by the Company.

Our responsibilities for the assurance engagement on the sustainability statements

Our responsibility is to plan and perform the assurance engagement in a manner that allows us to obtain sufficient and appropriate assurance evidence for our conclusion and opinion.

Our assurance engagement on the sustainability statements is aimed to obtain a limited level of assurance to determine the plausibility of the sustainability information and the sustainability statements. The procedures vary in nature and timing from, and are less in extent, than for a reasonable assurance engagement. The level of assurance obtained in a limited assurance engagement is therefore substantially less than the assurance that is obtained when a reasonable assurance engagement is performed.

Our assurance engagement on the reasonable assurance indicators has been performed with a high, but not absolute, level of assurance, which means we may not have detected all material misstatements, whether due to fraud or error.

A further description of our responsibilities for the assurance engagement on the sustainability statements is included in the appendix of this assurance report. This description forms part of our assurance report.

Amstelveen, February 27, 2025

KPMG Accountants N.V.

P.J. Groenland-van der Linden, RA



Appendix

Description of our responsibilities for the assurance engagement on the sustainability statements

We apply the quality management requirements pursuant to the Nadere voorschriften kwaliteitsmanagement (regulations for quality management) and accordingly maintain a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our limited assurance engagement included among others:

- Performing inquiries and an analysis of the external environment and obtaining an understanding of relevant sustainability themes and issues, the characteristics of the company, its activities and the value chain and its key intangible resources in order to assess the double materiality assessment process carried out by the company as the basis for the sustainability statements and disclosure of all material sustainability-related impacts, risks and opportunities in accordance with the ESRS.
- Obtaining through inquiries a general understanding of the internal control environment, the Company’s processes for gathering and reporting entity-related and value chain information, the information systems and the Company’s risk assessment process relevant to the preparation of the sustainability statements and for identifying the Company’s activities, determining eligible and aligned economic activities and prepare the disclosures provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation), without obtaining assurance evidence about the implementation, or testing the operating effectiveness, of controls.
- Assessing the double materiality assessment process carried out by the company and identifying and assessing areas of the sustainability statements, including the disclosures provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) where misleading or

unbalanced information or material misstatements, whether due to fraud or error, are likely to arise (‘selected disclosures’). We designed and performed further assurance procedures aimed at assessing that the sustainability statements are free from material misstatements responsive to this risk analysis.

- Considering whether the description of the double materiality assessment process in the sustainability statements made by the Executive Committee appears consistent with the process carried out by the Company.
- Determining the nature and extent of the procedures to be performed both centrally and at component level. For this, the nature, extent and/or risk profile of these components are decisive.
- Based on our professional judgement we determined materiality levels for each relevant part of the sustainability statement. When evaluating our materiality levels, we have taken into account quantitative and qualitative considerations as well as the relevance of information for both stakeholders and the company.
- Performing analytical review procedures on quantitative information in the sustainability statements, including consideration of data and trends in the information submitted for consolidation at corporate level.
- Assessing whether the Company’s methods for developing estimates are appropriate and have been consistently applied for

selected disclosures. We considered data and trends, however, our procedures did not include testing the data on which the estimates are based or separately developing our own estimates against which to evaluate management’s estimates.

- Determining the nature and extent of the review procedures for the group components and locations. For this, we considered the nature, extent, risk profile, as well as a rotation schedule to select the locations to visit. Based thereon we selected the locations to visit. The visits to production sites in China, India, Switzerland, France, the Netherlands, Germany and the United States were aimed at, on a component level, validating source data and evaluating the design and implementation of controls and validation procedures.
- Analysing, on a limited sample basis, relevant internal and external documentation available to the company (including publicly available information or information from actors throughout its value chain) for selected disclosures.
- Reading the other information in the Annual Report to identify material inconsistencies, if any, with the sustainability statements.
- Considering whether:
 - the disclosures provided to address the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) for each of the environmental objectives, reconcile with the



- underlying records of the company and are consistent or coherent with the sustainability statements
- the disclosures provided to address the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) appear reasonable, in particular whether the eligible economic activities meet the cumulative conditions to qualify as aligned and whether the technical screening criteria are met; and
- the key performance indicators disclosures have been defined and calculated in accordance with the Taxonomy reference framework as defined in Appendix 1 Glossary of Terms of the CEA OB Guidelines on limited assurance on sustainability reporting adopted on 30 September 2024 , and in compliance with the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation), including the format in which the activities are presented;

- Considering the overall presentation, structure and the fundamental qualitative characteristics of information (relevance and faithful representation: complete, neutral and accurate) reported in the sustainability statements, including the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation); and
- Considering, based on our limited assurance procedures and evaluation of the assurance evidence obtained, whether the sustainability statements as a whole, are free from material misstatements and prepared in accordance with the ESRS.

Additionally, our reasonable assurance engagement included, among others:

- Obtaining an understanding of internal control relevant to the reasonable assurance indicators in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company’s internal control;
- Instructing and evaluating the procedures performed by the Company’s Group Audit department; and
- Designing and performing further assurance procedures on the data supporting the specified reasonable assurance indicators, such as sampling and validating data with appropriate supporting evidence.

