



# Taxation at dsm-firmenich 2025

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# Introduction

We are dsm-firmenich, a leading co-creation and innovation partner to some of the world's most iconic companies in the nutrition, health, and beauty space. Formed in 2023 through the union of the global leader in health, nutrition, and bioscience and the world's largest privately owned fragrance and taste company, we draw on a long and influential tradition of science-driven innovation.

dsm-firmenich is a Swiss company, listed on the Euronext Amsterdam. We operate in more than 60 countries, field a global team of nearly 30,000 employees, and generate annual revenues of over €12 billion.

Seeking to deliver solutions that combine the essential, the desirable, and the sustainable, we enable our customers to create products that shift the dial on consumer appeal, functionality, and environmental and social footprint.

Building on our values, we believe a responsible approach to tax is an integral part of doing sustainable business in a robust, well-functioning society. Income from direct and indirect taxation, generated through the vigorous economic activity of companies such as dsm-firmenich, is a primary source of revenue for public treasuries. As such, tax is a subject relevant for society at large. This is also reflected in our [Tax Principles](#).

We have always viewed sustainability as a key business driver and a core responsibility. Our purpose of *bringing progress to life* involves addressing the needs of People and Planet in equal measure.

Taxes play a vital role in achieving sustainability targets and the SDGs. We view tax as key mechanism by which organizations contribute to the economies of the countries in which they operate.

Our three core values are the bedrock upon which we work and operate:

- **Shape the future**
- **Own the outcome**
- **Be a force for good**

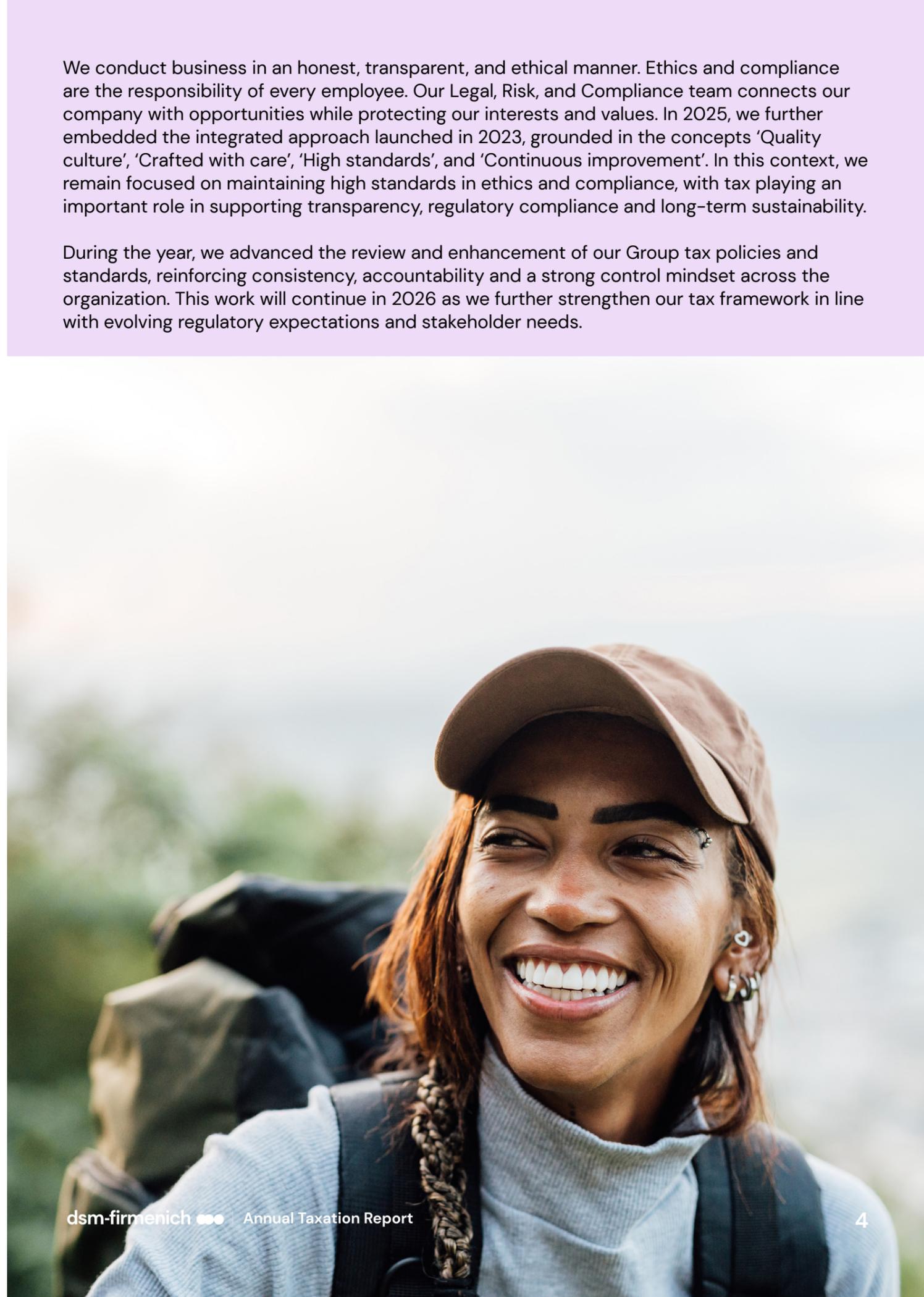
Together with our customers, we work to create a more sustainable business, not only for the businesses we serve but also for society and the planet.



Through the fulfilment of our tax obligations, we embrace sustainability and provide value for all our stakeholders. With this paper we aim to provide insights into dsm-firmenich contribution to value creation and value distribution in 2025, with tax as one of the key indicators.

We conduct business in an honest, transparent, and ethical manner. Ethics and compliance are the responsibility of every employee. Our Legal, Risk, and Compliance team connects our company with opportunities while protecting our interests and values. In 2025, we further embedded the integrated approach launched in 2023, grounded in the concepts 'Quality culture', 'Crafted with care', 'High standards', and 'Continuous improvement'. In this context, we remain focused on maintaining high standards in ethics and compliance, with tax playing an important role in supporting transparency, regulatory compliance and long-term sustainability.

During the year, we advanced the review and enhancement of our Group tax policies and standards, reinforcing consistency, accountability and a strong control mindset across the organization. This work will continue in 2026 as we further strengthen our tax framework in line with evolving regulatory expectations and stakeholder needs.





# Tax principles

## Accountability and Governance

Overall responsibility for our tax policy and tax strategy lies with the CFO with implementation assigned to the SVP Group Tax. The tax policy is updated annually and reviewed by the Audit Committee of the [Board of Directors](#) in accordance with [dsm-firmenich Organizational Regulations](#).

Training mitigates the risk of breaches of our ethical standards and to ensure adherence to our principles of integrity, ethics, compliance and governance, we maintain a comprehensive Business Ethics and Compliance framework, that includes mandatory training for all employees, complemented by targeted legal training assigned to specific employee groups based on their roles and core functions.

In 2025, we worked on creating a strong and comprehensive mandatory training program, targeting 100% completion rates. In addition, we conducted dedicated tax-focused workshops aimed at strengthening internal processes and fostering digital innovation in tax matters.

All our employees have a legal duty to comply with applicable tax requirements. Our whistleblowing platform [SpeakUp](#) –

which allows users to report any concerns or suspected misconduct confidentially, is applicable to all corporate policies, including our tax policy.

Together with training and detection programs, these initiatives reinforce the company's commitment to ethical practices and strengthen trust among stakeholders, partners, investors, and society at large.

Our tax strategy and principles apply to all local tax practices in all jurisdictions where we operate – we employ tax professionals and advisors to deal with country specific tax requirements. Governance and Risk management are explicitly explained in next [chapter](#).

## Compliance

We strive to be compliant with the spirit and the letter of the tax laws and regulations. This includes adherence to OECD Guidelines for Multinational Enterprises, application of the arm's length principle supported by benchmarking studies and transfer pricing documentation and avoiding artificial arrangements lacking economic substance.

Our tax department – Group Tax – maximizes dsm-firmenich's competitiveness by

minimizing our tax risks in compliance with the laws and by interpreting the law in alignment with our strategy and operations.

Our tax position is consistent within the normal course of business operations. We are transparent towards tax authorities in the countries in which we operate and fulfil all tax obligations and ensure paying the correct amount of tax due. We also ensure that all tax returns are submitted in a timely manner and are reviewed through established internal control procedures.

## Business Structure

Our tax position is consistent with the normal course of its business operations as well as the geographic spread of its activities.

We do not support the use of artificial structures (tax havens), nor will we engage in tax avoidance activities.

In defining "tax havens", we refer to [European Union black list](#) as well as territories included by the OECD in its [list of unco-operative tax havens](#).

Nonetheless, we may operate in low tax

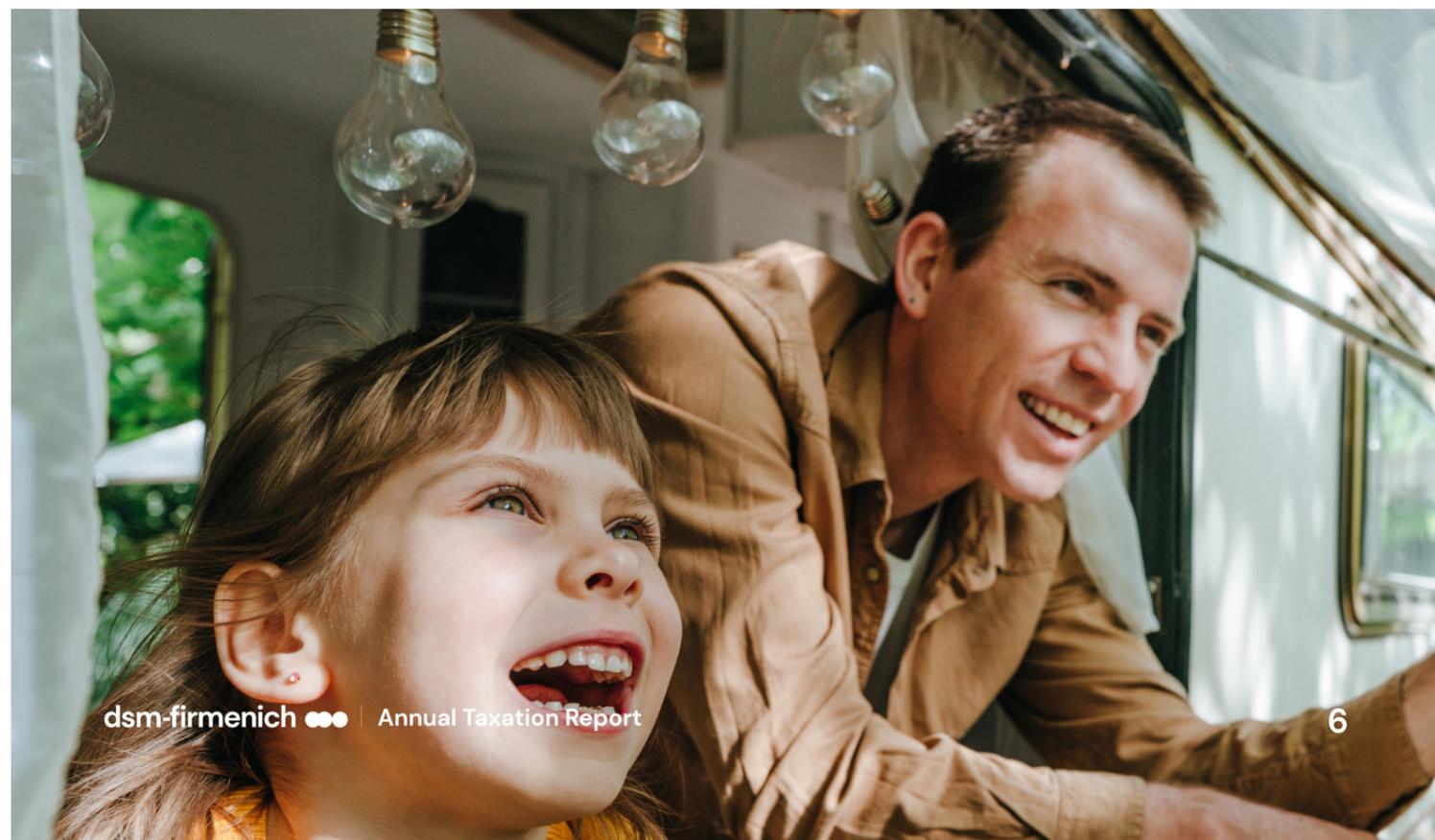
jurisdictions for legitimate and justifiable non-tax business reasons, and we will endeavor to allocate profits where value is created through commercial business activity.

Furthermore, as the result of acquisitions we might obtain presence in a low-tax jurisdiction. In such cases, the structure is being reviewed against our Policy and appropriate actions are implemented in case necessary.

## Relationships with tax authorities

We aim at cooperating promptly and transparently with the tax authorities by providing all relevant information, cooperating on tax audits and proactively reaching out on interpretation of the laws. If possible, we seek to get upfront certainty on tax positions from the tax authorities. This limits the potential for disputes at a later stage and ultimately provides us with more clarity and assurance about its tax positions. We only seek rulings from tax authorities to confirm the applicable treatment, based on full disclosure of the relevant facts.

In Switzerland and in the Netherlands, jurisdictions where dsm-firmenich has



substantial operations, we engage with the tax authorities through regular meetings, calls and correspondence. In the Netherlands, we have an individual monitoring plan in place with the Dutch tax authorities. This ensures, on the one hand, that the tax authorities can rely on dsm-firmenich to provide any relevant information upfront, which can then be discussed in 'real time'. On the other hand, we benefit from upfront information and clarity in advance on expectations and obligations, as well as fewer after-the-fact checks. Thus, both dsm-firmenich and the tax authorities benefit from having this cooperation in place, which is founded on transparency, trust and mutual understanding. We always strive to implement similar approaches in other countries where this is possible.

### Seeking and Accepting Tax Incentives

With our unique science-based competences, we have created a strong platform for growth and are ideally positioned to contribute to, and capitalize on the growth opportunities offered by the global megatrends and SDGs. Our particular focus is on developing innovative solutions addressing our focus domains of nutrition, health, and beauty. Assisted by our green chemistry approach, we use modern catalytic methods, renewable raw materials, and data science to accelerate successful product development while lowering our eco-footprint.

Our growing portfolio of more than 11,000 patents and over €600 million in annual R&D and innovation investment enables our Science & Research team across 36 creation centers and 50 application laboratories to develop distinctive innovations that create real value for our customers. Around 1,600 employees engaged in our R&D activities around the world.

In 2025, we launched an array of innovations across a range of markets, with many of these offering significant sustainability benefits too — both for People and Planet. Some key

examples can be found in the [dsm-firmenich 2025 Integrated Annual Report](#).

Based on above, we accept tax incentives primary related to innovation offered by a government to support investment, employment, and economic development. We strive to implement these incentives in the manner intended by the relevant statutory, regulatory or administrative framework — we do not engage in tax planning that aims only at avoiding tax costs.

### Supporting Effective Tax Systems

We support the idea of a global solution for fair tax policies and systems. Thus, we closely monitor and provide input on the OECD initiative on Base Erosion and Profit Shifting, including topics such as country-by-country reporting, Pillar 1 and 2, etc.

Following our initial endorsement in 2022 of Tax Governance Code introduced by Confederation of Netherlands Industry and Employers (VNO-NCW) — the Dutch employers' federation that advises the Dutch government from an employer's perspective — we continued our collaboration in 2025, including the peer review process, whereby companies assess each other's compliance with the Code based on publicly available information and voluntary disclosures. We also strive to participate in similar forums in other countries and/or regions where applicable. We support this initiative and all others that contribute to building trust in tax systems and Multinational Enterprises paying their fair share of taxes.

### Transparency

In 2025, dsm-firmenich reaffirms its commitment to a tax strategy granted in integrity, transparency and compliance, aligned not only with the letter but also with the spirit of the law. Our tax policy is guided by ethical principles and aims to foster trust in tax systems, ensuring that we pay our fair

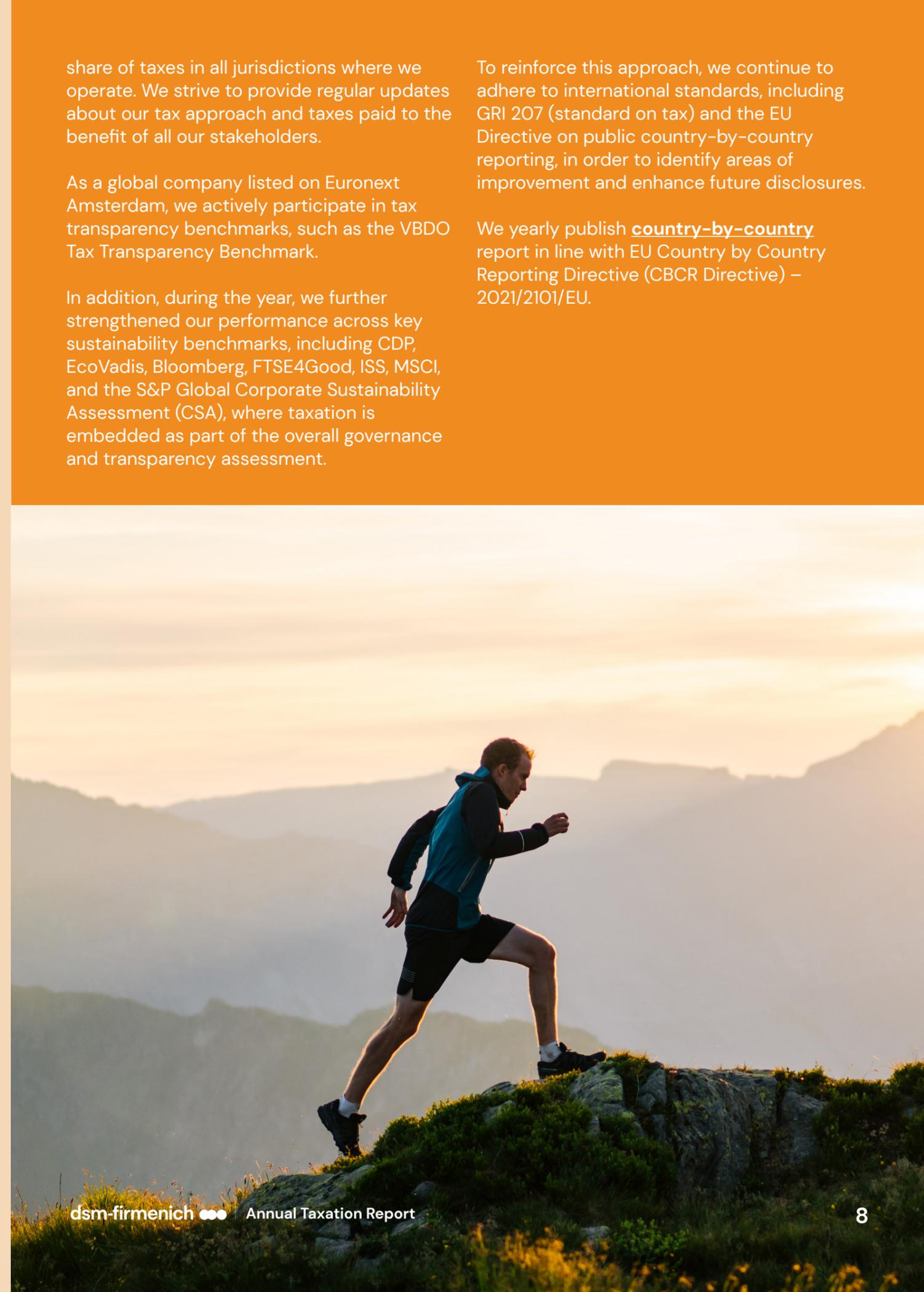
share of taxes in all jurisdictions where we operate. We strive to provide regular updates about our tax approach and taxes paid to the benefit of all our stakeholders.

As a global company listed on Euronext Amsterdam, we actively participate in tax transparency benchmarks, such as the VBDO Tax Transparency Benchmark.

In addition, during the year, we further strengthened our performance across key sustainability benchmarks, including CDP, EcoVadis, Bloomberg, FTSE4Good, ISS, MSCI, and the S&P Global Corporate Sustainability Assessment (CSA), where taxation is embedded as part of the overall governance and transparency assessment.

To reinforce this approach, we continue to adhere to international standards, including GRI 207 (standard on tax) and the EU Directive on public country-by-country reporting, in order to identify areas of improvement and enhance future disclosures.

We yearly publish [country-by-country](#) report in line with EU Country by Country Reporting Directive (CBCR Directive) — 2021/2101/EU.



# Supporting the transformation into sustainable solutions

Our Sustainability program starts with our company purposes of bringing progress to life, identifies key focus areas, sets a series of time-bound and quantifiable targets for each and then translates achieving them into a series of actions for our Business Units. Additionally, our sustainability work is designed to reduce risks and increase resilience. It helps future-proof our business and position us as the employer, supplier and investment of choice. A robust tax strategy ensures compliance, supports sustainable growth, and reinforces our ESG commitment by promoting transparency and responsible fiscal practices.

We contribute to many of the SDGs, but in particular to SDGs 2 and 3 through the products and solutions we provide, and to SDG 12 in how we run our business. Our value creation model can be found in [dsm-firmenich 2025 Integrated Annual Report](#).

## Business-activity-focused SDGs:



At dsm-firmenich, we have been pioneers in decarbonizing our operations. With our newly validated Science-Based Targets (SBTs), we are committed to building on this strong foundation and accelerating our Scope 3 actions to achieve net zero by 2045 and that progress must also be concrete and measurable: a significant milestone in 2025 was the achievement of 100% of our purchased electricity coming from renewable sources. Our CDP Climate A and Water A leadership scores and Ecovadis Platinum score (in early 2026) are testimony to the progress and improvement we have made as part of our continued commitment to sustainability.

Our approach includes reducing energy consumption, implementing energy efficiency measures, and transitioning to renewable electricity and heat. We are also investing in renewable fuel sources, electrifying heat demand, and collaborating with suppliers to drive meaningful change. Additionally, we are incorporating lower-carbon raw materials and feedstocks, enhancing our product strategy, and leveraging sustainable agriculture and deforestation practices to minimize our environmental impact.

Each Business Unit is uniquely positioned to help its customers achieve their objectives by understanding and anticipating significant consumer trends. This involves making full use of our expertise in Science, Research and Development, leveraging our advanced, data-driven innovation capabilities, and adhering to the highest standards of operational excellence.

Innovation and sustainability are the foundation of our long-term vision. Our continuing investments in cutting-edge science capabilities, R&D centers, and sustainable innovation ensure we remain at the forefront of science-backed solutions for nutrition, health, and beauty. This enables us to deliver robust carbon footprint data and tailored roadmaps for carbon reduction, supporting customers on their journey to net-zero.

We utilize relevant tax incentives, particularly those linked to research and development (R&D), including super-deductions and other income tax benefits that support innovation and investment. These incentives arise from our strong global R&D activities, including projects that contribute to environmental and social outcomes, and are applied in accordance with applicable tax legislation and policy objectives.

In certain jurisdictions, such as Brazil, we also benefit from income tax incentives that are conditional upon supporting approved social or regional development projects. Through these mechanisms, tax directly contributes to fostering local development and social impact in the communities where we operate. In addition, in 2025 we reimplemented

and reinforced our Internal Carbon Pricing (ICP) framework as a critical element of our business case assessments. To encourage investments in low-carbon and carbon-free technologies, we apply an internal carbon price in the valuation of key investment projects and reflect it in the Profit and Loss statements of the business groups for internal management reporting. This increases visibility and accountability for the financial impact of carbon on the business.

As part of our broader decarbonization efforts, this approach integrates climate-related tax considerations into decision-making and prepares our company to operate under evolving climate policies and regulations, including carbon and green taxes.

We also use Life Cycle Assessment (LCA) studies to quantify and substantiate the benefits of avoided emissions enabled by our products, where sufficient reliable data is available. Through LCA, we calculate measurable greenhouse gas (GHG) emissions reductions in the downstream value chain, further supporting informed decision-making and sustainability-driven investments.

We also continued reporting country-by-country information in line with the EU Public Country-by-Country Reporting Directive (Directive (EU) 2021/2101).

Overall, tax incentives, carbon-related pricing mechanisms, environmental impact assessments and enhanced transparency represent key ways in which tax considerations are taken into account to address Environmental, Social and Governance (ESG) priorities, supporting innovation, sustainability and responsible long-term value creation. Further details on our sustainability initiatives are available in the Sustainability Statements of the [dsm-firmenich 2025 Integrated Annual Report](#).

# Tax governance, control and risk management

## Operational principles

The following principles govern our operating model:

- We are united by a common purpose and values
- Our priorities, strategy, and policies are set at Group level
- We differentiate ourselves through our credentials and capabilities in Science & Research as well as sustainability
- Sustainability is embedded into how we design, source, manufacture, and deliver products and solutions in collaboration with our customers, suppliers, and partners
- We give our Business Units a high degree of autonomy to ensure agility and customer intimacy. Each Business Unit has full accountability for cash generation and delivery of their financial results. They also have control of their respective manufacturing plants, supply chains, and relevant regulatory services. The innovation teams in each Business Unit work in partnership with Group Science & Research to deliver on our innovation goals
- Our Business Partners – members of key corporate functions such as Finance, HR, Legal and IT – enable excellence and efficiency by partnering closely with the Group and the Business Units. The Business Partners also drive effectiveness through shared service centers. This approach, aligned with global macro trends, ensures smart, impactful progress toward our mid-term targets.

Group Tax is part of the Finance Group, driving tax priorities and setting standards across the Group by partnering with the Business Units and other functions within dsm-firmenich.

## Tax governance framework

### Board of Directors

As the Board of Directors is the highest executive oversight body, it has the ultimate authority on matters relating to Finance, including taxation. Furthermore, the Board of Directors has established an Audit Committee that is responsible for reviewing and approving tax strategy and policy of the Group.

See the [Board of Directors](#) and [Audit & Risk Committee](#) for more information on their responsibilities and activities.

### 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 implementing the tax strategy. Tax is the ultimate responsibility of our CFO and is part of the finance function of the company. See the [Executive Committee](#) for more information on the composition and roles of the Executive Committee.

### Tax Functional Leadership

At Group level, a global team of tax professionals – Group Tax – advises and supports the Board of Directors, the Executive Committee and the business on tax management and tax risks. The SVP Group Tax plays a critical role in tax governance by ensuring that the global tax strategy is implemented and aligned with corporate guidelines. This includes overseeing the Group Tax organization, ensuring compliance with applicable laws and regulations, managing tax risks, and promoting transparency with tax authorities.

Group Tax brings tax professionals together to harmonize policies and procedures, corporate requirements and risk management system to be in line with dsm-firmenich [Code of Business Ethics](#). The aim is to create a strong interconnection between tax team, Business Units, and other Corporate Staff, Shared Services and Functional Excellence departments in order to keep everyone aware of relevant tax legislation and to ensure compliance.

## Functional expertise of Group Tax



In line with the operating model, Group Tax has been assigned by the Executive Committee with the duty of implementing the tax strategy, setting up and overseeing the functioning of worldwide Tax Control Framework that enables us to be aware of the worldwide tax risks for dsm-firmenich. To ensure effective application of this framework, Group Tax is setting up requirements that must be followed by all units of dsm-firmenich.

We are working in a functional matrix approach that enables the tax team to efficiently ensure compliance and cover all relevant tax aspects of our business in specific tax domains like Transfer Pricing, Customs, VAT and country or regional specific items. Special attention is being paid to international tax developments such as enhancing Pillar Two expertise of the Tax Accounting team.

Further, strong business partnership is secured by dedicated Business Tax Leads who ensure ongoing connection with Business Units and alignment between the Tax strategy and business strategy, via regular meetings and playing an active role at the Enterprise

Model Board – a cross-functional Board where new flows are being tested against dsm-firmenich policies and standards.

The leaders in the respective functional areas report into the SVP Group Tax and meet regularly to provide updates on day-to-day relevant tax matters, strategic tax matters, including M&A from a tax perspective.

As of 2024 when we announced separation and divestment of our Animal Nutrition & Health (ANH) business, Group Tax was actively involved in all key areas of separation and throughout the transaction lifecycle up to signing early 2026, contributing to due diligence, structuring analyses, ensuring transparency, risk mitigation, and alignment with our global tax strategy. It is further envisaged to be actively engaged in post-signing implementation planning.

We continued to adhere to centralized governance models where Group Tax globally monitors and manages European Directive Mandatory Disclosure Rules / DAC6 compliance.

In addition to global initiatives, we closely monitored significant local developments throughout 2025 that impacted our tax strategy. In Brazil, the ongoing VAT reform marked a major step toward simplifying the indirect tax system and enhancing efficiency. During 2025, we actively evaluated the implications of this reform for our operations and compliance processes, ensuring that our approach remained fully aligned with both regulatory requirements and best practices. Our priority was to anticipate changes, adapt our systems proactively, and maintain full compliance while supporting measures that foster a fair, transparent, and sustainable tax environment.

Over the course of the year, amid increasing geopolitical tensions and evolving tariff regimes, particularly affecting trade flows

involving the United States, our global customs team played an important role within our tax governance framework. Through proactive monitoring, risk assessment and close collaboration with internal and external stakeholders, we supported informed decision-making, ensured compliance and mitigated financial and operational exposure across our global footprint.

In 2025, the United States enacted comprehensive tax legislation introducing changes to the timing of R&D deductions, amendments to export-related incentives, and a permanent 10.5% rate under the Base Erosion and Anti-Abuse Tax effective from 2026. These developments may have implications for multinational groups, including potential impacts on investment structures and cross-border tax positions. We continue to monitor these developments and assess their potential effects.

We believe that digitalization will further improve making tax processes sustainable, while creating value. We continuously invest in digitalization and optimization of tax processes: automation in VAT and CIT central and local compliance, tax accounting reporting tool, Pillar Two automation, DAC6 reporting tool etc.

## Tax risk management and control

### Minimalist Risk Appetite

We maintain a minimalist stance on tax exposure. Tax risk management is an ongoing, structured and embedded process across all business units, aligned with our Enterprise Risk Management framework, covering strategy and objective-setting, risk identification and assessment, risk mitigation and control activities, and monitoring and improvement.

## Tax risk management

We identify and disclose relevant important business risks, including tax risks, in the [dsm-firmenich 2025 Integrated Annual Report](#). As part of the dsm-firmenich risk management process, tax risks and incidents are reported and discussed with the [Audit & Risk Committee](#) of the Board of Directors.

Overviews of the meetings held by the Audit & Risk Committee held in 2025 can be found in the [dsm-firmenich 2025 Integrated Annual Report](#).

The existing Tax Control Framework is a tax risk management and control system, which enables Group Tax to be aware of the worldwide tax risks for dsm-firmenich. Compliance with both direct and indirect tax matters is monitored through this Tax Control Framework to achieve an effective, efficient, and transparent tax function – the process to harmonize the controls within legacy companies is ongoing.

As part of these assessments, risks are identified using the Group risk categories and are evaluated using standardized impact and likelihood scales to ensure consistency across the company. The impact scale reflects strategic, financial, operational, compliance, and reputational dimensions. Tax risks form part of the broader business risk landscape and are subject to defined mitigation plans under our ERM framework. Where relevant, such risks are also appropriately reflected in the Group's financial statements in accordance with applicable accounting standards.



## Internal procedures for specific risk areas:

Area	Risk	Mitigation
Compliance	Reorganizations and business restructurings resulting in a misalignment with our tax approach	Group Tax is fully involved in corporate reorganizations and business restructurings (merger, changes in legal structure, ERP systems, M&A, cross-border activities etc.) to ensure any restructurings are in line with dsm-firmenich's Tax Policy
Compliance	Intercompany transactions do not reflect normal course of business	Group Tax is defining Transfer Pricing Policy in close alignment with the BU's, also to be implemented by the BU's. Group Tax oversees the transfer pricing monitoring so that intercompany transactions are in line with functional analysis of the legal entities
Compliance	Failure to comply with statutory obligations	Group Tax monitors the changes in tax legislation and informs the BU's and functions to ensure tax compliance within local jurisdictions
Compliance	Lack of training and awareness on tax matters	We create and maintain tax awareness within the organization through external and internal webinars, e-learnings and manuals
Reputation	Reputational damage due to lack of or misleading communication on tax towards stakeholders	Clear disclosure of dsm-firmenich's tax position, for instance through the publication of this paper

Group Tax manages these risks via operational and key controls. The key stakeholders in the Tax Control Framework are well-established and include Business, Executive Committee, Board of Directors, external auditors, as well as the tax authorities in countries where dsm-firmenich is operating.

Our [Internal Control Framework](#) covers policies and procedures across all functions to identify, monitor, control and mitigate key risks. The framework was approved by the Executive Committee and shared with the external auditor. The control framework defines the key risks related to tax processes and the key controls. We have implemented measures to mitigate these risks. The Internal Control department within Legal, Regulatory, Risk & Compliance performs independent testing on the effectiveness of the key controls. Once reviewed and considering other risks, the ERM VP is responsible for presenting twice a year [Risk & Incident Reporting](#) to the CEO which includes identified short-term and emerging risks

and related mitigation actions – these are discussed in the Executive Committee as well as the Audit & Risk Committee.

In addition, the Corporate Operational Audit department provides independent, objective assurance and advice regarding the effectiveness of governance, risk management, and control activities. In the context of the annual audit, the tax team discusses with the external auditors, the key actions/transactions, tax audits, as well as any relevant communication with tax authorities.

Board of Directors issued a [Board Statement](#) confirming that dsm-firmenich's consolidated financial statements (including tax data) have been prepared in accordance with the applicable reporting requirements, as well as the Management Report giving a true and fair view of the development and performance of the business, the position of the company as well as the principal risks and uncertainties the company faces.

# Stakeholders

**Our commitment to sustainability and excellence is reflected in our engagement with a diverse group of stakeholders. This includes employees, customers, suppliers, investors, and our communities.**

Our engagement with our communities and the partnerships we have built reflects our dedication to making a positive social and environmental impact. Examples of these engagements can be found in the Integrated Annual Report.

The stakeholders for our tax function are Business Units, Executive Committee, Board of Directors, external auditors, as well as the tax authorities in countries where dsm-firmenich is operating.

Our approach to ethics and transparency is led by the [Code of Business Ethics](#) and our [Supplier Code](#). These codes are universal, periodically evaluated and apply globally to everyone in our company, whenever they are conducting company business: at offices, sites, warehouses or any other dsm-firmenich location.

Our tax position is consistent with the normal course of our business operations and reflects the corporate strategy and the geographic spread of our activities.

We engage with the stakeholders by performing our tasks and responsibilities:

- Define the Tax strategies and policies for dsm-firmenich globally on a yearly basis and present to the Executive Committee and [Audit & Risk Committee](#)

- Advise and support the Executive Committee, the business groups and their organizational entities, and the regions and their legal entities about tax matters
- Advise and support relevant dsm-firmenich legal entities regarding the implementation of legal and organizational structures necessary to reach sustainable solutions balancing business and tax needs
- Manage tax audits and contact tax authorities when appropriate and conclude, if feasible, advanced tax rulings with them
- Participate in (inter)national groups of experts to represent dsm-firmenich's interests
- Set corporate requirements to which all units have to comply

An overview of how we map our disclosures to GRI can be found at the end of this document.



# Economic value generated and distributed in 2025

## Economic value generated €12,521 million

We believe sustainable business growth is closely linked with robust societies and healthy economies – and vice versa. We are mindful of our responsibilities as a multinational company operating within and alongside society and addressing the most challenging societal issues with its business and operations.

We contribute to the economies in around 60 countries where they currently have operations with a total economic value generated by more than €12,521 million in net sales (total Group, including discontinued operations). The principal subsidiaries of the Group and their locations are shown in [Note 3 Investments](#) to the parent company financial statements.

In 2025, we posted an adjusted operating profit of €1,114 million. A regional split of the economic value generated is given in the table.

Please note that all the financial information shared in the below sections represents the total dsm-firmenich contribution (= continuing operations + discontinued operations<sup>1</sup>).

### Economic value generated:

2025	Switzerland	Netherlands	Rest of EMEA	North America	Latin America	China	Rest of Asia	Total
<b>Net sales by origin</b>								
In € million	2,740	689	1,593	2,718	1,780	978	2,023	12,521
In %	22	6	13	22	14	8	16	100
<b>Adjusted operating profit (in € million)</b>								1,114

## Economic value distributed €13,484 million

Our contribution to society regarding economic value distributed consists of various aspects, including employee benefits, goods and services purchased from suppliers, customs duties and other payments to governments including taxation. The overall breakdown per category is shown in the table below and further detailed on the following pages.

<sup>1</sup> Discontinued Operations include the results of the businesses that formed part of the coordinated divestment plan following dsm-firmenich's post merger portfolio review, mainly the ANH carve out and the completed divestments of the Feed Enzymes, Yeast Extracts, Pentapharm and Marine Lipids businesses.

## Economic value distributed

2025	Switzerland	Netherlands	Rest of EMEA	North America	Latin America	China	Rest of Asia	Total
<b>Suppliers of goods &amp; services</b>								
In € million	2,211	727	1,777	1,380	796	444	700	8,035
In %	28	9	22	17	10	6	9	100
<b>Employees</b>								
Workforce at year-end (headcount)	3,678	1,763	8,437	4,204	3,577	3,324	3,567	28,550
<b>Wages and benefits incl wage tax, pension and social security</b>								
In € million	744	231	771	678	194	151	234	3,003
In %	25	8	26	23	6	5	8	100
<b>Payments to Governments (organization taxes)</b>								
In € million	61	93	95	122	80	95	72	617
In %	10	15	15	20	13	15	12	100
<b>Capital providers</b>								1,829
<b>Total</b>								13,484

### Value distributed to suppliers of goods and services: €8,035 million

The external spend in 2025 amounted to €8,035 million, this includes goods and services captured in net sales and capex / investments which also implies further (indirect) tax proceeds for governments.

### Value distributed to employees: €3,003 million

Our contribution to society includes the provision of employment of around 30,000 people globally in areas including manufacturing, creation and innovation, marketing and sales, supply chain, research and development and administration. Employee wages and benefits including contributions to pensions, social security and wage tax paid to government institutions on behalf of employees around the world amounted to €3,003 million in 2025.

### Value distributed to capital providers: €1,829 million

Our capital providers (shareholders and creditors) provide funds to finance the asset base used to create economic value. In turn, they receive an annual dividend and interest payments from dsm-firmenich, which trigger withholding tax obligations. The total distributions to providers of capital in 2025 amounted to €1,829 million, comprising €749 million in interest and dividends and €1,08 billion related to share buybacks.

On February 13, 2025, dsm-firmenich announced its intention to repurchase ordinary shares with an aggregate market value of €1 billion and reduce its issued capital. dsm-firmenich later announced plans to repurchase another €80 million worth of ordinary shares to cover commitments under the Group's share-based compensation plans. The program was completed 1 December 2025 with total number of shares repurchased of 12,930,796 shares for a total consideration of €1.08 billion.

### Value distributed to governments: €617 million

We believe that it is our obligation to ensure that the correct amount of tax is paid to authorities and to observe all applicable rules and regulations in the markets where the company operates.

While meeting this obligation, dsm-firmenich recognizes that it also has a responsibility to its shareholders to control its tax costs.

For 2025, our estimated total amount organization of taxes was around €617 million (it should be noted that the values for e.g., property taxes and environmental taxes have not been included in this paper).

### Taxes paid by type: €1,867 million

The total tax contribution of €1,867 million by tax type is further illustrated in the table below. Most of the taxes borne in 2025 are direct taxes, of which a significant part relates to taxes paid for dsm-firmenich's employees as wage tax and social security contributions (any other wage-related taxes paid directly by employees are not included in the current valuation).

It should be noted that Indirect taxes, including VAT, are reported as year-end balance and do not reflect total amount remitted to governments throughout the year (which would lead to a higher total tax contribution).

### Taxes paid per type:

2025	
<b>Income tax (incl. WHT)</b>	
In € million	394
<b>Indirect taxes &amp; customs duties*</b>	
In € million	223
<b>Wage tax</b>	
In € million	898
<b>Social security costs</b>	
In € million	352
<b>Total</b>	<b>1,867</b>

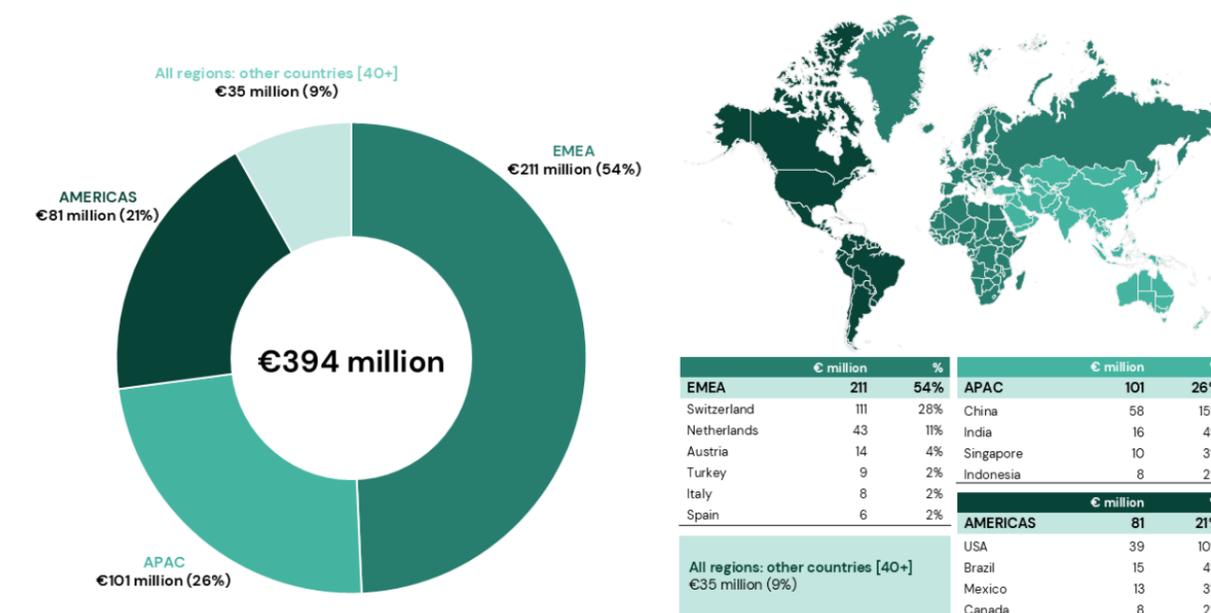
\*Best estimate

The total income tax paid by dsm-firmenich in 2025, including corporate income tax, dividend and withholding tax, amounted to €394 million. The level of dsm-firmenich's income tax payments reflects the geographic spread of its results over the years, which is among other things a result of acquisitions and divestments, loss positions and the application of tax regulations in countries where dsm-firmenich operates. As a result, the relative contribution per region varies from year to year.

The actual amount of corporate income tax paid in a particular year can differ from the accounting expense as reported in the company's [financial statement](#) (2025: €320 million). Differences between the cash outflow and the expense charged are a result of various elements, such as tax losses in previous years, deferred tax, timing differences or uncertain tax position matters.

The allocation of the total €394 million of corporate income tax paid (incl. WHT on dividend) by region / countries is presented in the table below.

### Income tax paid per region / country:



Note: Corporate income tax paid per country, including withholding tax on dividends

Europe is an important hub for dsm-firmenich's major business flows, contributing to 54% of the income tax payments. dsm-firmenich employs around half of its personnel in Europe and undertakes a significant proportion of its investments, external spend, research and development activities and administrative activities in the region (being also the location of the corporate head office and several business group headquarters).

Americas contributed around 21% of dsm-firmenich's total income tax payments. APAC countries had around 26% of dsm-firmenich's total income tax payments.

The 14 countries in the table represent the largest cash tax payors in dsm-firmenich. Majority of other 40+ countries in which dsm-firmenich operates pay below €2 million (not exceeding 1%) in taxes each.

# Effective tax rate

Pillar Two legislation has been enacted or substantively enacted in a number of jurisdictions in which dsm-firmenich operates. dsm-firmenich applies the temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and accounts for it as a current tax when it is incurred.

The current income tax expense relating to Pillar Two legislation was less than €1 million in 2025 because of a combination of the geographical spread of the business results.

In the last 5 years (including Firmenich from the merger date onwards), dsm-firmenich's continuing operations had an effective tax rate of between approximately 17 and 22%, which translates into an average yearly income tax expense of around €82 million. This range of effective tax rates is in line with what we see with peer companies, based on their publicly available information and annual reports.

The effective tax rate on taxable result excluding APM adjustments was 20.8% in 2025 (2024: 15.1%). The effective tax rate in 2025 compared to the Swiss statutory rate was negatively impacted by the geographical spread, non-recoverable withholding tax, and changes in the valuation of deferred tax assets regarding losses and other carry-forward positions.

In 2024, the continuing and discontinued operations were still fully integrated. In 2025, the ANH carve out was completed and separate legal entities were established to enable ANH's standalone operations. As a result, part of the difference in the effective tax rates between the two years is due to this structural change and the allocation methods used to split the tax charge between continuing and discontinued operations.

Since the continuing and discontinued operations were still largely intertwined throughout full-year 2024 and part of 2025, allocation models were used to split the tax charge between the two for both the reporting year and the comparative year. These models consider various factors, circumstances, and allocation keys, and reflect management's best possible estimate.

For the relationship between this effective tax rate and the income tax rate in Switzerland, please refer to the [dsm-firmenich 2025 Integrated Annual Report](#), where all the IFRS taxation figures reported for the year 2024 can be found.

## Effective tax rate

2025	In %
Domestic income tax rate	15.1
Tax effects of:	
Deviating rates	3.9
Change in tax rates	(0.4)
Tax-exempt income and non-deductible expense	(0.6)
Other effects	2.8
<b>Effective tax rate taxable result, excl. APM adjustments</b>	<b>20.8</b>



# Preparation of this paper

We have published this paper as part of its commitment to clear and transparent reporting, continuing to build a sustainable business as a trusted partner for its various stakeholders.

The way that companies such as dsm-firmenich contribute to society through (direct and indirect) taxes, duties and other payments to governments is a complex matter.

This paper brings together all the relevant information that dsm-firmenich publishes on taxation, from policies to payments, in one central source. The information presented relates to the consolidated level of reporting and is applicable to dsm-firmenich and its group companies included in the consolidated financial statements and excludes partners and associates. This paper has not been subject to a separate audit. We consider the paper compliant with the requirements of Paragraph 19 of Schedule 19 of the Finance Act 2016.

For this paper's purposes, certain figures are presented on a best estimate basis when calculating the total amount of tax generated and are specifically footnoted as such. Moreover, certain taxes (e.g., property tax, & environmental tax) have not been included in the overall tax amount paid by dsm-firmenich in 2025 disclosed in this paper. To clearly understand the content of this paper, an explanation of the technical terms used in compiling this paper is given below. These are not to be used as detailed definitions but as guidance.

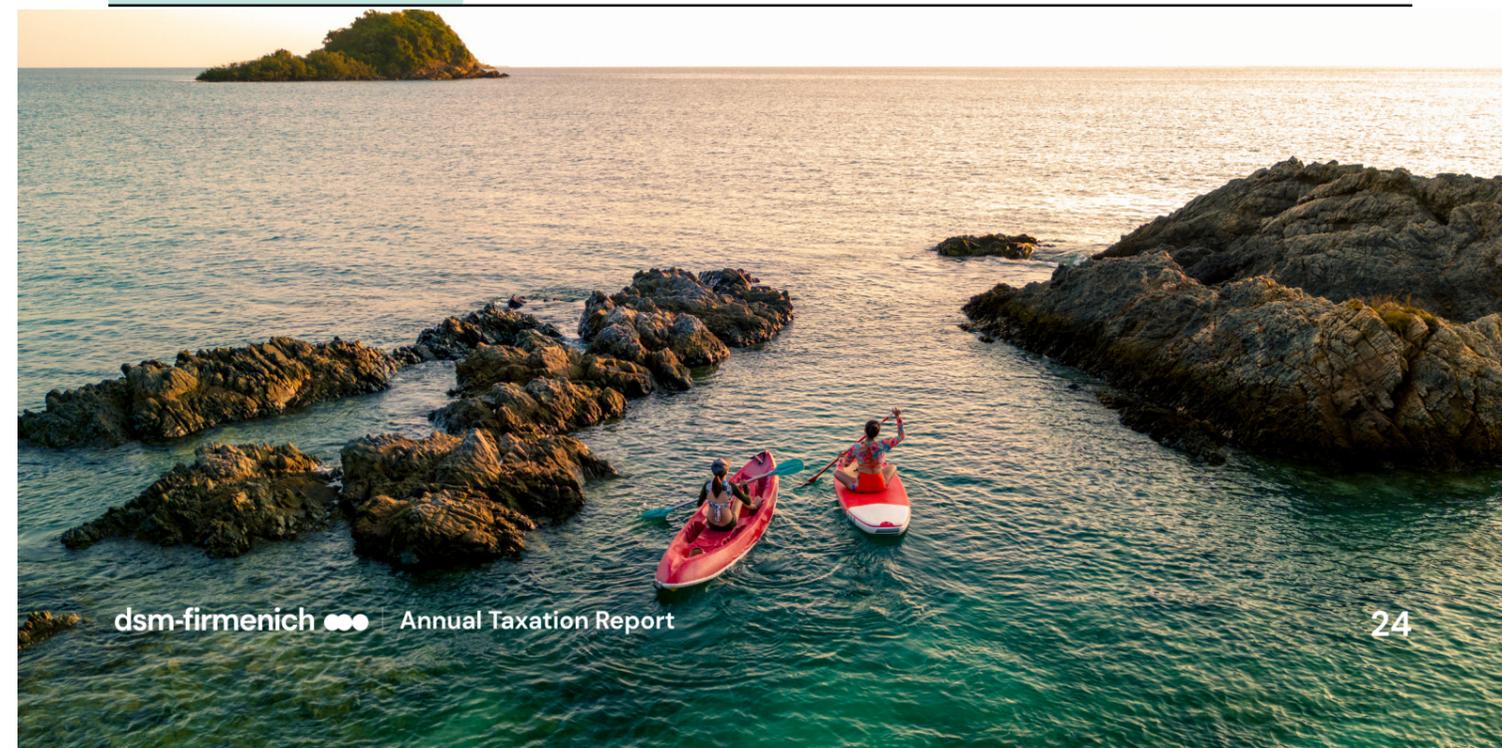
Indicator	Details
<b>Net sales</b>	This comprises revenue generated by supply of goods and services and royalty income (in case of ordinary business), less discounts, VAT and other sales related taxes.
<b>Operating profit</b>	Company's earnings from core business operations, also known as Adjusted EBIT (earnings before interest and tax).
<b>Employee benefits</b>	These are defined as the total remuneration, in cash or in-kind payable by an employer to an employee and include wage taxes, employees' social security contributions and post-employment benefits
<b>Wage taxes</b>	This includes payroll and employee taxes withheld from employee remuneration, and paid to governments
<b>Capex / investments</b>	Accounting capital expenditure relates to the purchase of intangible assets (excluding goodwill) and property, plant and equipment
<b>Total tax generated</b>	The value includes amounts to be paid to a government, whether by law or by agreement, including both direct and indirect taxes
<b>Indirect tax</b>	Taxes which are levied on consumption of specified goods rather than on income
<b>Direct tax</b>	Taxes paid directly to the government and for the purpose of this paper also includes income tax and employer wage taxes
<b>Income tax</b>	This includes any business tax calculated based on its profits, plus withholding tax. The income tax paid may vary over the years.
<b>Effective Tax Rate</b>	The tax charge of an accounting period divided by the accounting profit before tax
<b>Profit before tax</b>	Accounting profit for a period before deducting corporate income taxes

# GRI Reference table

This taxation paper has been prepared in accordance with the GRI 207 Tax standard.

## GRI 207: Tax 2019

<b>207-1 Approach to tax</b>	<a href="#">Tax policy</a>
<b>207-2 Tax governance, control, and risk management</b>	<a href="#">Tax governance, control and risk management</a>
<b>207-3 Stakeholder engagement and management of concerns related to tax</b>	<a href="#">Stakeholders</a>
<b>207-4 Country-by-country reporting</b>	<p>The principal subsidiaries of the Group and their locations are shown in <a href="#">Note 3 Investments</a> to the parent company financial statements. The names and activities of our locations can be found in dsm-firmenich <a href="#">locations</a></p> <p>Economic value generated and distributed in 2025 We report employees at regional level and country level for the key jurisdictions.</p> <p>Income tax paid is disclosed by region and by the top four countries per region. Other countries are not material to the income taxes paid, contributing no more than 1% each to total income tax.</p> <p>For FY2024 we have published <a href="#">country-by-country report</a> in line with EU CBCR Directive disclosing revenues, profit (loss) before tax, income tax paid on cash basis, accumulated earnings and number of employees per country for countries mandatory for disclosure according to Directive and on aggregated basis for other jurisdictions. FY2025 report will follow in due course.</p>



# Disclaimer

This document may contain forward-looking statements about dsm-firmenich's future (financial) performance and position. Such statements are based on current expectations, estimates and projections of dsm-firmenich and information currently available to the company.

Examples of forward-looking statements include statements made or implied about the company's strategy, estimates of sales growth, financial results, cost savings and future developments in its existing business, as well as the impact of future acquisitions, and the company's financial position. These statements can be management estimates based on information provided by specialized agencies or advisors.

We caution readers that such statements involve certain risks and uncertainties that are difficult to predict and therefore, it should be understood that many factors can cause the company's actual performance and position to differ materially from these statements.

These factors include, but are not limited to, macro-economic, market and business trends and conditions, (low-cost) competition, legal claims, the ability to protect intellectual property, changes in legislation, changes in exchange and interest rates, changes in tax rates, pension costs, raw material and energy prices, employee costs, the implementation of the company's strategy, the company's ability to identify and complete acquisitions and to successfully integrate acquired companies, the company's ability to realize planned disposals, savings, restructuring or benefits, the company's ability to identify, develop and successfully commercialize new products, markets or technologies, economic and/or political changes and other developments in countries and markets in which dsm-firmenich operates.

As a result, dsm-firmenich's actual future performance, position and/or financial results may differ materially from the plans, goals and expectations set forth in such forward-looking statements. dsm-firmenich has no obligation to update the statements contained in this document, unless required by law.

A more comprehensive discussion of the risk factors affecting dsm-firmenich's business can be found in the company's latest Integrated Annual Report, a copy of which can be found on the company's corporate website, [www.dsm-firmenich.com](http://www.dsm-firmenich.com).

Certain financial information provided in this document has been derived from the 2025 financial statements, which have been audited by external auditors.

*As innovators in nutrition, health, and beauty, dsm-firmenich reinvents, manufactures, and combines vital nutrients, flavors, and fragrances for the world's growing population to thrive. With our comprehensive range of solutions, with natural and renewable ingredients and renowned science and technology capabilities, we work to create what is essential for life, desirable for consumers, and more sustainable for the planet. dsm-firmenich is a Swiss-Dutch company, listed on the Euronext Amsterdam, with operations in almost 60 countries and revenues of more than €12 billion. With a diverse, worldwide team of nearly 30,000 employees, we bring progress to life every day, everywhere, for billions of people.*

[www.dsm-firmenich.com](http://www.dsm-firmenich.com)

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**We bring progress to life**