# ESG Factbook

Together, we bring progress to life

dsm-firmenich

Essential, Desirable, Sustainable

- 2023 marked the culmination of a history stretching back over more than 125 years of purpose-led scientific discovery and innovation. The creation of dsm-firmenich brought together two industry leaders united by their long-standing commitment to sustainability and their gift for continuous evolution in an ever-changing world.
- Bringing together more than 200 years of combined history, we are now a team of nearly 30,000 colleagues; through 60 countries and 340 sites including our Headquarter in Kaiseraugst (Switzerland).
- By working together with our customers to create what is essential for life, desirable for consumers, and – simultaneously – more sustainable for the planet, we aim to bring progress to life for billions of people around the world.
- Through our four new Business Units, we will make significant progress on various initiatives aimed at fostering positive outcomes for people and planet.
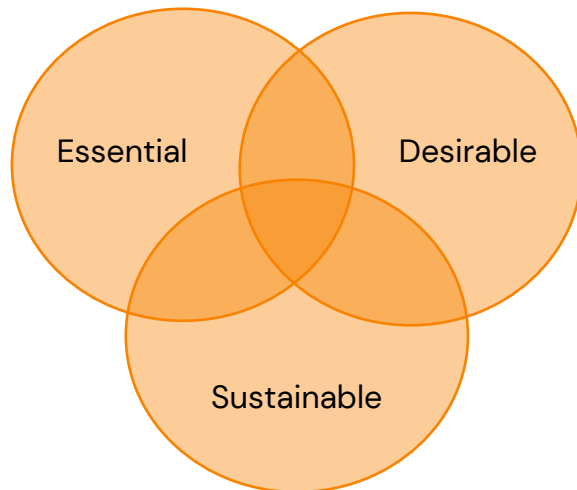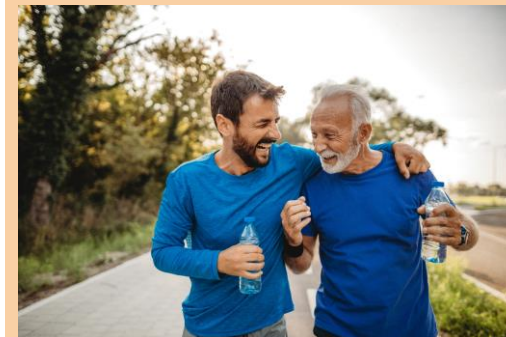

Perfumery & Beauty

Delighting the world with superior scents created from a palette of sustainable ingredients.

Taste, Texture & Health

Partnering with the food and beverage industry to overcome the trade-off between people and planet.

Health, Nutrition & Care

Delivering critical nutriments for proactive health in every stage of life and for every sort of lifestyle.

Animal Nutrition & Health

Powering the production of sustainable animal protein transforming global food systems for good.

Essential   Desirable   Sustainable

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People, Planet & Progress

Both DSM and Firmenich boasted extensive histories as trailblazers in sustainability, with a proud legacy that we are committed to upholding.

2023 provided an opportunity to evaluate the rich legacies of both organizations, paving the way for the development of a comprehensive sustainability strategy for dsm-firmenich.

What sets us apart is that sustainability is a fundamental element of who we are and why we exist. It is inherent in our purpose.

Sustainability is not a separate initiative; it is far more important – we live it through the products, services and solutions; through how we create, source and deliver.

It is how we bring progress to life.

People

Empower people to thrive

Nurture well-being

Fuel healthy lives

We bring progress to life

Accelerate climate action

Conserve our planet's resources

Safeguard nature and biodiversity

Planet

dsm-firmenich

Our partnerships and collaboration

SUSTAINABLE DEVELOPMENT GOALS

Through our business activities, we contribute to :

| 2 ZERO HUNGER | 3 GOOD HEALTH AND WELL-BEING | 8 DECENT WORK AND ECONOMIC GROWTH | 12 RESPONSIBLE CONSUMPTION AND PRODUCTION | 13 CLIMATE ACTION |

For our people and operations, we focus on :

| 4 QUALITY EDUCATION | 5 GENDER EQUALITY | 7 AFFORDABLE AND CLEAN ENERGY | 8 DECENT WORK AND ECONOMIC GROWTH | 10 REDUCED INEQUALITIES |

Partnerships and collaborations for broader reach

People

WFP World Food Programme

unicef

World Vision

BILL & MELINDA GATES foundation

Planet

RE 100

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

UNION FOR ETHICAL BIOTRADE
SOURCING WITH RESPECT

BUSINESS FOR NATURE

IUCN

Multilateral

SWISS FOOD & NUTRITION VALLEY

UN GLOBAL COMPACT

WORLD ECONOMIC FORUM

WBC World Business Council for Sustainable Development

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01   Our ambitions

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Our targets & recognitions

People

Fuel healthy lives
- Nutritious and delicious food and beverages
- Minimize micronutrient deficiency
- Improve health through prevention and protection

Empower people to thrive
- Raise living standards
- Promote diversity, equity and inclusion
- Respect human rights
- Foster safety for all

Nurture well-being
- Create delightful moments in life
- Support personal growth and agility
- Create sense of belonging
- Promote health and vitality at work

Planet

Accelerate climate action
- Climate change mitigation
- Climate change adaptation
- Avoided emissions
- Shift to more sustainable proteins

Safeguard nature and biodiversity
- Deforestation-free supply chains
- Sustainably sourced agricultural inputs
- Ecosystem protection and restoration

Conserve our planet's resources
- Water stewardship
- Waste management
- Improved biodegradability

dsm-firmenich ratings

MSCI ESG RATING AAA

Corporate ESG Performance RATED BY ISS ESG▷ Prime

FTSE4Good

SUSTAINALYTICS a Morningstar company RATED

DSM latest ratings
CDP DISCLOSURE INSIGHT ACTION

PLATINUM Top 1% 2023 ecovadis Sustainability Rating

Firmenich latest ratings
CDP DISCLOSURE INSIGHT ACTION

PLATINUM Top 1% 2023 ecovadis Sustainability Rating
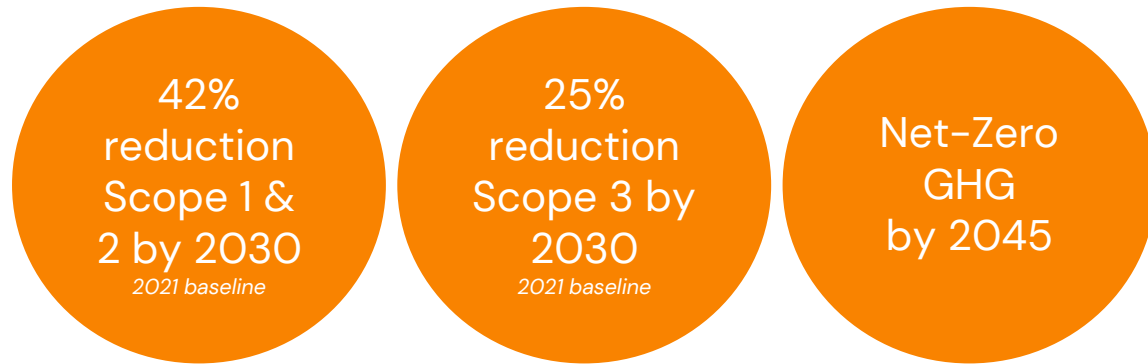
Due to the ongoing integration process following the merger, dsm-firmenich has not yet established formal targets covering all areas. We are currently working to align our strategies and frameworks to set comprehensive and unified sustainability goals that reflect our combined commitment to environmental stewardship and social responsibility. Environmental programs launched by legacy companies, DSM and Firmenich, will remain in place until this combined strategy is established.

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Setting our new Net Zero roadmap

42% reduction Scope 1 & 2 by 2030
2021 baseline

25% reduction Scope 3 by 2030
2021 baseline

Net-Zero GHG by 2045

2024 targets submission to SBTi

SCIENCE BASED TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

- In 2023, our delivered programs consists of more than 50 projects that will mostly contribute to the reduction of our Scope 1 and 2 emissions in 2024.

- In January 2024, we submitted to SBTi for validation an update to our near and long-term science-based targets following the Net-Zero Standard.

- We have committed to new harmonized and simplified near-term targets:
  - We aim to achieve an absolute emission reduction of 42% for Scope 1 and 2, and 25% for Scope 3, by 2030 from a 2021 baseline, without the use of carbon offsets.
  - Within Scope 2, we have also built on our ambition to be a front runner in the transformation to renewable electricity (RE) and have set a new target to reach 100% purchased RE by 2025.

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Highlighting our 2023 performance

Shared values are an essential driver for success as we outline our strategies for cohesive rewards, people development, safety, health and well-being, employee engagement, and fostering diversity, equity and inclusion.

People

Safety, Health & Environment
Global Quality Standards
Diversity, Equity & Inclusion
Engagement, Development & Human Rights
Global Well-Being
Responsible Sourcing

Planet
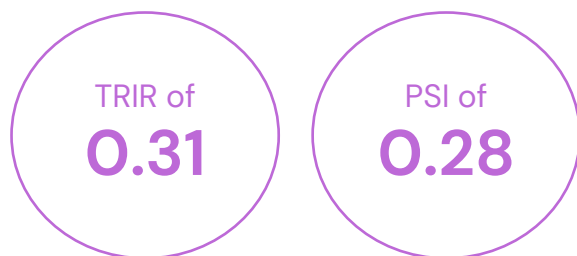
Climate
Energy
Water
Nature & Biodiversity
Deforestation, EMS & LCA
Resources, waste & circularity

Governance

Risk Management
Cyber Security
Board Structure
Compensation
Materiality
Business Ethics

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Safety, Health & Environment (SHE)

TRIR of
0.31

PSI of
0.28

- Our goal is to cultivate a workplace that is injury-free, promotes well-being, and prioritizes security for all employees. In line with our merger, we are currently formulating new company objectives in these domains.
- With a 2023 Safety performance TRIR of 0.31 (for the post-merger period of June – December, 0.30), our result is well above our long-term target level of 0.20 and clearly not where we want to be.
- SHE leadership and SHE culture are key to addressing the continuing rise of behavioral incidents. We continued improving our SHE culture through the continuing roll-out and strengthening the effectiveness of our Behavior-Based Safety program (Safestart®).
- To keep our contractors safe, we employ the same strategies as for our own organization, with a focus on learning from past incidents and on the robust implementation of our Life-Saving Rules.
- Prior to our merger, DSM legacy operations have maintained a record of zero fatalities since 2018, and for its direct employees, the record extends back to 2010. Firmenich legacy operations have similarly been fatality-free since 2009; with no fatalities among its direct employees since 2005.

2023 performance

- As with occupational safety, we focused on the sites with the highest number of process safety recordable incidents in 2022 and they delivered a significant 77% incident reduction.
- We delivered dedicated process safety training modules for shop floor teams and staff, for example, on LOTOTO (Lock Out, Tag Out, Try Out).
- We conducted 39 fire protection integrity assessments at affiliates world-wide.
- We recorded a health incident rate for employees and contractors of 0.14 consisting of 50 occupational health incidents of employees and contractors.
- Ergonomics remained the leading cause for occupational health injuries with 63% of the recorded cases were related to ergonomics issues.

	2023
Occupational safety	
Total Recordable Incident Rate (TRIR)-all	0.31
Total Recordable Incident Rate (TRIR)-own	0.29
Process safety	
Process Safety Incident rate	0.28
Occupational health	
Health rate-all	0.14
Health cases-all	50

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Global Quality Standards

One of our four strategic areas of focus for 2023 involved enhancing and embedding a Quality culture within the business.
This message was one of the key focal points when we proudly celebrated World Quality Day 2023, launching our new Quality Policy Statement, which introduces and defines our four Quality principles:
- Quality culture
- Crafted with care
- High standards
- Continuous improvement

Building on these principles, our Quality culture program will focus on the how of enabling our Quality community to achieve success.

Crafted with Care
- We take pride in creating, manufacturing, and delivering safe products.
- We use state-of-the-art tools and processes, supported by an effective integrated End-to-End Quality Management System.
- We ensure our products and services meet the highest standards providing ultimate satisfaction to our customers.

High Standards
- We maintain compliance with international and local laws.
- We follow relevant market standards for Quality, Food and Feed Safety, Fraud and Defense.
- We maintain Pharmaceutical and Cosmetic good manufacturing practices (GMP) and religious business management practices (Halal, Kosher).
- We satisfy our customers' needs and expectations.

Quality culture
- We foster a learning environment, which emphasizes that Quality and Product Protection is every customer's right and every employee's responsibility.
- We strive for operational excellence and zero defects.
- We empower our employees to identify and initiate ideas to improve our processes and to take action to protect our customers, and our planet.

Continuous Improvement
- We value and actively seek customer feedback and use this to help us improve.
- We drive a sustainable Quality performance by establishing and monitoring measurable Quality objectives to continually improve and prevent Quality defects.
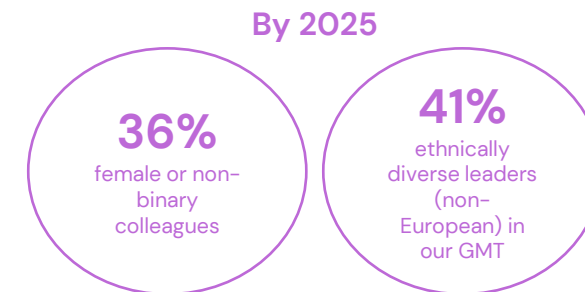- We pursue excellence in execution.

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Diversity, Equity & Inclusion

DE&I Strategy

Building diverse teams	Providing equal opportunities	Fostering an inclusive culture
We ensure that leadership teams and the workforce reflect the demographics of customers, communities, and the global footprint	We raise awareness and offer inclusive benefits to provide equal opportunities	We create an environment where everyone is treated with respect, feels valued, heard, and safe
We meet the needs of diverse customers and promote diversity in the supply chain by collaborating with diverse suppliers	We uphold our commitment to pay parity and to address bias and discrimination to create an equitable workplace	We regularly assess our culture's inclusivity, take steps for improvement, and empower our leaders, managers, and colleagues to promote inclusivity through education and skills development

- In September 2023, we conducted a voluntary self-identification survey among our GMT (Global Management Team of approx. 400 leaders) in line with data privacy rules in the countries of employment: 35% self-identified as female or non-binary and 40% as ethnically diverse leaders (non-European).

- Today, 10,811 women work at dsm-firmenich. The Board of Directors consists of 12 Members, representing eight nationalities, with 33% being female and 67% male. In addition, three out of nine Executive Committee Members are women.

- As par of our DE&I strategy, mandatory trainings have been launched for all employees.

Diversity program

- Our Global Management Team members have a Diversity KPI in their Long-Term Incentive Plan to increase diverse representation among senior leaders (Gender and ethnically diverse) – See more insights in our IAR 2023.
- Our Talent Acquisitions embed a section on Inclusive Recruitments guidelines (such as diverse interviewers' panels, diverse shortlist of candidates and inclusive language) and specific internal trainings to our recruiters will be deployed in 2024.
- We are launching a women acceleration program to retain and accelerate women at pivotal points in their career journey.
- Our Leadership trainings include modules on Inclusive Leadership.
- We have launched globally our 5 Employee Resources Groups (Gender, LGBTIQ+, Race Ethnicity & Nationalities, Disability and Generations), each of them.

By 2025

36%
female or non-binary colleagues

41%
ethnically diverse leaders (non-European) in our GMT

- In June 2023, we celebrated Pride Month with our colleagues. In November, we celebrated International Day for Tolerance, sponsored by our CEO.

- In our Consumer Insights & Sensory teams, we have integrated 36 Visually Impaired Panelists into our sensory teams in six different affiliates. They bring invaluable insights that enrich our consumer research, demonstrating that diversity is a competitive advantage and how inclusivity fuels excellence.

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Diversity, Equity & Inclusion

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

- We are in the process of rolling out a common employee grading system to establish a common comparison baseline for equal pay and gender pay gap analysis.
- We are also in process of implementing a global HR master data system (EC) to house employee information including pay related data as a foundation for future pay analysis.
- We are planning an initial Gender pay gap analysis for CY2024 based on standards compatible with European Corporate Sustainability Reporting Directive (CSRD).
- Based on the analysis, we will set our goals and put a plan in place for CY2025 and beyond.

In February 2023, we resecured our Global EDGE certification from former Firmenich for gender equality to the MOVE level for the second time in a row and reached EDGE 'LEAD' certification, the highest obtainable level of certification, for our efforts on diversity, equity and inclusion in Brazil and Mexico, meeting every single standard across the four pillars of EDGE's rigorous assessment: Gender representation, Pay equity, Effectiveness of policies & practices as well as the inclusiveness of the culture.
Additionally, Firmenich USA was awarded 'EDGE Plus' for their commitment and effective policies to eliminate ethnic pay inequality.
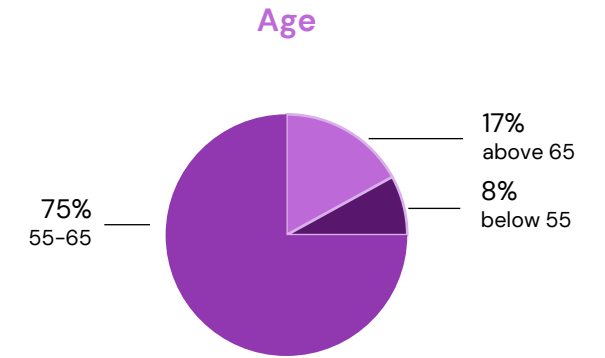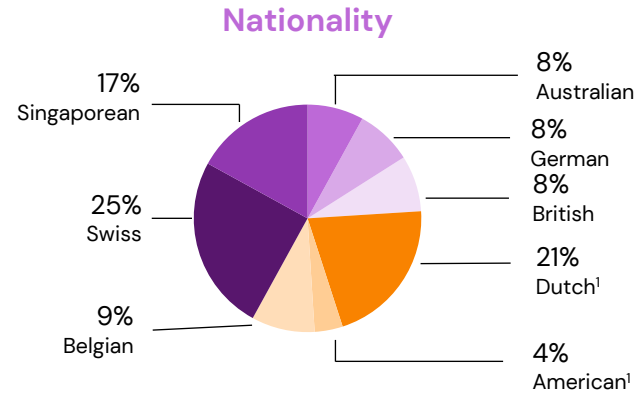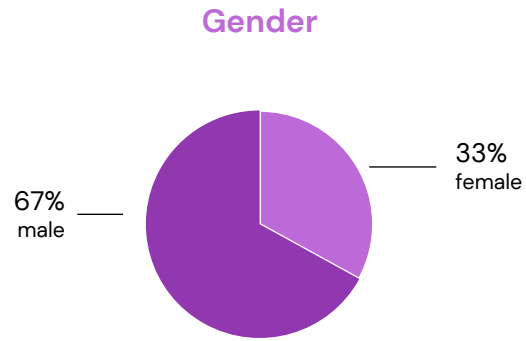
In 2024, we will run an integrated exercise on pay equity as part of our commitment on fair and equitable gender pay across the organization. For certain countries, this exercise also addressed ethnicity, and where possible, will be continued.

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Diversity, Equity & Inclusion
Data

Board of Directors diversity profile

The composition as of 31 December 2023, in terms of nationality, gender and age, is shown in the following charts.

Gender

- 67% male
- 33% female

Nationality

- 17% Singaporean
- 25% Swiss
- 9% Belgian
- 8% Australian
- 8% German
- 8% British
- 21% Dutch[1]
- 4% American[1]

Age

- 17% above 65
- 8% below 55
- 75% 55–65

Workforce diversity metrics

	Female	Male	Not disclosed / Unknown	2023
% by age category[2]				
<26 years	2.8%	3.4%	0%	6%
26–35 years	10.4%	15.3%	0.01%	26%
36–45 years	11.3%	19.3%	0%	31%
46–55 years	8.1%	16.2%	0%	24%
>55 years	3.5%	9.6%	0%	13%
Unknown[3]	0.0%	0.1%	0%	0%
% female by seniority[2]				
Executives	32.4%	65.6%	0%	2%
Management	37.4%	62.6%	0%	11%
Other[3]	36.0%	64.0%	0.01%	87%

	Female	Male	Not disclosed / unknown	2023
% by nationality[2]				
Chinese	4.8%	8.4%	0%	13%
American	4.7%	7.9%	0.01%	13%
French	4.0%	8.2%	0%	12%
Brazilian	2.8%	5.1%	0%	8%
German	1.6%	4.5%	0%	6%
Dutch	2.2%	3.5%	0%	6%
Indian	1.5%	3.7%	0%	5%
Swiss	1.4%	3.6%	0%	5%
British	0.8%	2.0%	0%	3%
Mexican	0.9%	1.6%	0%	3%
Other[3]	11.4%	15.2%	0%	27%

1. One Member of Board of Directors has dual nationality. Each of these is counted as half in the above chart.
2. Due to the merger, some of the definitions, methods and procedures may be based on definitions, methods and procedures defined prior to the merger.
3. Non-Integrated Acquisitions are excluded from the breakdowns.

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Engagement, Development & Human Rights

Employees engagement

- In May 2023, we have conducted our Pulse Survey:
  - 59% responses – almost 17,000 people
  - 83% said they are proud, 82% engaged, 85% intended to stay in the next 12months, and 22% expressed feelings of uncertainty
  - 59% increase of managers' support, 70% has built trust; and 77% has raised awareness
  - Over 130 plans were established within our countries to improve our results

- In 2023, we spent on average 8h of learning. More than 220,000 learning hours were recorded (more than 17,000 on digital learning, and more than 16,000 of classroom training). Building upon a previous endeavor of planting trees proportionate to the hours our staff dedicated to developing digital learning, we will be enhancing existing forests with an additional 11,750 trees.

Leadership development

- We have merged our partnership with IMD School for Business Management Development (Switzerland) across both legacy organizations.
- We provided our leaders with a platform called 'The Leadership Connection', with the supporting tools:
  - Gallup Clifton Strengths: help individuals and teams to identify, understand and optimize their unique strengths
  - Coach Hub: online coaching platform that supports individual development

In 2023, one of our focus area was the introduction of a Short-Term Incentive (STI) framework for the transition year. Similarly, a new common Long-Term Incentive (LTI) was introduced in 2023.

Performance discussions remain the foundation to ensure we reach our collective goals and empower personal development for all our employees. A completely aligned performance management process will be launched for the 2024 cycle.

Human rights

- Across our activities, and the activities of our broader value chain, we always remain committed to the highest international standards in human rights:
  - International Bill of Human Rights (consisting of the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights)
  - International Labor Organization's Declaration on the Fundamental Principles and Rights at Work
  - In addition, the UN Guiding Principles for Business and Human Rights and the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises help us implement our commitment to our ongoing due diligence practices within Responsible Sourcing practices.
  - As a signatory of the UN Global Compact, we promote decent work in global supply chains in collaboration with our suppliers.
- In 2023 we started designing and incorporating a Living Wage approach that would be applicable for us. In 2024, this approach remain applicable as the integration of the Living Wage is ongoing.

Ensuring that human and workers' rights are respected in our own operations and in our value chain such as the prohibition of human trafficking, forced or child labor and modern slavery, pay a living wage, while guaranteeing the freedom of association, the right to form labor unions and collective bargaining is a priority. This is achieved by implementing strong due diligence, mandatory trainings of all employees and risk assessment processes, as well as mitigation and remediation measures where needed.

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Engagement, Development & Human Rights
Data

Workforce by gender

	Female		Male		Not disclosed / Unknown		2023
	#	% of row	#	% of row	#	% of row	#
Permanent	9,462	35.5%	17,178	64.5%	3	0.01%	26,643
Temporary	372	60.4%	244	39.6%	0	0.0%	616
Total	**9,834**	**36.1%**	**17,422**	**63.9%**	**3**	**0.0%**	**27,259**
Non-integrated acquisitions	977	47.8%	1,065	52.2%	0	0.0%	2,042
Total headcount	10,811	36.9%	18,487	63.1%	3	0.01%	**29,301**

Workforce by region

	Female		Male		Not disclosed / Unknown		Non-integrated acquisitions		2023
	#	% of row	#	% of row	#	% of row	#	% of row	#
Switzerland	1,091	11.1%	2,556	14.7%	0	0%	0	0%	3,647
Netherlands	769	7.8%	1,014	5.8%	0	0%	0	0%	1,783
Rest of EMEA	2,788	28.4%	4,889	28.1%	0	0%	169	8.3%	7,826
North America	1,534	15.6%	2,627	15.1%	0	0%	100	4.9%	4,261
Latin America	1,184	12.0%	2,170	12.5%	3	100.0%	263	12.9%	3,620
China	1,253	12.7%	2,280	13.1%	0	0%	1131	55.4%	4,664
Rest of Asia	1,215	12.4%	1,886	10.8%	0	0%	379	18.6%	3,480
Total headcount	**9,834**	**100.0%**	**17,422**	**100.0%**	**3**	**100.0%**	**2042**	**100.0%**	**29,301**

Inflow & outflow

	Female	Male	Not disclosed / unknown	2023
Inflow[1]				
Total number of new hires[2]	547	1,011	2	1,560
Acquisitions	45	44	0	89
Total inflow	592	1,055	2	**1,649**
% new hires by region				
Netherlands	0.6%	1.2%	0.0%	1.7%
Switzerland	2.8%	6.3%	0.0%	9.0%
Rest of EMEA	9.3%	17.3%	0.0%	26.6%
North America	9.0%	18.8%	0.1%	27.9%
Latin America	5.2%	9.0%	0.0%	14.2%
China	1.7%	4.4%	0.0%	6.0%
Rest of Asia	6.6%	7.8%	0.0%	14.4%
Outflow				
Voluntary resignations	349	708	0	1,057
Total outflow (exc. divestments)	548	1,360	2	1,910
Divestments	24	42	2	66
Total outflow	572	1,402	2	**1,976**
Voluntary resignations (%)	3.2%	3.8%		**3.6%**
Total turnover (%)	5.3%	7.6%		**6.7%**

1. Inflow and outflow are only reported as of the first full month following the date of the merger.
2. Excluding acquisitions.

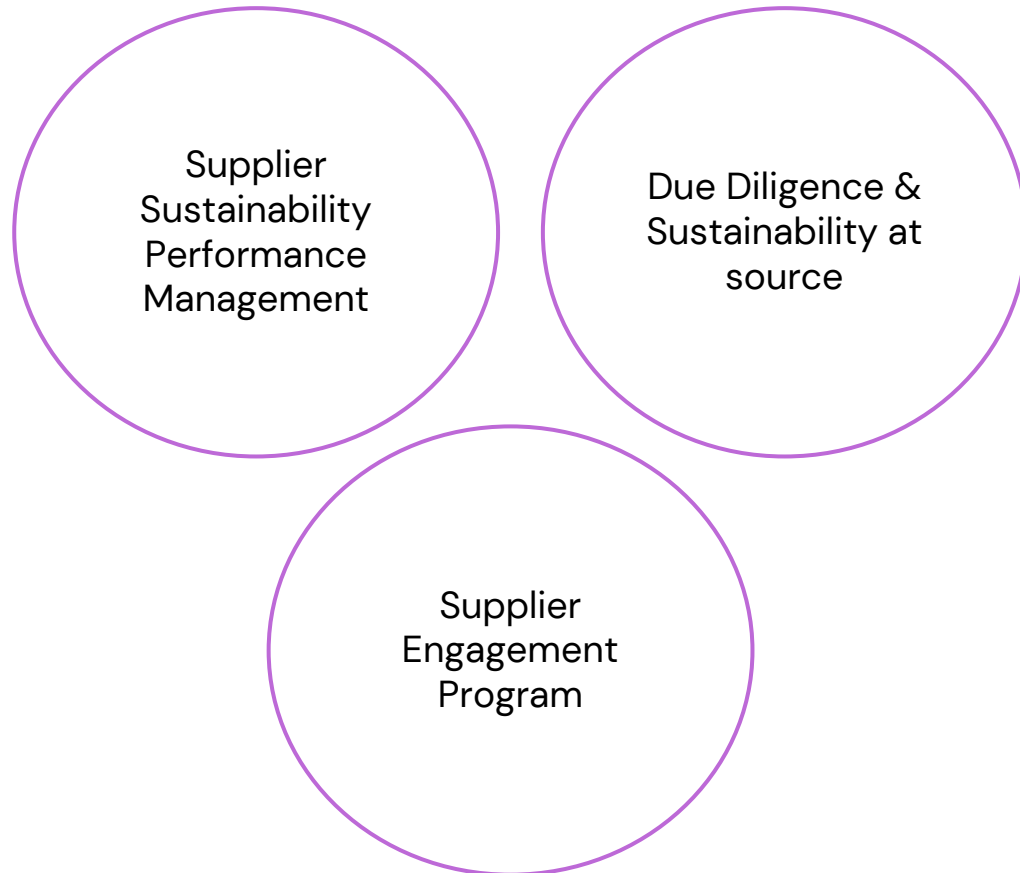dsm-firmenich

Global Well-Being

2023 Performance

- We have established the Global Vitality Office to empower each of us to make informed choices for a healthier lifestyle. We are drawing on our extensive expertise in nutrition, health, and beauty, and reinforcing it by actively reaching out to our colleagues around the world with tools to help their well-being.
- We have launched the #boostyourvitality platform. We're supporting health and vitality through personalized advice and education on immunity, vitality, and gut health.
- In October we organized a global webinar for the World Mental Health Day with the purpose of helping employees to spot the warning signs of mental health challenges.
- We set up a global Mental Health and Well-Being Program in alignment with the SHE and HR departments.

In 2024 we will launch this further aiming to increase both employee and leadership awareness, fostering a supportive and safe workplace, and to provide a support system. We will also develop, implement and sustain practices in this area and monitor their effectiveness and positive impact.

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Responsible sourcing

Supplier Sustainability Performance Management

Due Diligence & Sustainability at source

Supplier Engagement Program

Supplier Sustainability Performance Management

Our program embeds climate, nature and people dimensions from the supplier and material qualification process through supplier performance monitoring and evaluation. We leverage ratings such as EcoVadis and CDP, we scale up our certification efforts and material certifications coverage through labels such as Roundtable for Sustainable Palm Oil (RSPO), BonSucro and Union for Ethical Biotrade (UEBT) chain of custody standards to ensure the highest degree of sustainability and ethics.

In 2023, we screened 1,210 of our suppliers on environmental and social criteria through EcoVadis. Of these, 1,026 were reassessments and 63% of these reassessments received an improved score compared to last year, highlighting the fact that continuous improvement is also a priority for our suppliers.

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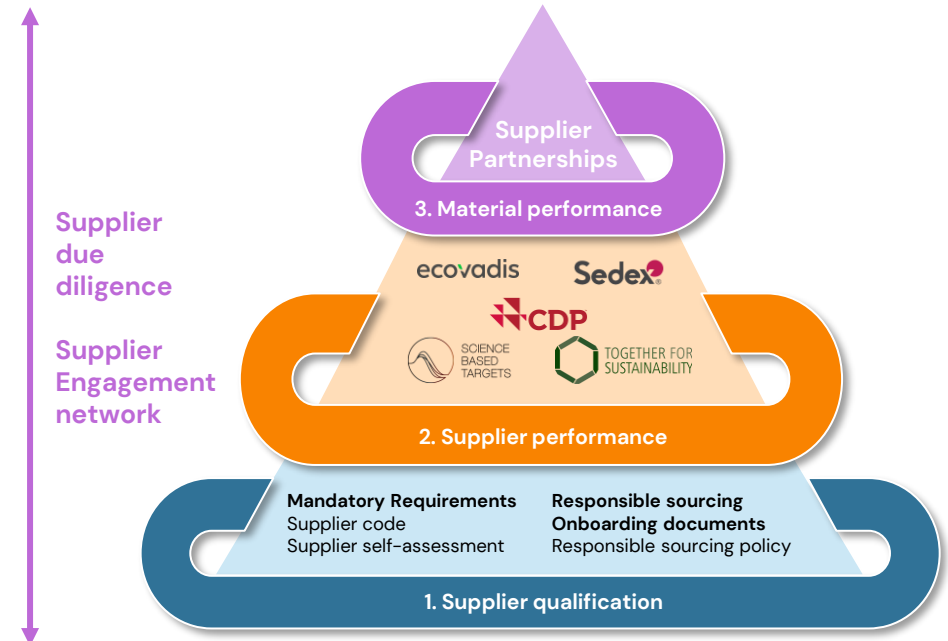
Responsible sourcing

Due diligence & Sustainability at source

At the end of 2023, we were working on 73 projects (Sustainability at source and due diligence projects) including field-based collaborations with suppliers to enhance positive impacts for all the stakeholders:
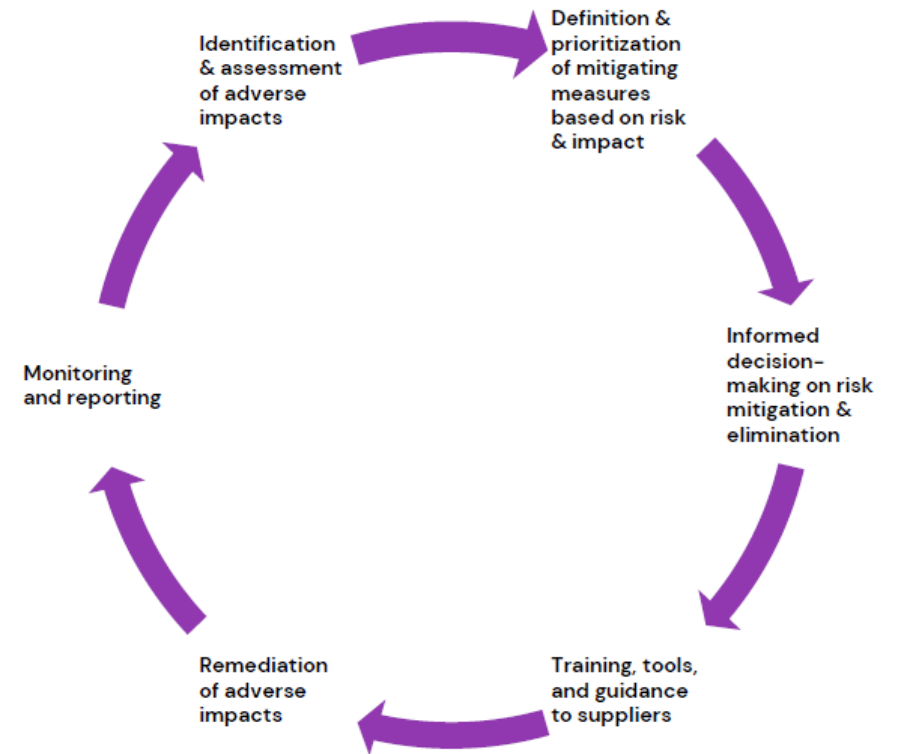
- In Turkey, we raised awareness on the benefits of education for parents active in the rose-plucking industry and contributed to building a network of daycare facilities.
- We supported the implementation of labor contracts between farmers and seasonal workers, ensuring fair working conditions and a living wage for the seasonal workers, in Bulgaria where we source rose oil.
- In Madagascar, we trained our suppliers on conducting human rights due diligence assessments and how to implement corrective actions.
- We conducted a living wage assessment and implementation of corrective actions for our jasmine suppliers in India.

Supplier Engagement Program 'Joining Forces'

We inaugurated our Join Forces for Responsible Sourcing program on April 16th, where we virtually connected with 700 suppliers, partners, and colleagues – representing ~30% of our spend and 40 different countries.

Kicked off with a thought-provoking conversation on the importance, organizational embedding, and financial challenges associated with sustainability between our CEO, CSO, and CPO, we gave the floor to a key customer of ours on the importance of collaboration within supply chains, and hosted three break-out sessions on climate, human rights, and sustainability assessments, all aimed at involving suppliers in reaching our sustainability targets & ambitions together.

We received overwhelming positive feedback from our suppliers and the requirements and expectations we have towards our supply chain business partners increased by ~40%. We continue to engage and collect their feedback through future in-depth events, starting with our engagement program towards Net Zero and further strengthening the creation of positive social impact within our supply chains.

Identification & assessment of adverse impacts → Definition & prioritization of mitigating measures based on risk & impact → Informed decision-making on risk mitigation & elimination → Training, tools, and guidance to suppliers → Remediation of adverse impacts → Monitoring and reporting

In 2024:
- We request all suppliers to acknowledge our Supplier Code which lays out our requirements in deforestation.
- We train suppliers on the regulation of which the topic of deforestation will be a key part of the agenda for our first supplier sustainability day in early 2024.
- We ensure that concrete actions are taken in our supply chains when specific nature related risks are identified by leveraging our due diligence and actions at source with our suppliers on the ground.

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Responsible sourcing
Case study – Jasmin grandiflorum in India

Since 2014, we are supporting our supply chain with our joint venture in the Tamil Nadu Region, India.

Our vision

Having attained the highest scoring for ethical and responsible sourcing in an audit conducted by Union for Ethical Bio Trade (UEBT) of Jasminum grandiflorum supply chain, our objective is to further invest with 240 jasmine farmers in over 20 villages to address:
- Identified challenges on farm productivity
- Socio economic livelihoods
- Biodiversity and water resources management

Expected outcomes

240 farmers empowered with increased income, ecologically sensitive livelihood.

240 biodiverse farms managed with efficient use of natural resources.

160 kg of jasmine concrete or
80 kg of absolute over 3 years

Actions at source
Focus on biodiversity protection

Supporting development of biodiverse farms managed with appropriate measures to conserve biodiversity and make sustainable use of natural resources

Supporting people with knowledge to increase farm-based income through agricultural sustainable practices and households' activities diversification through women and youth run activities

Improve water resources management

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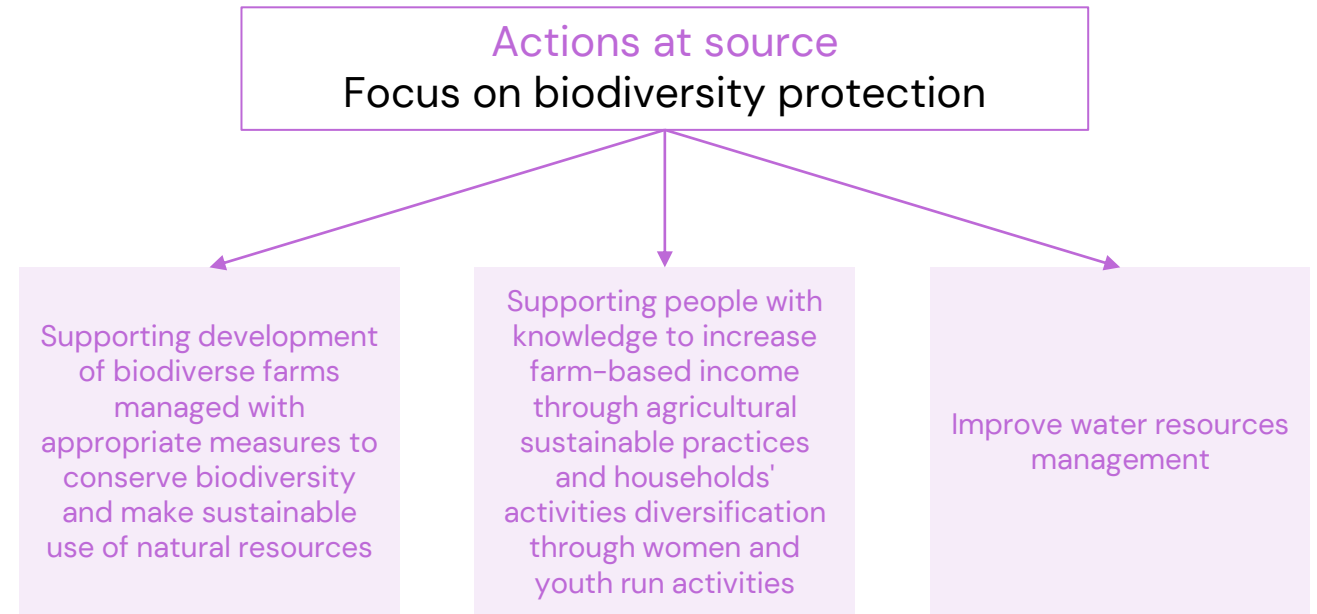
Climate

Scope 1 & 2	46% Reduction in CO_2e versus 2066 in former DSM	35% Reduction in CO_2e versus 2017 in former Firmenich	65% Reduction in CO_2e versus 2020 in former DRT
Scope 3	11% CO2e intensity improvement versus 2016 in former DSM	17% Suppliers with validated SBT for former Firmenich	20% Suppliers with validated SBT for former DRT

Climate approach

	Climate change mitigation			Climate adaptation
	Reduce our own emissions	Reduce the emissions of others	Increase permanent carbon removals	Increase resilience
In our own operations	Reduce our direct emissions and Procure Renewable Electricity (Scope 1 and 2)	Collaborative customer and consortia projects on waste, transport, renewable energy, etc.	Carbon removals in our operations	Protect our operations from physical risks
In our value chain (up/down stream)	Reduce our indirect emissions (Scope 3)	Reduce the emissions of others through our products and services ('avoided emissions')	Carbon removals in our supply chains	Protect key supply chains from physical risks

Our climate mitigation activities includes:
- Reduction of direct emissions in our operations (Scope 1 and 2) through operational efficiency and our renewable electricity transition strategy.
- Reduction of indirect emissions in our value chain by driving Scope 3 improvements through engaging and collaboration with our suppliers.
- Collaborating with our customers to avoid emissions in their own operations through the products and services we offer.
- Ultimately, in alignment with SBTi standards, using carbon removal technologies to deliver our net-zero target.

Meeting our long-term ambition to reach net-zero GHG emissions aligned with climate science will require us to structurally reduce emissions across our operations and value chains by at least 90% in absolute terms by our target date of 2045. To neutralize any residual emissions in 2045, up to a maximum of 10% as prescribed by the Net-Zero Standard, we may deploy permanent carbon removal solutions to bring us to net-zero.

- Utilization of climate scenarios aligned with TCFD guidelines for assessing risks and opportunities, extending beyond internal operations to the entire value chain.
- Incorporation of IPCC temperature models (RCP 2.6, RCP 4.5, RCP 8.5) and enriching scenarios with forward-looking business context for transitioning to a net-zero world.
- Conducting desk studies for high-level screening of physical climate hazards, followed by onsite deep dives for a detailed risk understanding.
- Separate sessions involving experts and senior management to evaluate transition climate risks and opportunities, with integration into regular risk management processes.

The material risks identified through the physical and transition climate risk assessments are integrated and managed as part of our regular risk management processes. For more information, please refer to the IAR on page 79.

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Climate

To achieve our current results and continue to progress toward our targets, we have developed a roadmap consisting of mainly three improvement pillars:
- Reduce our energy consumption through energy efficiency measures
- Transition toward renewable electricity
- Transition toward renewable heat, using renewable fuel sources and the electrification of our heat demand

Contributing to 2023 results, many projects were implemented in several sites in 2022-2023, such as:
- Generation of flash steam in the powerplant in Grenzach (Germany) saving ~2 kt CO_2e
- Implementation of steam trap monitoring technology, allowing us to identify in real time leaking or malfunctioning steam traps, in Sisseln (Switzerland), Village-Neuf (France), Dalry (United Kingdom) and Kingstree (USA), saving approximately 4 kt CO_2e
- Reduction of power signal quality losses in Chifeng (Inner Mongolia, China) and Tongxiang (Zhejiang province, China) saving close to 1 kt CO_2e
- Recovery of boiler waste heat in Gujarat (India), saving ~200 t CO_2e

Our 2023 delivered program consists of more than 50 projects that will mostly contribute to the reduction of our Scope 1 and 2 emissions in 2024 and beyond.

Our commitment to sustainability extends across the entire Scope 3 value chain and we are pleased to report progress in reducing greenhouse gas emissions beyond our own operations. Our absolute Scope 3 GHG emissions across both legacy companies amount to 9,996 kt CO_2e.

GHG emissions

We delivered strong progress on our GHG reduction program, and in early 2024, we submitted for validation our integrated science-based targets comprising absolute emission reduction targets for Scope 1 and 2, and Scope 3, and our net-zero by 2045 commitment.

Legacy company	Near term (2030) Scope 1 & 2 SBTs Absolute Scope 1 & 2 emissions reduction	Scope 1 & 2 progress
DSM[1]	59% versus a 2016 base year	46% reduction
Firmenich	55% versus a 2017 base year	35% reduction
DRT	54% versus a 2020 base year	65% reduction

1. DSM SBT reporting excludes businesses divested in 2023. Our Scope 1 and 2 includes divested businesses in line with our non-financial reporting policy.

Tonnes (x1000)	Scope 3 emissions by category (aggregated)[2]
7,913	Purchased goods and services
779	Other upstream categories
253	End-of-life treatment
327	Investments
724	Other downstream categories

2. Scope 3 emissions reporting excludes emissions from business divested in 2023.

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Climate
Data

Scope 1 and 2 emissions

	2023
	(x1000 tonnes)
Total CO$_2$e emissions (Scope 1 and 2)	
– Market–based	915.4
– Location–based	1,208.9
Total Scope 1 CO$_2$e emissions	**606.6**
Total Scope 2 CO$_2$e emissions	
– Market–based	308.8
– Location–based	602.3
Total biogenic CO$_2$e emissions from combustion of biofuels	**66.0**

Scope 3 emissions

	2023
	(x1000 tonnes)
Total CO$_2$e emissions (Scope 3)[1,2]	9,996.0
1 Purchased goods and services	7,912.5
Other upstream categories	779.4
– 2 Capital goods	97.6
– 3 Fuels	204.2
– 4 Transport & Distribution	242.7
– 5 Waste treatment	129.6
– 6 Business travel	23.0
– 7 Employee commuting	63.4
– 8 Leased assets	18.9
12 End–of–life treatment	**252.5**
15 Investments	**327.0**
Other downstream categories	**724.3**
– 9 Transport & Distribution	303.4
– 10 Processing of sold products	40.1
– 11 Use of sold products	380.8

1. Scope 3 emissions reporting excludes emissions from businesses divested in 2023.
2. 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.

We have reduction initiatives in place for our materials locations.

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Energy

- 88% purchased renewable electricity in 2023
- We are a member of RE100, the Climate Group's initiative comprising leading companies that have committed to obtaining 100% electricity from renewable sources.
- Our commitment to purchase 100% of our electricity from renewable sources by 2025.

Region	Renewable electricity purchased information
Europe	We maintained 100% renewable electricity through existing agreements, pre-production guarantees of origin (GOs) from the Power Purchase Agreement (PPA) in Spain, and fewer separate GOs. In the Netherlands, we have two PPAs with wind parks that are in operation.
North America	We have concluded three PPAs. The first is operational and produces electricity from wind, while the assets for the other two are under construction and will provide solar-powered electricity. The production from the first agreement and the pre-production renewable energy certificates (RECs) from the two other agreements provided 100% purchased electricity from renewable sources in the US and Canada in 2023.
China	We purchased 44% of our electricity from renewable sources. In addition, we concluded several five-year agreements that will further improve the amount of renewable electricity from 2024 onwards
Other regions	93% of our purchased electricity in Brazil is from renewable sources, and we have several local renewable electricity contracts at smaller sites around the world. The amount of non-renewable electricity in the rest of the world represents less than 1% of our total purchased electricity.

Data

	2023	
	TJ	MWh
Total (net) energy consumption	**19,300**	
Total fuel consumption	**10,500**	
– Non-renewable fuel consumption	9,800	
– Renewable fuel consumption	700	
Total electricity purchased	**4,700**	**1,316,000**
– Purchased non-renewable electricity		160,500
– Purchased renewable electricity		1,555,500
Renewable electricity self-generated with ownership	**20**	**5,500**
Total purchased heat and cooling	**4,100**	
Total energy exported	**800**	
– Non-renewable + renewable electricity, exported		146,000
– Total heat exported	300	

Pollution – Emissions to air & water

	2023
	(tonnes)
Emissions to air	
Volatile Organic Compounds (VOC)	2,700
Nitrogen Oxide (NOx)	600
Sulfur Dioxide (SO$_2$)	20
Emissions to water	
Chemical Oxygen Demand (COD)	3,000

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Water

Data

Water stress – distribution of our sites linked to water-stress areas

sites per country under water stress

average potential water stress area: low · medium-low · medium-high · high

Share of dsm-firmenich locations by water-stress

	Water-stress locations	Other locations
Share of Sites	37%	63%
Share of Consumption	23%	77%
Share of Production	34%	66%

Our approach to define 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'.
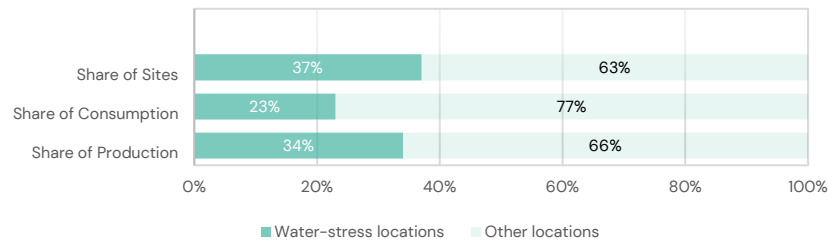
Once-through cooling (OTC) refers to the continuous flow of water used only for cooling purposes which is returned to the same source immediately after use.

Water withdrawal, discharge and consumption

	2023
	(x1000 m³)
Total water withdrawal	**104,400**
– Fresh surface water (OTC)	77,400
– Fresh surface water (non-OTC)	5,500
– Fresh ground water	9,100
– Brackish water/sea water	0
– Third party source	11,500
– Other[1]	800
Total water discharge	**98,600**
– to environment (OTC)	77,400
– to environment (non-OTC)[2]	9,800
– to offsite treatment (3rd party destinations)	11,400
Water consumption	**5,800**

1. Other withdrawal includes water from processing of raw materials, and rainwater.
2. Water discharge to environment (non-OT) is to fresh and brackish water.

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Nature & Biodiversity

- We closely follow evolving Nature Positive terminology post-UN CBD COP15, aligning with efforts to reduce environmental impact and contribute to nature protection and restoration, while monitoring frameworks from Business for Nature (BfN), World Business Council for Sustainable Development (WBCSD), World Economic Forum (WEF) and Union for Ethical BioTrade (UEBT).

- We piloted initial steps of Science Based Targets for Nature (SBTN) guidance, engaging in risk-based biodiversity restoration modeling and materiality assessments, enhancing its nature strategy alongside 20 other pilot companies in alignment with the 'It's Now for Nature' campaign and SBTN's proposed target-setting guidance.

2023 key activities

Protect
We are working toward compliance with the new EUDR; and supporting our suppliers in their journey

&

Restore
We engaged new operating sites in restoration projects

&

Restore & Protect
We continue to develop and sell products that contribute to the protection and restoration of nature
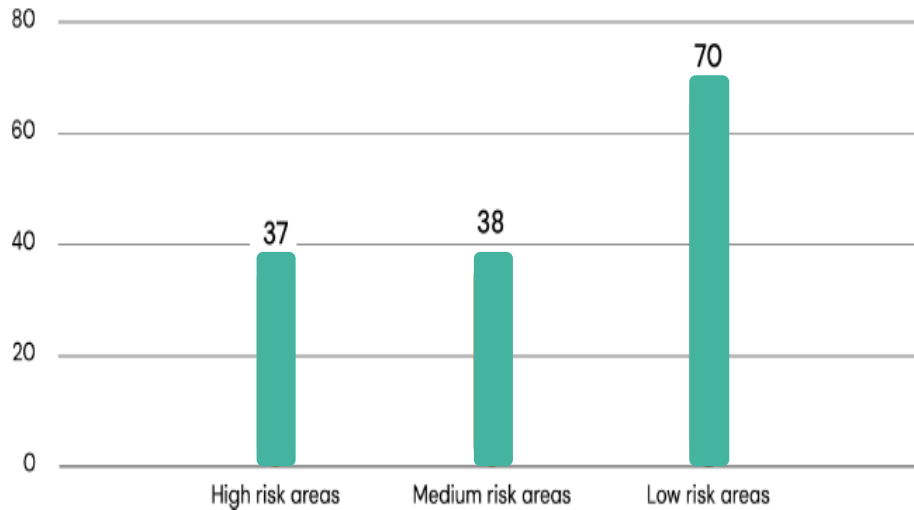
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Nature & Biodiversity

In our Operations

- We focus on water stewardship, resource efficiency, and protecting nearby biodiversity areas, utilizing tools like WWF's Risk Filter and WRI's Aqueduct tool to guide actions.
- We strengthen water stewardship by addressing water scarcity concerns, identifying and protecting areas near our operations through biodiversity management using tools like the WWF Risk Filter, and enhance resource efficiency by managing hazardous waste in compliance with local regulations.

In our Value Chain

- We prioritize responsible sourcing in our value chain to protect and restore nature, including efforts to avoid deforestation, promote sustainable agriculture, and support forest conservation, utilizing third-party sustainable schemes like RSPO, BonSucro, ProTerra, FSA, and FSC/PEFC.
- To ensure compliance with upcoming regulations such as the EU Deforestation Regulation (EUDR), we engage with suppliers to reinforce deforestation commitments, conducts assessments to avoid high-risk categories, requests supplier acknowledgment of its Supplier Code, provides training on regulations, and takes concrete actions to address nature-related risks, enhancing traceability and feedstock certification.

Number of sites located close to protected areas based on WWF Risk Filter

In our Products

- We integrate nature into product development by sourcing ethically from the Swiss Alps for ALPAFLOR® EDELWEISS CB and creating fragrances from upcycled ingredients, while valorizing waste like cocoa extract in Taste, Texture & Health products.
- Our products contribute to nature conservation by reducing overfishing with life's®OMEGA O3O2O, and increasing animal feed efficiency, supporting sustainable protein production in Animal Nutrition & Health.

dsm-firmenich is committed to animal welfare and the reduction, refinement and replacement (3Rs) of animal testing. More information can be found in our Animal Testing position statement.

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Deforestation, EMS & LCA

In 2023, we maintained our commitments to no deforestation and no conversion of natural land ecosystems. In order to deliver on these, we utilize 3rd party sustainable schemes such as:
- Palm Oil – Roundtable for Sustainable Palm Oil (RSPO)
- Sugarcane molasses – BonSucro
- Soy – ProTerra
- Corn – Farmer Self-Assessment (FSA) from the Sustainable Agriculture Initiative (SAI)
- Crude Sulfate Turpentine (CST) from paper-industry waste – Forest Stewardship Council (FSC) or Program for the Endorsement of Forest Certification (PEFC)

These may not necessarily be sufficient for the upcoming EUDR. As such we are working to reach compliance within the prescribed timelines, as well as supporting our suppliers through the process.

To achieve deforestation-free supply chains by 2030 (one of our Food System Commitments) we ask our suppliers to certify their crop-based raw material through third-party, independent certification schemes. In 2023:
- 71% of our relevant sourced volume was assessed as deforestation-free. This relates to our Tier 1 supply chain for the crops we source that are prone to deforestation risks: palm oil and derived products, sugarcane, and direct soy and corn products.
- We assess 'deforestation-free' through certification schemes issued by NGOs such as RSPO, BonSucro and Proterra.

Environmental Management System

Environmental Management System (EMS) is currently being implemented in our production locations, coverage by the ISO 14001. At this day, 55 / 145 production sites are certified.

Plants certifications can be found at the end of this report.

Life Cycle Assessment

Life Cycle Assessment is the most recognized methodology for determining the environmental footprint of a product or a service. We have inhouse capabilities for conducting LCA's, with experts dedicated to each business units and organized in an expert core team and network, to provide the state-of-the-art know-how on product foot printing.

We follow ISO14040-ISO14044, ISO14040 and ISO14044 standards; align our methodology with the European Union Commission for their Product Environmental Footprint (EU PEF) guidelines, as well as the most relevant industrial practices. At this day, we have already LCA coverage for hundreds of products and we are actively working on automating and scaling up our footprint calculations to support the increasing demand on product footprint data.

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Resources, waste & circularity
Data

Waste management

Minimizing waste production, designing out waste and plastics (especially single-use plastics), increasing waste reuse and recycling and managing the lifecycle impacts of our products, including hazardous and non-hazardous waste, effluents and pollution generated by our operations and manufacturing processes.

Integrating circularity and next-life principles into all aspects of business strategy from raw materials/ingredient procurement, packaging and product design to go-to-market, after-sales service and end-of life treatment to maximize and maintain the value of our products for as long as possible.

Waste by disposal method	2023
	(tonnes)
Process-related non-hazardous waste excluding recycled waste	**34,700**
Landfill	9,000
Offsite incineration with heat recovery	19,600
Offsite incineration without heat recovery	3,500
Other[1]	2600
Process-related hazardous waste excluding recycled waste	**67,500**
Landfill	1,400
Offsite incineration with heat recovery	51,700
Offsite incineration without heat recovery	13,500
Other[1]	900
Total recycled waste (hazardous and non-hazardous)	**129,700**

1. Waste reported as 'other' refers to waste sent for a disposal method or path that does not precisely align with the main categories

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Risk Management

Our risk management framework is based on the COSO Enterprise Risk Management model. It supports the Group, our Business Units and Business Partners functions in managing risks that might prevent us from achieving our strategic, financial, and operational objectives and in protecting company assets, including reputation. It also supports compliance with laws and regulations, as well as reliable financial and non-financial reporting.

Following roles and responsibilities are assigned, inline with the Three Lines Model:
- First line: the responsibility for identifying, assessing, and managing risks is an integral part of the responsibility of each manager.
- Second line: Business Partner functions provide expertise and support and monitor compliance for their functional area. They define objectives for the function, group policies and standards, and efficient and robust business processes including controls.
- Third line: Corporate Operational Audit department provides independent, objective assurance and advice regarding the effectiveness of governance, risk management, and control activities.

Protecting Value & Integrity

| Strategy & objective setting | Risk identification & assessment | Communication & reporting | Risk mitigation & control activities | Monitoring & improvement |

Governance & culture

- Annually, the Executive Committee discusses the company's material risks, which the Board of Directors then reviews and approves.
- Mitigating actions and controls, such as policies, standards, Segregation of Duties management, business continuity management, and performance reviews, are implemented for the most relevant risks.
- The Internal Control department within Legal, Regulatory, Risk & Compliance owns the Internal Control Framework, defining key controls for reliable financial reporting, fraud risk mitigation, and asset safeguarding.
- The Audit & Risk Committee evaluates the risk management framework's effectiveness to support Board Statements.
- Twice a year, all Business Units and Partners report material risks and incidents to the CEO, which are then discussed in the Executive and Audit & Risk Committees.

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Cyber Security

Guaranteeing that the rights to data privacy as well as the protection of the data of individuals, companies and other entities are safeguarded and access to IT systems, networks and data is always assured. Robust processes and systems as well as strict data handling and security practices are needed to prevent IT system failures and major information security/cybersecurity incidents, among others.

Cyber attack scheme

Risk description

As external cyber threats remain high, we are exposed to the risk of cyber attacks. This could lead to discontinuity of operations and loss of integrity or confidentiality of information

Mitigations

We are implementing a single, integrated cyber security framework, building on the strengths of both legacy companies and covering the domains of information technology, operations technology and R&D laboratory systems.

Since the 'human firewall' remains critically important, we have intensified our phishing tests to keep employee awareness high – something that is especially important during times of change.

To mitigate the impact of a potential cyber attack, we are strengthening our business continuity plans and disaster recovery plans.

Emerging technologies

At Science & Research we continuously monitor emerging technologies for conversion of renewable raw materials and energy into sustainable, value-added products.
Key examples are:
- green chemistry, i.e., chemistry using non-fossil building blocks
- biotechnology, i.e., harnessing the power of biology to use and/or upcycle bio-based feedstocks
- alternative energy systems, e.g., photocatalysis and microbial electrochemistry

These emerging technologies are further developed alone, in dedicated technology platforms, or with partners, in private-public partnerships, and once judged as valuable they are deployed in projects, along more conventional approaches. We have in our company a long-lasting culture of progressing science to these ends, to bring sustainable products and processes to commercialization, guided by science-based targets for emission reduction set as compass for the entire company. Recent examples of sustainable innovations are microbial stevia sweeteners replacing plant-based sweeteners, methane emission reduction in cows via a new nutrition ingredient, ingredients for perfumes and cosmetics extracted from natural resources, and fermentatively-produced omega fatty acids replacing fish oil.

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Board Structure

Board of Directors

Board of Directors is the highest executive oversight body, it has the ultimate authority on matters relating to Sustainability, including climate. The Board of Directors has established a Sustainability Committee that is responsible for reviewing sustainability and the sustainability performance of the company.
The Board of Directors has established four Committees: the Audit & Risk Committee, the Sustainability Committee, the Compensation Committee and the Governance & Nomination Committee.
Roles and compositions can be found on page 138 152 of the IAR.
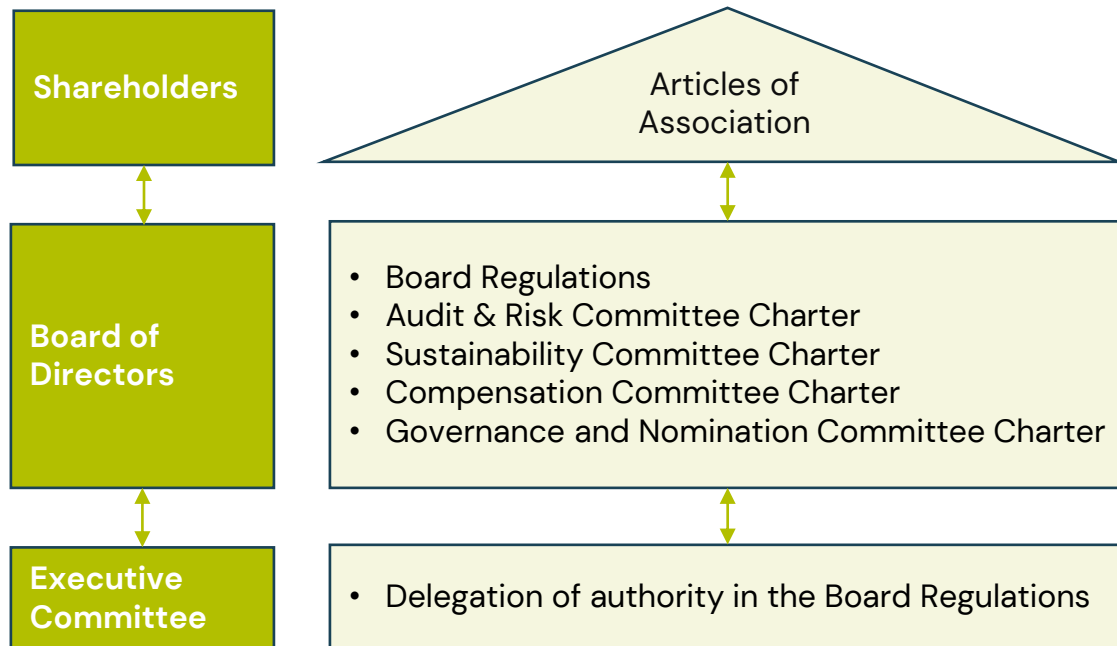
Executive Committee

By way of delegation of the Board for 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 science-based targets that were submitted for validation in early 2024 to the Science Based Targets initiative.
Roles and compositions can be found on page 158 of the IAR.

Functional Leadership of Sustainability

Functional Leadership Teams (LT) have been established to manage specific sustainability-related topics. These teams are chaired by a senior executive.
- At Group level, sustainability is steered by the Global Sustainability Leadership Team (GSLT). The GSLT is chaired by the Chief Sustainability Officer (CSO) who has a direct reporting line to the CEO.
- The Operations Leadership Team drives excellence and competitive advantage in operations. The SHE & Security (SHE&S) Leadership Team ensure our SHE&S are fit for purpose to safeguard people's and customer's safety and health, and to protect the environment and our assets.
- The Human Resources Leadership Team (HRLT) is responsible for the holistic human resources (HR) agenda. It is chaired by the Chief Human Resources Officer, who is a member of the Executive Committee.
- The Procurement Leadership Team (PLT) is responsible for ensuring the implementation of our Responsible Sourcing Framework, and reviews progress on a regular basis. Our Chief Procurement Officer (CPO), who chairs the PLT, reports directly to the CEO, and is responsible for deploying the Framework within our supply chain.
More information can be found on page 121 of the IAR.

Shareholders	**Articles of Association**
Board of Directors	• Board Regulations • Audit & Risk Committee Charter • Sustainability Committee Charter • Compensation Committee Charter • Governance and Nomination Committee Charter
Executive Committee	• Delegation of authority in the Board Regulations

The Company's internal corporate governance framework is based on its Articles of Association (the 'Articles of Association').

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Compensation

The report concerns the remuneration from the first date the Company stock was traded on Euronext Amsterdam (18 April 2023). For this reason, there will be no comparison with the previous year. The actual 2023 remuneration will be considered against the background of the remuneration philosophy and principles set for the new Company. The actual remuneration provided in 2023 is reviewed against the maximum total amount of remuneration as approved by the General Meetings held on 18 April 2023 and 29 June 2023, respectively.

Short-Term Incentive (STI)

For 2023, a new STI framework has been designed containing the goals as described below. Targets have been set against the new performance criteria of the two merged entities post-closing. The 2023 STI payout prior to closing of the merger was settled in accordance with legacy plan rules for the first quarter of 2023 for DSM legacy Executive Committee Members, whereas for Firmenich Executive Committee Members it was paid through May 2023.

Long-Term Incentive (LTI)

The 2023 grant is implemented by dividing the at-target grant value (% of base salary) by the average opening price of the dsm-firmenich share on the Amsterdam stock exchange in June 2023 (i.e., €97.38). The table below provides an overview of the number of share units granted, the face value (opening price on the date of grant) of such grant as well as the fair value (acc. to IFRS rules) of such grant.

Overview 2023 STI goals

Financial goals (Weight: 60%)

Adjusted EBITDA	30%
Adjusted gross operating free cash-flow	15%
Organic sales growth	15%

Merger synergy (10%)

Merger Synergy performance	10%

Sustainability goals (30%)

Safety	15%
Engagement	15%

Overview goals 2023 LTI grant

Financial goals (Weight: 50%)

Total Shareholder Return (TSR)	25%
Core Return on Capital Employed (CROCE)	25%

Sustainability goals (50%)

Absolute greenhouse gas reduction	25%
Diversity and Inclusion	25%

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Materiality

- In our sustainable business practices, transparency and stakeholder engagement are key. Our Materiality Matrix is central to our disclosure strategy, reflecting our commitment to responsible corporate governance and guiding our sustainability efforts.
- This analysis helps us to identify priorities, goals, and align with current sustainability issues and stakeholder concerns.
- Our double materiality approach aligns with EU Corporate Sustainability Reporting Directive (CSRD), the European Sustainability Reporting Standards (ESRS) and follow GRI standards.
- Our materiality assessment is based on materiality assessments conducted at the Business Unit level supplemented with input from the Group.

Legend: ● Business and Governance ● Environment ● Society ◉ Stakeholder importance

Matrix items: Product quality, safety & impact; Health, nutrition, taste and food security; Climate change mitigation; Talent attraction, development & retention; Innovation, digital & technology; Responsible & transparent sourcing; Partnerships & relationship management; Corporate governance, business ethics & transparency; Respect of human rights; Employee wellbeing; Climate change adaptation; Biodiversity & nature; Occupational health & safety; Cybersecurity & information security; Water management; Waste and plastics management; Renewable raw materials; Diversity, equity & inclusion; Animal welfare; Regenerative agriculture

Axes: Financial materiality (Moderate to High) vertical; Impact materiality (Moderate, Significant, Major) horizontal

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Business Ethics

In 2023, we have launched our Code of Business Ethics and our Supplier Code. The existing legacy policies and procedures in the area of Business Ethics that are in line with the new foundational Codes remained in force. Common Group policies and standards will be introduced in 2024.

Code of Ethics

- The Code of Business Ethics is applicable companywide to everyone everywhere and during all business activities.
- Campaign initiated in 2023 to ensure all employees are trained on our Code of Business Ethics, which includes reading the policy and acknowledging the principals of the Code of Business Ethics.
- Legacy policies and procedures addressing corruption supplemented by new antibribery and corruption Group policy and standards to be launched in 2024.
- Mandatory trainings and monitoring of course completions to raise awareness and ensure compliance with antibribery and corruption measures.

Policies Framework

Code of Business Ethics

Position Statements

Group Policies

Group Standards

The Group Policy Framework is also used to foster efficient and effective business processes, and to mitigate risks.

Whistleblowing management

- Transition from legacy whistleblowing systems (Firmenich Speak-Up and DSM Alert) to dsm-firmenich Speak-Up platform in January 2024.
- Operated by an external provider, accessible 24/7, allowing anonymous reporting, and open to third parties.
- Impartial investigations conducted with respect to confidentiality and presumption of innocence.
- In 2023, 100 notifications received via legacy systems, with all reviewed and followed up. 24 substantiated, 51 unsubstantiated, and actions taken including training, disciplinary measures, terminations, and policy/process reviews. 25 notifications remain under investigation.

Whistleblower platform	Notifications	Substantiated	Not substantiated	Under investigation
Speak-Up	59	14	31	14
Alert	41	10	20	11
Total	100	24	51	25

dsm-firmenich

dsm-firmenich first Integrated Annual Report

- Our first Integrated Annual Report was launched in February 2024 and reflects on the first chapter of our company in 2023: the start of our journey as innovators in nutrition, health, and beauty. It shares our initial integration milestones, achievements, and commitments with all our stakeholders.
- The IAR – Sustainability follows:
  - The Swiss Code of Obligations
  - Our reporting is also based on voluntary non-financial reporting guidelines as follows:
    - The Global Reporting Initiative (GRI) Standards
    - The Sustainable Development Goals (SDGs) launched by the United Nations
    - The Taskforce on Climate-related Financial Disclosures (TCFD)
    - The International Integrated Reporting Council <IR> Framework

- We have performed under a reasonable assurance engagement on the non-financial information (in sections *"About dsm-firmenich", "Letter to our Stakeholders", "Strategy", and "Sustainability"*).

- Over 2024, dsm-firmenich will report in accordance with the CSRD and ESRS, based on Double Materiality, and with consideration for phase-in requirements.
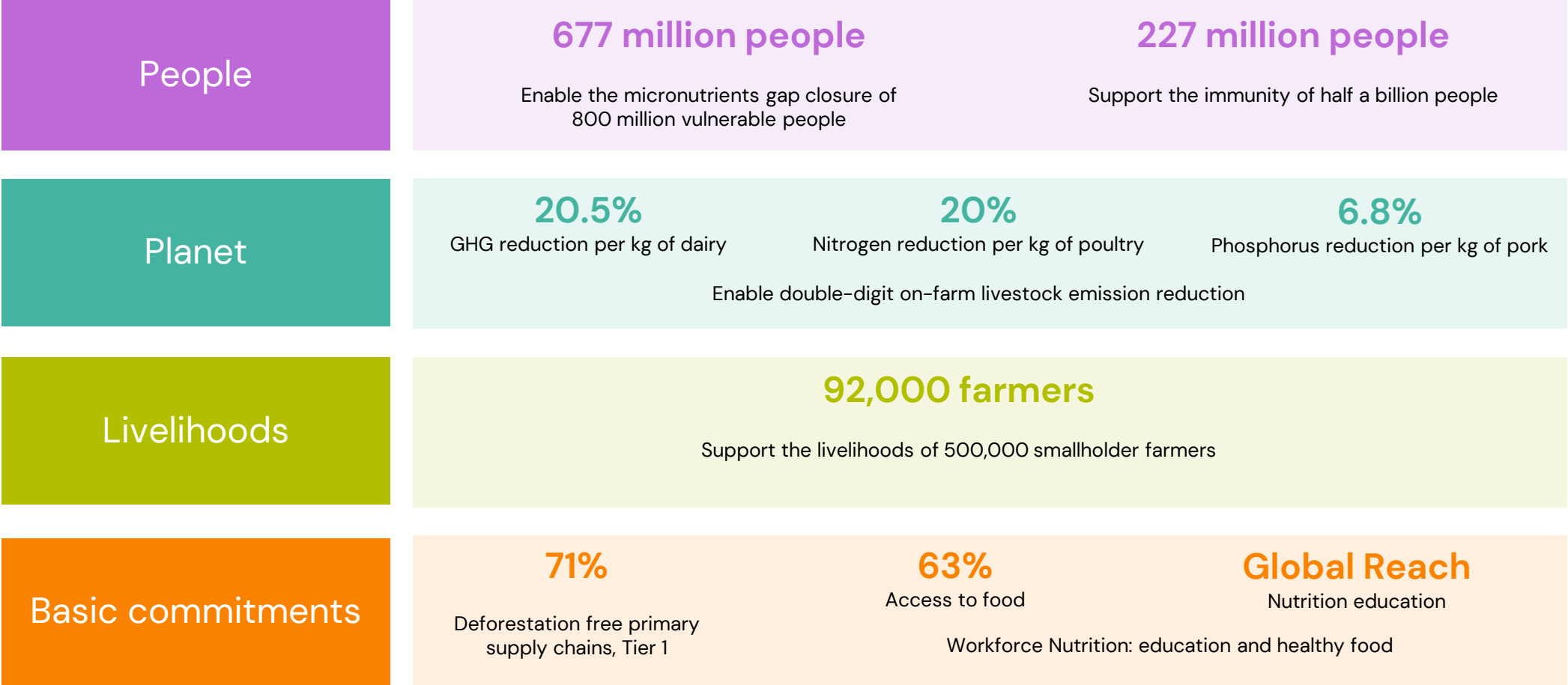

2023 Integrated Annual Report

dsm-firmenich

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Food System Commitments

In 2021, we launched our Food System Commitment to transform food production and consumption by 2030.
In 2024, we will reassess these commitments for strategic alignment due to the merger and did not report on our plant-based protein for 2023 because of the merger's impact and business integration.

People

677 million people

Enable the micronutrients gap closure of 800 million vulnerable people

227 million people

Support the immunity of half a billion people

Planet

20.5%
GHG reduction per kg of dairy

20%
Nitrogen reduction per kg of poultry

6.8%
Phosphorus reduction per kg of pork

Enable double-digit on-farm livestock emission reduction

Livelihoods

92,000 farmers

Support the livelihoods of 500,000 smallholder farmers

Basic commitments

71%

Deforestation free primary supply chains, Tier 1

63%
Access to food

Global Reach
Nutrition education

Workforce Nutrition: education and healthy food

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Nutrition partnerships & collaborations

World–leading partnerships

WFP World Food Programme

sightandlife

PARTNERS IN FOOD SOLUTIONS

World Vision

unicef

BILL & MELINDA GATES foundation

Consortiums

HEALTHY MOTHERS HEALTHY BABIES

FORTIFIED WHOLE GRAIN ALLIANCE

Scaling Up NUTRITION
ENGAGE • INSPIRE • INVEST

Millers for Nutrition

NUTRITION FOR GROWTH
Food, Health, & Prosperity for All

Collaborations

gain
Global Alliance for Improved Nutrition

The ROCKEFELLER FOUNDATION

KIRK HUMANITARIAN

UNIVERSITY OF CAMBRIDGE

NUTRITION INTERNATIONAL

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Our goals aligned with UN SDGs

Progress through how we create, source and deliver

People

Fuel healthy lives

- Nutritious and delicious food and beverages
- Minimize micronutrient deficiency
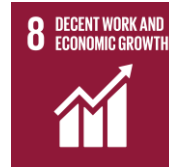- Improve health through prevention and protection

2 ZERO HUNGER | **3 GOOD HEALTH AND WELL-BEING**

Empower people to thrive

- Raise living standards
- Promote diversity, equity and inclusion
- Respect human rights
- Foster safety for all

1 NO POVERTY | **5 GENDER EQUALITY** | **8 DECENT WORK AND ECONOMIC GROWTH** | **10 REDUCED INEQUALITIES**

Nurture well-being

- Create delightful moments in life
- Support personal growth and agility
- Create sense of belonging
- Promote health and vitality at work

3 GOOD HEALTH AND WELL-BEING | **4 QUALITY EDUCATION** | **8 DECENT WORK AND ECONOMIC GROWTH**

Planet

Accelerate climate action

- Climate change mitigation
- Climate change adaptation
- Avoided emissions
- Shift to more sustainable proteins

7 AFFORDABLE AND CLEAN ENERGY | **9 INDUSTRIE, INNOVATION ET INFRASTRUCTURE** | **13 CLIMATE ACTION**

Safeguard nature and biodiversity

- Deforestation-free supply chains
- Sustainably sourced agricultural inputs
- Ecosystem protection and restoration

2 ZERO HUNGER | **14 LIFE BELOW WATER** | **15 LIFE ON LAND**

Conserve our planet's resources

- Water stewardship
- Waste management
- Improved biodegradability

6 CLEAN WATER AND SANITATION | **9 INDUSTRIE, INNOVATION ET INFRASTRUCTURE** | **12 RESPONSIBLE CONSUMPTION AND PRODUCTION**

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Business Unit products 2023 highlights

Perfumery & Beauty

- **EcoScent Compass® Next Generation:** Introduced an integrated, science-based tool for precise sustainability measurement and verifiable claims in fragrance creation.
- **PopScent® Eco Max:** Developed a new biodegradable fragrance encapsulation technology for long-lasting scent benefits.
- **Fragrance Innovations:** Launched EmotiCODE® Focus for enhancing mental performance and HaloScent® BerryBoost for dual-release profragrances.
- **Expansion and New Offerings:** Introduced Wonder You for menopause beauty, Re:New collection of renewable ingredients, an exclusive collection of natural and synthetic ingredients, and expanded facilities in Shanghai and southwest France.

Health, Nutrition & Care

- **Environmental Impact Transparency:** Utilized the LCA Imp'Act Card™ to transparently communicate the environmental footprint of products from cradle to gate, supporting substantiated consumer claims.
- **Strategic Ownership and Approvals:** Completed full ownership of Adare Biome, a leader in postbiotics, and received approval for two HMOs as nutrition fortifiers for infant and young child products in China.
- **Innovative Product Launches:** Introduced life's®OMEGA O3O2O, a potent algal omega-3 with a natural EPA-to-DHA ratio and launched a certified bio-based Ultra-High Molecular Weight Polyethylene fiber.
- **Health and Nutrition Advancements:** Launched Estroven®Complete + Ashwagandha for menopause symptom management, Culturelle® Women's Health 4-in-1 probiotics and achieved regulatory approval in Brazil for ampli-D®, an effective form of vitamin D3.

Taste, Texture & Health

- **Sustainability and Innovation:** Introduced EcoFood Compass® for carbon footprint data, and launched Maxilact® Next, the fastest-acting lactase enzyme on the market.
- **Product Development:** Created unique Banana Bread with BakeZyme® enzymes and partnered with Alpura for a new, healthier strawberry-flavored milk.
- **Expansion and Facilities:** Opened new TTH headquarters in Delft (Netherlands), a pilot facility in Plainsboro (New Jersey, USA), and an extrusion test center in Tay (Norway).
- **Strategic Growth and Research:** Completed full ownership of VKL Seasoning Pvt Ltd and initiated joint research programs in sugar reduction and plant-based products.

Animal Nutrition & Health

- **Sustell™:** Introduced the world's first intelligent sustainability service to enhance the environmental footprint and profitability of animal protein production.
- **ProAct 360™:** Launched a second-generation feed protease that improves poultry growth performance, reduces production costs, and promotes sustainable animal protein production.
- **Bovaer®:** Developed a cattle feed additive that reduces enteric methane emissions by 30%, contributing to the reduction of global warming.
- **Veramaris®:** Created an algae-based omega-3 oil that reduces dependence on marine resources and supports sustainable aquaculture growth.

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Policies & Position Statements

Code of Business Ethics

Speak Up

Policies

Anti-Bribery & Corruption

Diversity, Equity & Inclusion

Human Rights

Insider trading

Recruitment privacy

Position statements

Animal Testing

Conflict Minerals

Modern Slavery

Protecting Forests & Land based Natural Ecosystems

Safeguarding Biodiversity

Policies statements

Quality

Security

SHE

Responsible business (dsm-firmenich.com)

Site certifications (dsm-firmenich.com)

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Our values

Shape the future

We are curious and open-minded. We're cutting-edge scientists, breakthrough innovators, and passionate creators with more than a century of expertise.
We take joy in building a way forward with our customers.
We are a beacon.
When others want to know how to change the world, they look to us.

Be a force for good

For us, integrity is the only way forward. We are responsible and purpose-led, with a legacy to prove it.
We are passionate about constantly raising the bar.
Because caring about customers, communities, people, and the planet is the right thing to do.
And it's the only way to grow an enduring, profitable business.

Own the outcome

We make bold commitments to customers and each other. And we go above and beyond to fulfil them.
The thing to remember is that we're part of the solution.
We're empowered to make courageous decisions at the right level.
And we hold each other accountable – individually and collectively.

… Together, with our customers

We are one team – customers and stakeholders included. We're inclusive. We value our differences. And we learn from each other. We remove barriers that separate us. We look after each other's safety and wellbeing. We set each other up for success and we help each other grow. Plus, we have fun doing it.

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