

2025

Integrated Annual Report DSM B.V.

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Forward-looking statements

This Integrated Annual Report may contain forward-looking statements with respect to DSM's future (financial) performance and position. Such statements are based on current expectations, estimates and projections of DSM and information currently available to the company. DSM cautions 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 actual performance and position to differ materially from these statements. The information provided in this Integrated Annual Report is provided as of the date of its issue. DSM does not assume any obligation to update any information or forward-looking statement provided in this Integrated Annual Report unless required by law. This Integrated Annual Report contains information that qualifies as inside information within the meaning of Article 7(1) of the EU Market Abuse Regulation. The English language version of this Integrated Annual Report prevails over other language versions.



REPORT BY THE MANAGING BOARD

Our company

About DSM

DSM B.V. (DSM) is a company organized under Dutch law with its statutory seat in Maastricht, the Netherlands. DSM is part of the dsm-firmenich Group (dsm-firmenich). As part of dsm-firmenich, we are innovators in nutrition and health. We reinvent, manufacture, and combine vital nutrients and flavors to help the world's growing population thrive sustainably.

Our Business Units

Our Business Units are Taste, Texture & Health – DSM and Health, Nutrition & Care – DSM. These Business Units each strive to address the latest consumer needs in a sustainable way. We are uniquely positioned to help our customers realize their ambitions and address evolving consumer trends. We do this by creatively applying proven science and drawing on our data-driven innovation capabilities as well as our exceptional standards of operational excellence. Please refer below to [Our strategy](#) for announced divestment of the Animal Nutrition & Health business, which is presented as discontinued operations in this Integrated Annual Report.

Our Business Units are supported by Group Business Partners such as Science & Research, Finance, Human Resources, Sustainability, Procurement, Regulatory, Legal, Risk & Compliance, Safety, Health and Environment, and Digital & Tech.

Our strategy

DSM's strategy is aligned with the strategy of dsm-firmenich.

2025 was a year of rapid shifts, geopolitical challenges and macroeconomic pressures. Our approach was to maintain our strategic focus and staying the course.

We are pleased to have announced on February 9, 2026 an agreement to divest our Animal Nutrition & Health – DSM (ANH) business to CVC Capital Partners. This transaction represents a unique opportunity to create two new leading companies in the animal nutrition & health space, while it gives us the opportunity to pursue its ambitious vision as a consumer-focused company. ANH will be split into two standalone companies: the "Solutions Company," including Performance Solutions, Premix, and Precision Services, and the "Essential Products Company," including Vitamins, Carotenoids and Aroma Ingredients.

After the divestment of deprioritized activities and the tuning of our portfolio, repositioning ourselves as a company serving the nutrition and health needs of the consumer, we are now well set up to accelerate organic growth. Harnessing everything from our innovation and science capabilities to our broad portfolio, world-class talent, and our sustainability leadership, we will focus on opportunities for above-average organic growth in high-growth, high-margin segments to deliver on our mid-term financial targets.



Science & Research

Our approach to Science & Research

Our global Science & Research team ensures innovation is aligned with the needs of our businesses by continuously refining its innovation portfolio to maximize value. This involves delivering existing priority projects that have a direct impact on business, as well as reviewing and investing in capabilities to future-proof innovation delivery. Our global innovation portfolio effectively addresses both current and future needs. This is boosted further through investments made by our Venturing unit in startups developing cutting-edge innovations. With our track record of world-class scientific leadership and uniquely broad portfolio of ingredients, we apply creative expertise and proven science to improve health and well-being and address the global challenges of sustainable delivery.

IP and licensing

Our intellectual property (IP) professionals maximize the value of our innovations and brands by strategically defending patents and trademark rights in key markets. The IP team acts as a differentiator in joint developments, technology licensing (in/out), and IP asset acquisitions or sales.

Pushing the boundaries

By combining all our science capabilities, our Science & Research team strives to pioneer solutions that help shape the future of nutrition and health. In 2025, we launched an array of innovations across a range of markets. Some key examples are listed below:

- In TTH, we launched ModulaSENSE® (precision maskers that capitalize on our expertise in receptor biology to make plant-based proteins more delicious), Astarome™ (a new green drying technology for making powdered flavors), and Maxiren®EVO (a new enzyme for more efficient cheese production with enhanced moisture retention, improved texture, extended shelf life, and reduced cutting losses)
- In HNC, we continued to invest in Humiome® (our world-leading health-from-the-gut platform), we launched Ulteeva Purity™ (new biomedical fibers for safer surgery), we also launched the first nutritional longevity solution clinically proven to slow down biological aging (based on life's® OMEGA and Quali®-D), and we even made breakthroughs in boosting the bioavailability of CBD-based therapies, with CBtru®



Business

Taste, Texture & Health – DSM

About Taste, Texture & Health – DSM

Taste, Texture & Health – DSM (TTH-DSM) tackles some of society’s biggest challenges: providing nutritious, healthy, and sustainable food and beverages; accelerating diet transformation with products that offer appealing taste and texture; and nourishing the rapidly growing global population while minimizing food loss and waste. To achieve these goals, we use creative processes involving our customers. Our passion for the science and emotion of food extends along the value chain from discovery to application to the end-consumer experience. This includes drinks with little or no sugar; dairy products with consumer-preferred mouthfeel; succulent savory bites; and nutritious plant-based alternatives.

Our markets

Key market trends

Although impacted by consumer concerns regarding inflation and the economic environment, the food and beverage market is expected to continue growing at a compound annual growth rate (CAGR) of 2.1%, with the highest growth occurring in emerging economies. This diverse market is built on local tastes and traditions, with global, regional, and local players. In 2025, it was shaped by the following key trends:

- **Holistic health and well-being:** Consumers are increasingly seeking products with reduced sugar, salt, and fat, along with greater protein content, nutritional value, and health benefits. Focus on cleaner labels is increasing, while the popularity of home cooking is growing in an attempt to offset rising prices
- **The availability of raw materials:** Fluctuations in the pricing and availability of raw materials are obliging manufacturers to reformulate and optimize their recipes
- **Global shifts in volume growth:** In the coming five years, two-thirds of volume growth is projected to come from India, the Middle East & Africa, Asia-Pacific, and Latin America
- **Regulations:** The current regulatory focus on food safety, health, and sustainability will only increase, the latter supported by growing consumer concerns about climate
- **Rapid changes in food systems:** Manufacturers need to adapt faster and more flexibly to structural changes to food systems through food innovation

Key performance figures

in € million	2025	2024 ¹
Sales	1,395	1,365
EBITDA	253	175

¹Restated for comparison purposes.

The year in review

Leadership change

In September 2025, we announced a change in leadership, effective January 1, 2026. After 34 years at the company, Patrick Niels retired and was succeeded by Maurizio Clementi. Maurizio has played a pivotal role in our performance since the 2023 merger, having successfully led TTH’s Taste division.



Investment in facilities

Key investment activities in 2025 included:

- Opening our new Savory Taste Hub in Wageningen (Netherlands)
- Taking another important step toward integrating texturizing solutions into our offering, increasing our ownership of the Andre Pectin business in Yantai (Shandong province, China) – one of the world's largest pectin plants – from 75% to 90.5%
- Inaugurating the Van Marken Food Innovation Center at the Biotech Campus in Delft (Netherlands)
- Opening our premix facility in Tonganoxie (Kansas, USA), which with our European site in Haag (Austria) forms a dual-site network dedicated exclusively to pet food
- Announcing enhancements at our Enzyme site in Seclin (France) and developments at Yixing (Jiangsu province, China)

Innovation

The development of new food and beverage solutions is increasingly dependent on the effective use of advanced digital technologies. As we respond to this transformational trend, we have worked on a number of innovations. For example, we have digitized our recipe management and formulation processes to augment our creators in helping our customers innovate faster, reduce their time-to-market, and improve compliance and responsiveness to market trends.

Our studies show that taste remains the main factor influencing consumers' decisions to purchase food and beverages. By understanding exactly how molecules interact with taste and smell receptors, our scientists can now better identify ingredients, including those derived from natural resources, which can enhance, modify, or even block certain signals.

We are learning to fine-tune how taste is perceived, discovering new ways to make healthier foods taste amazing. A good example of a sustainable innovation is the launch of our award-winning Maxiren® EVO, a next-generation cheese coagulant that helps cheesemakers improve the sustainability of their processes while meeting consumer expectations regarding consistent taste and texture.

Partnerships

In 2025, we signed a Memorandum of Strategic Cooperation with the Yantai China Pet Foods Group, combining our strengths in science and technology to expand our business in China and drive growth. By combining our expertise in nutrition with Yantai's extensive production capabilities and well-known brands, the partnership aims to drive science-based innovation, share successful practices, and expand market reach.

Another research partnership was with two world-renowned research institutions, APC Microbiome Ireland and INRAE. Together, we discovered how bacteria used in cheese and yogurt production defend themselves against bacteriophages – viruses that infect, and reproduce themselves within, bacteria. Phages, as they are known colloquially, can disrupt fermentation, resulting in costly production issues. This discovery paves the way for the development of more resilient cultures to help producers consistently deliver high-quality dairy products.

Joint ventures

EverSweet® stevia sweetener, an innovative product from our joint venture Avansya, received approval in the EU and UK in 2025, making advanced zero-calorie sweetness with a rounded flavor profile available to even more consumers. Created through advanced fermentation methods, the carbon footprint of EverSweet® is 49% lower than the equivalent amount of Stevia Reb A, offering the same sweetness.



Health, Nutrition & Care – DSM

About Health, Nutrition & Care – DSM

Health, Nutrition & Care – DSM (HNC–DSM) helps people improve their health by supplementing their diet with critical nutrients. Working across segments like Early Life Nutrition, Dietary Supplements, Pharma, Medical Nutrition, and Biomedical materials, we drive nutrition science and medical innovation forward, optimizing immunity, accelerating recovery, and enhancing quality of life.

At HNC, we elevate global patient and consumer health at every life stage by creating and delivering next-generation products, customized solutions, and expert services. As an end-to-end partner, we work closely with our customers from product conception to launch, providing unique consumer insights, a broad portfolio of nutritional ingredients, and innovative solutions. This year, we added an array of delivery systems and masking and flavor capabilities to support solutions specifically for our market applications.

Our markets

Key market trends

- **Healthy longevity:** People increasingly seek healthy aging not just to live longer, but to live better — aiming to extend health span alongside lifespan
- **Preventative self-care:** Advances in science and diagnostic medicine, as well as in monitoring devices, have boosted awareness of proactive health, early intervention, and self-care, including gut health, mental health, immunity, and overall well-being
- **Sustainable and evidence-based solutions:** The rise of self-education and demand for science-backed solutions is fueling transparency and democratization in supplements
- **Disruptive new players:** Upstart brands, particularly in dietary supplements, are reshaping the market and growing rapidly

Key performance figures

in € million	2025	2024 ¹
Sales	2,435	2,550
EBITDA	389	407

¹ Restated for comparison purposes.

The year in review

Expanding our HMO portfolio and reach

We achieved a significant milestone with the regulatory approval of our GLYCARE® Human Milk Oligosaccharides (HMO) portfolio in China, becoming the first company to obtain approval for 2'-Fucosyllactose (2'-FL) and Lacto-N-neotetraose (LNnT). This achievement strengthens our leadership in the global HMO market and represents a crucial step in shaping the future of infant nutrition in China. By expanding access to our science-based solutions, we are helping more babies benefit from the proven advantages of HMOs, supporting healthier growth and development.

Building on our global regulatory progress, we secured a major milestone with the approval of our GLYCARE® 2'-FL as a functional ingredient for early life nutrition in India, marking our first HMO approval in this important market. Granted by the Food Safety and Standards Authority of India, this approval allows the use of 2'-FL in infant formula for babies up to



six months old, helping bring formulations closer to the composition of human milk, giving the best start in life to all infants.

Investments in manufacturing

HNC manufacturing sites undertook investments to assure asset reliability and license to operate, with special focus on our site in Dalry (Scotland).

Our Premix organization continued to drive its global initiative to harmonize Quality Control processes by introducing a modern, validated Laboratory Information Management System (LIMS) platform to ensure business continuity and enable digital transformation in Quality Control and Quality Assurance. Additionally, by means of a large capital investment initiative at our facility in Schenectady (New York, USA), we are enhancing operational performance and site capacity through infrastructure upgrades and process & systems optimizations.

Our Biomedical division is making substantial investments to enhance manufacturing capacity, supporting the growth of its diverse business portfolio, including the development of a state-of-the-art facility in Wayne (Pennsylvania, USA).

Innovation

We advanced our leadership in strategic health innovation areas linked to key consumer trends and needs. We expanded our health from the gut solutions with multiple new Humiome® concepts comprising prebiotics, probiotics, and postbiotics. In 2025, we continued to accelerate the strategic shift from fish oil to our proprietary, sustainable algal-based omega-3s through the continued growth of the life's®OMEGA portfolio. We also obtained new regulatory approvals, notably in China, for our GLYCARE® HMO portfolio.

Key product launches in 2025 included:

- life's®OMEGA O2722: in China: our single-source algal omega-3 has the same EPA-to-DHA ratio naturally found in standard fish oil, but with twice the potency. It was launched after meeting stringent Chinese regulations (see Leading the algal shift above in this chapter)
- Humiome® post LB: The world's most clinically proven postbiotic was launched in an allergen-free form, allowing its incorporation in tending formats like gummies
- Our pharma taste portfolio: With 14 distinct flavor tonalities and optimized formulas to limit number of ingredients, this portfolio is designed to streamline the regulatory approval process and overcome flavor challenges from infants to adults

Biomedical certified the entire Ulteeva Purity™ portfolio as bio-based and introduced new vibrant colors to provide contrast to white high-strength orthopedic sutures that simplify complex arthroscopic procedures.



Animal Nutrition & Health

About Animal Nutrition & Health

Animal Nutrition & Health (ANH) helps to deliver healthy animal proteins efficiently, while harnessing the power of data to make animal farming practices more sustainable, productive, and transparent.

In February 2024, we announced our intention to separate this business from the dsm-firmenich Group including the DSM Group, having concluded that its full potential could best be realized under a different ownership structure. In line with our new strategy, we repositioned the company, with its remaining Business Units –Taste, Texture & Health–DSM, and Health, Nutrition & Care–DSM – to focus exclusively on nutrition and health.

ANH is a global provider of science-based animal nutrition and health solutions. The business offers products ranging from vitamins and premixes to feed additives that improve animal health, performance, feed efficiency, and sustainability across livestock production. Its solutions help producers deliver high-quality animal protein while reducing environmental impact.

The total ANH business represented approximately €3.5 billion of dsm-firmenich's annual net sales and around €0.5 billion of the company's total Adjusted EBITDA in 2025.

The divestment

Following the announcement, the divestment of our world-leading Animal Nutrition & Health business occurred in two stages.

- In the first stage, completed on June 2, 2025, we sold our 50% stake in the Feed Enzymes Alliance to our partner Novonesis, a global leader in biosolutions, for €1.5 billion, receiving approximately €1.4 billion net in cash, after transaction costs
- In the second stage, announced on February 9, 2026, we agreed to sell our remaining ANH business to CVC Capital Partners for an enterprise value of about €2.2 billion. This includes an earnout of up to €500 million.

For ANH, this marks the beginning of a new chapter.

ANH will be split into two new standalone companies, both based in Kaiseraugst, Switzerland: the "Solutions Company," including Performance Solutions, Premix, and Precision Services, and the "Essential Products Company," including Vitamins, Carotenoids and Aroma Ingredients (jointly referred to as the "ANH Companies"). These companies will continue to work closely together, especially with regard to the vitamin supply in the animal nutrition and health value chain.

The DSM Group will retain a 20% equity stake in each of the divested ANH Companies, in partnership with CVC, who will own the remaining 80%. The dsm-firmenich Group including the DSM Group will also enter into a long-term vitamins supply agreement with the Essential Products Company to ensure continuity and supply security for human and pet food applications.

The transaction is expected to be completed at the end of 2026 and is subject to conditions including regulatory approvals, the finalization of all required employee consultation processes, and the creation and separation of a standalone Essential Products Company and standalone Solutions Company. We transferred our Bovaer® business to our Taste, Texture & Health Business Unit. Our Veramaris® business, the 50/50 joint-venture for algae-based Omega-3, is transferred into our Health, Nutrition & Care Business Unit.



Corporate activities

Any consolidated activities within continuing operations that are outside the two Business Units are reported as Corporate activities. These comprise operating and service activities, including the recharge of the corporate service costs to related parties, as well as a number of costs that cannot be allocated directly to the Business Units. While this segment reports net sales from its service units, it normally has a negative operating result.

Corporate activities include various holding companies, regional holdings, and corporate overheads. The most significant cost elements are corporate departments and the share-based compensation, see [Note 27 Share-based compensation](#) to the consolidated financial statements.



Financial performance

Financial results

In 2025, net sales from continuing operations were €4,008 million, which was on a comparable level as in 2024 (€4,058 million).

EBITDA was up 28% mainly owing to strong cost efficiency and the contributions from the synergies following the merger.

Taste, Texture & Health - DSM (TTH-DSM) recorded a very strong performance. Better business conditions led to a solid performance of Health, Nutrition & Care - DSM (HNC-DSM) through the second half of the year.

Income statement and key data

in € million	2025	2024 ¹	Change
Continuing operations			
Sales	4,008	4,058	-1%
EBITDA	692	542	28%
Operating profit (loss)	329	95	246%
Net profit (loss)	67	59	14%
EBITDA margin (in %)	17.3	13.4	
Total DSM Group			
Net profit (loss) for the period	(725)	(19)	3716%

¹ 2024 numbers have been restated for discontinued operations

Net profit (loss)

Net profit from continuing operations of €67 million was 14% higher compared to the net profit continuing operations of €59 million posted in 2024. The increase in the net result of continuing operations for the year is attributable to lower total operating costs of (+€284 million), versus lower net sales (-€50 million), lower result from associates (-€106 million), higher financial income and expense (-€46 million) and higher income tax expense (-€74 million).

Financial income and expense of continuing operations increased by €46 million year on year to a net expense of €64 million. This increase was mainly caused by higher interest expense of €24 million, lower interest income of €3 million and less favorable fair value changes of derivatives of €3 million.

The total tax expense for continuing operations in 2025 amounted to €89 million versus a tax expense of €15 million in the reference year. The increase of the income tax expense and herewith the effective income tax rate as compared to 2024 is mainly due to the combination of the geographical spread of the results within the group and non-deductible expenses in 2025.

The total net result from continuing and discontinued operations decreased by €706 million to -€725 million. This decrease was mainly a result of the net book profit of €676 million on the sale of the Feed Enzymes business and the impairment of the ANH business by -€1,719 million.



Balance sheet

The balance sheet total (total assets) decreased by €3 billion to €12.8 billion at year-end (2024: €15.8 billion). Equity decreased by €3.1 billion, which was attributable to dividend payments of €1.8 billion, the net loss of €0.7 billion, and the negative effect of exchange rate differences of €0.5 billion. Equity as a percentage of total assets decreased from 51% to 39%.

Capital expenditure on intangible assets and property, plant and equipment amounted to €551 million in 2025 (€492 million on a cash basis). Total amortization, depreciation and impairment of intangible assets and property, plant and equipment amounted to €582 million.

At the end of 2025, an amount of €2,258 million of goodwill, intangible assets and property, plant and equipment was transferred to assets held for sale, of which €1,700 was impaired in relation to the announced divestment of the ANH business.

The decrease in other non-current assets of €241 million is mainly attributable to the lower equity value of the associates (€114 million; mainly KD Pharma) and the transfer of the assets of the ANH business to assets held for sale.

The total current assets increased by €537 million. Inventories decreased by €1,152 million, mainly due to more stringent working capital management (€110 million) and the reclassification to current assets held for sale of the inventories relating to the ANH business (€1,042 million). The trade receivables decreased by €701 million due to more stringent working capital management (€71 million) and the transfer of the assets of the ANH business to assets held for sale (€630 million). The other receivables increased by €458 million mainly due to an increased related-party cash pool. The total amount of assets transferred to current assets held for sale amounts to €2,729 million. Cash and cash equivalents amounted to €1,599 million at the end of the year, a decrease of €870 million; this decrease resulted from cash inflows from operating activities of €865 million and from investing activities of €747 million, offset by cash outflows from financing activities of –€2,440 million.

The decrease in non-current liabilities of €321 million is mainly due to the transfer of employee benefit liabilities by €209 million and deferred tax liabilities by €100 million to liabilities held for sale.

The total current liabilities increased by €344 million. Current borrowings increased by €157 million due to the transfer from non-current. Trade payables decreased by €856 million and other current liabilities by €239 million, of which €720 million and €165 million is due to the transfer to liabilities held for sale respectively. The total amount of liabilities that is transferred to current liabilities held for sale amounts to €1,406 million.

Balance sheet profile

	2025		2024	
	in € million	in %	in € million	in %
Goodwill and intangible assets	3,169	25%	4,984	32%
Property, plant and equipment	2,009	16%	3,542	22%
Other non-current assets	568	4%	809	5%
Cash and cash equivalents	1,599	13%	2,469	16%
Other current assets	5,430	42%	4,023	25%
Total assets	12,775	100%	15,827	100%
Equity	5,017	39%	8,117	51%
Provisions	80	1%	127	1%
Other non-current liabilities	3,542	28%	3,863	24%
Other current liabilities	4,136	32%	3,720	24%
Total equity and liabilities	12,775	100%	15,827	100%



Management expects that DSM will be able to continue as a going concern.

Subsequent events

On February 9, 2026, DSM announced it entered into an agreement with CVC Capital Partners to divest its Animal Nutrition & Health business for an enterprise value of about €2.2 billion, which includes an earn-out of up to €0.5 billion. DSM will retain a 20% equity stake. The announced divestment of ANH resulted in a non-cash impairment of around €1.7 billion in 2025 before taxes. The transaction is expected to be completed at the end of 2026 and is subject to conditions including regulatory approvals, the finalization of all required employee consultation processes, and the creation and separation of a standalone Essential Products Company and standalone Solutions Company by DSM.

On February 17, DSM successfully launched a €1.5 billion dual-tranche bond issuance, consisting of €750 million 3.00% fixed-rate notes due in 2031, and €750 million 3.75% fixed-rate notes due in 2038. The bonds will be issued by DSM B.V. and guaranteed by DSM-Firmenich AG pursuant to the previously established cross-guarantee structure (see also Note 9 Contingent liabilities to the Parent Company Financial Statements). The proceeds of the new bond will be used for refinancing of existing bond maturities. The re-offer price for the 5-year bond tranche was 99.886%. Based on this price, the yield is 3.025%. The re-offer price for the 12-year bond tranche was 99.100%. Based on this price, the yield is 3.845%. The bonds will be listed on the Luxembourg Stock Exchange.

See also [Note 30 Events after the balance sheet date](#) to the consolidated financial statements.



Non-financial information

EU Taxonomy

Regulation

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

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

The first delegated act concerning the technical screening criteria for economic activities with substantial contribution to climate change mitigation and adaptation (the Climate Delegated Act) was formally adopted on June 4, 2021. A delegated act specifying the content and presentation of information to be disclosed by companies in scope of the EU Taxonomy was formally adopted on July 6, 2021. A delegated act amending the Climate Delegated Act (covering the environmental objectives of climate change mitigation and adaptation) and an Environmental Delegated Act addressing the remaining four environmental objectives were published in 2023.

As part of the Omnibus package, the Delegated Regulation 2026/73 entered into force on January 28, 2026. It includes amendments simplifying the content and presentation of information to be disclosed concerning environmentally sustainable activities and simplifying certain technical screening criteria for determining whether economic activities cause no significant harm to environmental objectives. These amendments have been applied for the financial year 2025.

Disclosures

Under the Taxonomy regulation, DSM is required to report on how much Turnover, Capital Expenditure ('CapEx') and Operating Expenses ('OpEx') are in scope of the Taxonomy Regulation (i.e., 'Taxonomy-eligible activities'), and how much are aligned with the Taxonomy regulation (i.e., 'Taxonomy-aligned activities').

In accordance with the Omnibus Delegated Regulation, a materiality threshold is introduced for the assessment of economic activities. Economic activities that cumulatively account for less than 10% of turnover, CapEx or OpEx are not assessed for taxonomy eligibility or alignment. DSM identified certain economic activities as non-material, these are reported separately in the summary table.



Turnover

Total turnover, as defined by the Taxonomy regulation, corresponds to the net sales from continuing operations as reported as part of the income statement in the Consolidated Financial Statements. DSM identified the Pharma business as a non-material economic activity given the limited contribution to DSM as a whole. No material taxonomy-eligible economic activities were identified.

Capital Expenditure

Total CapEx is determined based on the 2025 additions to, and acquisitions of, property, plant and equipment, intangible assets, and additions to right-of-use assets. More specifically, it includes the following items that can also be found in the Consolidated Financial Statements:

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

In 2025, DSM made no acquisitions. Taxonomy-eligible CapEx includes expenditures related to the purchase of output from Taxonomy-aligned economic activities and individual measures enabling the target activities to become low-carbon or to lead to greenhouse gas reductions, primarily relating to our office buildings. We have not been able to obtain sufficient evidence that the activities meet the Substantial Contribution or Do No Significant Harm criteria. We do not have access to EPC certificates or undertake a climate and vulnerability assessment for these assets. Therefore, none of our capital expenditure can be classified as aligned. CapEx related to CCM 7.3, CCM 7.5 and CCM 7.6 have been assessed as non-material, representing 1.1% of the total CapEx. No CapEx was identified for the Pharma business.

Operational Expenditure

Total OpEx, as defined by the Taxonomy regulation, includes direct non-capitalized costs that relate to research and development, building renovation measures, short-term lease, maintenance and repair, and any other direct expenditures relating to the day-to-day servicing of assets. Applying this definition to DSM, total OpEx consists of maintenance (including building renovations) and direct R&D costs, excluding costs and income related to bad debts, government grants, depreciation and amortization, and own work capitalized. Taking into consideration the assessment of the limited contribution of the Pharma business to the turnover KPI, the OpEx related to this business within DSM is considered immaterial. As a result of the assessment, DSM did not identify material taxonomy-eligible activities.



Summary table 2025

Breakdown by environmental objectives of taxonomy-aligned activities

KPI	Total	Proportion of taxonomy-eligible activities	Taxonomy-aligned activities	Proportion of taxonomy-aligned activities	Climate change mitigation	Climate change adaptation	Water	Circular economy	Pollution	Biodiversity	Proportion of enabling activities	Proportion of transitional activities	Not assessed activities considered non-material	Taxonomy aligned activities in 2024	Proportion of taxonomy-aligned activities in 2024	
														€ million	%	
Turnover	4,008	0%	0	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	8.9%	0	0%
CapEx	629	9.9%	0	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	1.1%	0	0%
OpEx	434	0%	0	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	-	0	0%



Capital Expenditure KPI table 2025

Economic activities	Code	Environmental objective of taxonomy-aligned activities											Proportion of taxonomy-aligned in taxonomy eligible
		Taxonomy-eligible CapEx	Taxonomy-aligned CapEx	Taxonomy-aligned CapEx	Climate change mitigation	Climate change adaptation	Water	Circular economy	Pollution	Biodiversity	Enabling activity	Transitional activity	
		%	€ million	%	%	%	%	%	%	%	(E where applicable)	(T where applicable)	
Acquisition and ownership of buildings	CCM 7.7	9.9%	0	0%	0%	0%	0%	0%	0%	0%	0%		0%
Sum of alignment per objective					0%	0%	0%	0%	0%	0%			
Total CapEx		9.9%	0	0%	0%	0%	0%	0%	0%	0%			0%



Governance and risk management

Governance and governance framework

Governance

DSM B.V. is a direct and wholly owned subsidiary of DSM–Firmenich AG. It is managed by a Managing Board and supervised by a Supervisory Board. Members of the Managing Board and the Supervisory Board are appointed by the General Meeting of Shareholders.

DSM B.V. is governed by Dutch law and by its Articles of Association, which can be consulted on the [Company website](#).

DSM is part of the dsm–firmenich Group and is organized in two distinct high–performing Business Units. These Business Units are supported by Group Business Partners such as Science & Research, Finance, Human Resources, Sustainability, Procurement, Regulatory, Legal, Risk & Compliance, Safety, Health and Environment, and Digital & Tech.

More details about the organization can be found in the [About DSM](#) section.

Diversity

As part of dsm–firmenich, we strongly value diversity, and we endeavor to reflect this in our Board memberships. The Supervisory Board has formulated diversity policies for the Supervisory Board and the Managing Board. These policies seek a balanced composition of these bodies, taking into account gender, age, knowledge, experience, and nationality / cultural background. In addition, for the composition of the Supervisory Board, the tenure structure is taken into consideration.

In terms of gender diversity, we aim for at least 30% of the positions in our Supervisory Board and Managing Board to be held by women and at least 30% by men. To ensure a balanced composition in terms of nationality / cultural background, our aim is to have not more than 50% of the members of our Supervisory Board drawn from a single nationality. While a diverse composition in terms of nationality / cultural background is also taken into account in the composition of the Managing Board, no quantitative target is set here, given the small number of Managing Board members.

Our diversity policies are implemented by applying them to nominations for (re)appointments of Supervisory Board and Managing Board members.

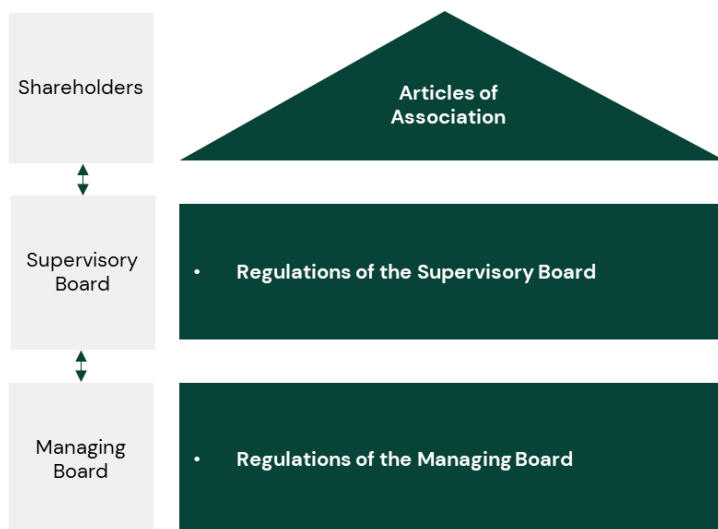
In 2025, the Supervisory Board consisted of 33% women, which is in line with Dutch legislation on gender diversity and with the Company's own diversity policy. Furthermore, the composition of our Supervisory Board is in line with our target of having not more than 50% of the members drawn from a single nationality.

The Managing Board comprised 100% men in 2025. Joris de Beer (country leader for the Netherlands) will retire following a distinguished career with DSM Group and will step down as member of the Managing Board of DSM B.V. with effect from April 1, 2026. As of the same date, Inge Massen–Biemans (currently Vice–President Corporate and Public Affairs) will succeed Joris de Beer as member of the Managing Board of DSM B.V. returning to a Managing Board composition of 33% women.



Governance framework

The figure below depicts DSM B.V.'s governance framework and the most important governance elements and regulations at each level.



Its internal corporate governance framework is based on its Articles of Association (the 'Articles of Association'). The Regulations of the Supervisory Board and the Managing Board further clarify the duties, powers and regulations of the governing bodies of DSM B.V.



Risk management

Our risk management framework is based on the COSO Enterprise Risk Management model. It supports DSM's Group, Business Unit and Business Partner 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.

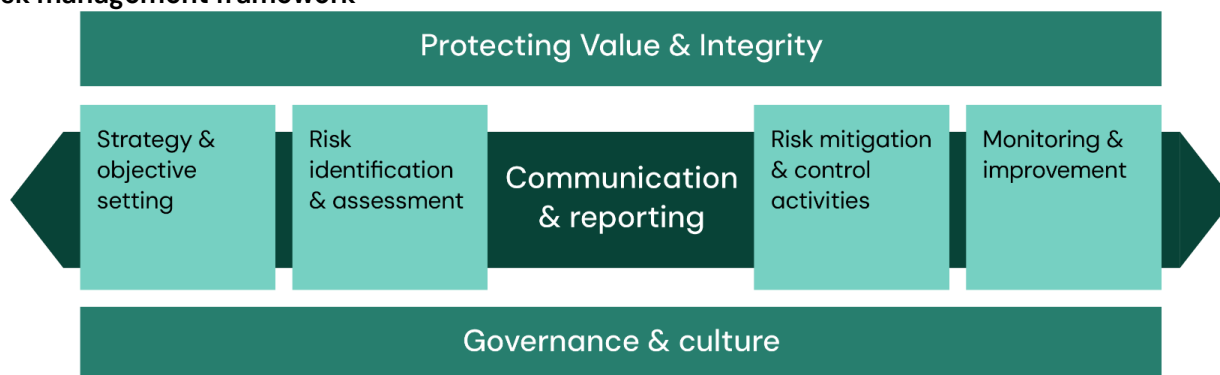
Our approach to risk management

With the creation of dsm-firmenich, enterprise risk management for DSM has become part of dsm-firmenich's risk management activities. The Managing Board continues to be accountable for risk management within DSM as part of their responsibilities within dsm-firmenich. The risk management framework of dsm-firmenich – described in the below sections – also applies to DSM as part of the dsm-firmenich Group.

Risk management framework

The building-blocks of our risk management framework are shown in the diagram. Governance and culture form the foundation, on which the pillars of the risk management process – strategy & objective-setting, risk identification & assessment, risk mitigation & control activities, monitoring & improvement – stand to protect our value & integrity. Communication & reporting ensures the connection between the pillars and the sharing of adequate information with internal and external stakeholders. The building-blocks are summarized in the paragraphs below.

Risk management framework



Governance & culture

As part of the dsm-firmenich Group, the DSM Group applies the Operating Model Framework that was determined by the Executive Committee of DSM-Firmenich AG, with the approval of the Board of Directors of DSM-Firmenich AG. The Operating Model Framework functions as guidance for the operations of, and cooperation within, the Group, the Business Units and Business Partners, who are therefore jointly responsible for achieving our objectives and managing the associated risks.

Strategy & objective-setting

Our Group strategy and objectives are determined by the Board of Directors of DSM-Firmenich AG, supported by the Executive Committee of DSM-Firmenich AG. The DSM Group strategy and objectives are translated into specific plans and priorities for Business Unit and Business Partner leadership and are elaborated in further detail for lower levels in the organization.



Risk identification & assessment

The realization of an ambitious strategy will always entail risks. To enable informed decision-making, these risks are identified and assessed at all levels in the organization. Risk assessments may focus on various topics (e.g., Safety, Health and Environment (SHE), security, climate) and are regularly updated.

Twice a year, the Executive Committee of DSM-Firmenich AG discusses the material risks with the Audit & Risk Committee of DSM-Firmenich AG reviewing and validating these risks before discussing them with the Board of Directors of DSM-Firmenich AG.

Risk mitigation & control activities

Mitigating actions and controls are defined and implemented for the most relevant risks. Controls include policies, standards, Segregation of Duties (SoD) management, business continuity management, and business performance reviews. Control activities, which can be preventive or detective, are integrated into our business processes and are executed by the first line.

Monitoring & improvement

To ensure that risk mitigation and control activities embedded in our business processes operate effectively, a framework has been established that supports the achievement of our objectives. To support the first line, an Internal Control function provides expertise to process owners, defines and maintains key control requirements, and monitors the adequacy of the design and execution of these controls. Key controls are those identified by management as essential to ensuring reliable internal and external reporting and compliant, well-controlled operations.

Communication & reporting

Reviewing of risks and incidents takes place via structured processes, and if needed on an ad-hoc basis. Twice a year, as part of our risk management framework, all Business Units and Business Partners report their material risks and incidents to the Executive Committee and the Audit & Risk Committee of DSM-Firmenich AG.

Policies on financial risks

As an international company, DSM is exposed to financial risks in the normal course of business. A major objective of the company is to minimize the impact of market, liquidity and credit risk on the value of the company and its profitability. To achieve this, a systematic financial and risk management system has been established. Furthermore, an internal control framework is in place, and the controls are monitored and tested periodically.

The derivatives contracts used by DSM are entered into exclusively in connection with the corresponding underlying transaction (hedged item) relating to normal operating business. The instruments used are customary products, such as currency swaps, cross-currency interest rate swaps, collars, forward exchange contracts and interest rate swaps.

An important element of DSM's capital management is the allocation of cash flow. DSM primarily allocates cash flow to investments aimed at strengthening its business positions and securing the payment of dividends to its shareholders. The remaining cash flow is further used for acquisitions and partnerships that strengthen DSM's competences and market positions. See also note 23 Financial instruments and risks as part of the financial statements.



Material risks and uncertainties

Within the framework of the dsm-firmenich risk management process, risk assessments are performed at all levels in the DSM organization and can focus on varying topics. Material risks for our Business Units and Business Partner functions are reported to the Executive Committee and the Audit & Risk Committee of DSM-Firmenich AG twice a year.

In addition, the Executive Committee of DSM-Firmenich AG has a separate discussion to determine the material risks. These are shared with and reviewed by the Audit & Risk Committee and the Board of Directors of DSM-Firmenich AG and form the basis for the risk disclosures below.

Our risk profile

The below table details the five most important short-term risks that might have material impact within three years and have the potential to prevent us from successfully implementing our strategy and achieving our targets. For each of these risks, the mitigating actions we are taking to reduce our exposure are described. These risks are labelled as top risks either because the exposure on the EBITDA of dsm-firmenich Group including the DSM Group is an indicative €45 million or more (cumulative 3 years), or because they have a major non-financial impact, such as on the reputation of the dsm-firmenich Group including the DSM Group.

Top risks, descriptions, main mitigations, and exposure | trends

Data management and digital transformation		
Risk description	Mitigations	Exposure Trends
Due to weak data governance and data management, we run the risk of data breaches compromising confidentiality and exposing the company to financial and reputational harm. In addition, due to the complexity of our digitalization roadmap and existing resource constraints, we run the risk that our digital transformation may not progress as planned, leading to delays or shortfalls in delivering targeted benefits.	<ul style="list-style-type: none"> Digital Roadmap focused on growth, efficiency, and strengthening core digital capabilities Digital Council guiding and governing the transformation Data Foundation program improving master data, platforms, and governance AI Mitigation plans enhancing AI governance, compliance, and awareness Business Units and Business Partners initiatives supporting upskilling and ensuring adherence to Group standards 	High ►
Geopolitical instability		
Risk description	Mitigations	Exposure Trends
Due to geopolitical instability and related economic downturns, we run the risk of trade restrictions, raw material and energy shortages, and supply chain disruptions limiting our	<ul style="list-style-type: none"> Business continuity measures in place, including diversified sourcing, backup manufacturing, and optimized safety stocks 	High ►



<p>ability to serve customers. In addition, due to weaker economic conditions, reduced consumer spending, and inflationary pressures, we run the risk of lower demand, leading to adverse impacts on our sales volumes and margins.</p>	<ul style="list-style-type: none"> • Early warning and monitoring tools enabling rapid response to supply chain disruptions • Financial risk mitigation through hedging of purchasing price and currency exposures • Targeted governance bodies (Tariff Taskforce, Energy Management Committee) supporting trade, supply diversification, and energy risk mitigation 	
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Commodity markets

Risk description	Mitigations	Exposure Trends
<p>Due to operating in highly competitive markets where some competitors benefit from lower cost positions, we run the risk of insufficient differentiation, leading to adverse effects on our sales volumes and margins.</p>	<ul style="list-style-type: none"> • Focus on high growth, higher margin segments supported by continuous competitive monitoring • Differentiate through innovation, leveraging scientific, technical, and data driven capabilities and a strong portfolio of natural and renewable ingredients • Develop value adding products/services tailored to customer and end consumer needs • Maximize operational performance across all Business Units through strict cost control and prudent inventory management 	<p>High ►</p>

Talent availability

Risk description	Mitigations	Exposure Trends
<p>Due to tight labor markets and ongoing macro-economic pressures, we run the risk of being unable to attract, retain, develop, and engage employees with the expertise and mindset needed to implement our strategy, leading to potential capability gaps and reduced organizational performance.</p>	<ul style="list-style-type: none"> • Company-wide people initiatives covering integrated rewards, development, well-being, engagement, and inclusion & belonging • Active monitoring of retention and engagement, with targeted actions taken when needed • Regular communication with employees on company performance, market context, 	<p>Low ▼</p>



	challenges, and opportunities to maintain transparency and connection	
Cybersecurity		
Risk description <p>Due to persistently high external cyber threats, we run the risk of cyber-attacks, leading to operational disruption and the loss of integrity or confidentiality of information.</p>	Mitigations <ul style="list-style-type: none"> • Strengthened information security, supported by ongoing investments in security systems • Cyber Security Governance Board and framework overseeing global cybersecurity across IT, OT, and R&D systems, aligned with new 2025 policies and standards • Employee awareness reinforcement through intensified phishing tests and continuous training (“human firewall”) • Business continuity and disaster recovery plans in place to mitigate operational impact of potential attacks • 24/7 global Security Operations Centers (SOC) and established cybersecurity response procedures for rapid detection and action 	Exposure Trends <p>Medium ►</p>

The broader risk landscape

ANH separation

The Animal, Nutrition & Health (ANH) business carve-out’s complexity, operational interdependencies, and ongoing restructuring create a potential risk of business disruption before and after separation. ANH is run as a stand-alone organization as of January 2026.

Other risks

There are also other business risks, such as innovation, business continuity, product quality, tax, increasing regulatory requirements, and increasing non-financial reporting requirements, with proper mitigations plans in place, assessed and evaluated on regular basis.

All relevant risks are considered in the preparation of our financial statements.



Group structure and shares

Group structure

DSM B.V. and Group companies

DSM B.V. is the parent company of the DSM Group and a direct and wholly owned subsidiary of DSM-Firmenich AG. DSM B.V. is a company organized under Dutch law with its statutory seat in Maastricht and its registered office at Wilhelminasingel 39, 6227 BE Maastricht, the Netherlands.

Former bearer shares

Former DSM bearer shares are subject to the Buy-Out scenario. In 2019, an amendment was made to Article 2:82 of the Dutch Civil Code stating that DSM shareholders who have not handed in their bearer share certificates will lose any entitlement to exchange their certificates for a replacement share as of 2 January 2026.



Supervisory Board and Managing Board DSM B.V.

Supervisory Board

The Supervisory Board is composed of the following three members.



Thomas Leysen, Chairman of the Supervisory Board, Chairman of the Board of Directors of DSM-Firmenich AG and Member of its Compensation Committee since 2023

Thomas Leysen has spent a large part of his career at Umicore, which was transformed under his leadership from a metals producer to a materials technology group with leading positions in battery materials, automotive catalysts, and precious metals recycling. He was CEO of the company until 2008, after which he became Chairman of the Board of Directors. He has been Chairman of the Board of Mediahuis, a European media company, since its formation in 2013. He has long been committed to the promotion of sustainable development, and was the founding Chair of The Shift, a coalition of businesses and non-governmental organizations in Belgium. He was Chairman of the Federation of Enterprises in Belgium from 2008 to 2011.

Between 2011 and 2020, Thomas Leysen was Chairman of the Board of KBC Group, a banking and insurance group with activities mainly in Belgium, Central Europe, and Ireland. He was appointed a Member of the Supervisory Board of Royal DSM N.V. in 2020 and served as its Chair from 2021 to 2023, when DSM and Firmenich merged.

Nationality	Belgian
Year of Birth	1960
Education	Master's in Law, KU Leuven (Belgium)
Listed Company Boards	<ul style="list-style-type: none"> • Umicore: Non-Executive Chair of the Supervisory Board
Non-Listed Company Boards	<ul style="list-style-type: none"> • Mediahuis: Non-Executive Chair of the Board
Other Memberships	<ul style="list-style-type: none"> • Myriad USA and Myriad Canada, Chair of the Foundation; • Mayer van den Bergh Museum, Chair of the Board of Trustees; • World Wildlife Fund (WWF) Belgium, Chair of the Board



John Ramsay, Member of the Supervisory Board, Member of the Board of Directors of DSM–Firmenich AG and Chairman of its Audit & Risk Committee since 2023

John Ramsay started his career at KPMG before entering the corporate world in 1984, when he joined ICI. He held several, increasingly senior, accounting and finance positions within ICI, which would later become AstraZeneca. He played a leading role in planning and executing the merger of AstraZeneca’s agribusiness with Novartis, including the integration and disposal of various businesses post-merger.

John Ramsay also played a leading role in the formation and stock exchange listing of the Syngenta business and became its Group Controller in 2001. In that role, he had to build up the group’s finance function from scratch, establishing the organization and reporting systems after the IPO. His last executive position was as Chief Financial Officer (CFO) and Interim CEO of Syngenta AG, which he held until 2016. He has served as Non-Executive Board Member of G4S and was a Member of the Supervisory Board of Royal DSM N.V. during a six-year tenure, until DSM and Firmenich merged in 2023.



Nationality	British
Year of Birth	1957
Education	Chartered Accountant
Listed Company Boards	<ul style="list-style-type: none"> • RHI Magnesita N.V, Non-Executive Director; • Croda International PLC, Non-Executive Director (until March 1, 2025); • Babcock International PLC, Non-Executive Director
Non-Listed Company Boards	N/A
Other Memberships	N/A



Corien Wortmann, Member of the Supervisory Board, Member of the Board of Directors of DSM-Firmenich AG, Member of its Sustainability Committee and Member of its Audit & Risk Committee since 2023

Corien Wortmann served as Chair of the Board of ABP Pension Fund, a world leader in responsible investing, from 2015 to 2022. She was a Member of the European Parliament for the European People’s Party (EPP) from 2004 to 2014, and the EPP’s Vice President Economy, Finance and Environment. She is currently a Non-Executive Member and Vice Chair of the Board of Directors of Aegon Ltd, a Member and Vice Chair of the Supervisory Board of Deloitte Netherlands, and Chair of the Supervisory Board of Netspar, a scientific network on pensions.



She has served as Chair of the Supervisory Board of Save the Children (Netherlands), as Jury Member of the Business Woman of the Year Prize at Veuve Clicquot, and as Co-Chair of the European High Level Expert Group Next CMU. She was a Member of the Supervisory Board of Royal DSM N.V. for a two-year tenure until DSM and Firmenich merged in 2023. She was a member of the Capital Markets Advisory Board of the Dutch Financial Markets Authority until 2024.

Nationality	Dutch
Year of Birth	1959
Education	Master’s in Political Science and Economics, Vrije Universiteit Amsterdam (Netherlands)
Listed Company Boards	Aegon Ltd, Non-Executive Vice-Chair of the Board
Non-Listed Company Boards	Deloitte Netherlands, Vice-Chair of the Supervisory Board
Other Memberships	<ul style="list-style-type: none"> • Netspar, Chair of the Supervisory Board; • Koninklijke Hollandsche Maatschappij der Wetenschappen, Member; • Planet Bio, Member of the Supervisory Board



Managing Board

The Managing Board is composed of the following three members.

Ralf Schmeitz, Chief Financial Officer (CFO), member of the Managing Board since 2023

Ralf Schmeitz was appointed Chief Financial Officer (CFO) of dsm-firmenich in September 2023, marking a significant milestone in his journey with the company. He joined the former DSM in 2006, and his path has been marked by outstanding achievements and a track record of strong performance.

Ralf Schmeitz has played a pivotal role in propelling the transformation of the Finance function and in navigating substantial portfolio changes. Prior to his CFO role, he held the position of Head of Group Finance, overseeing Finance & Control, Treasury and Taxation. In his last role at DSM, he held the position of Group Controller, spearheading both the Business Controlling and Accounting teams. Ralf Schmeitz began his career at PwC, laying strong foundations and building financial and strategic acumen, and then moved to Hewlett Packard, where he assumed diverse leadership responsibilities in Finance.



Nationality	Dutch
Year of Birth	1972
Education	<ul style="list-style-type: none"> • Master's in Economics, Maastricht University (Netherlands); • Master's in Accountancy, Maastricht University (Netherlands); • Master's in Business Valuation, Erasmus University, Rotterdam (Netherlands)



Joris de Beer, Vice-President DSM Netherlands B.V., member of the Managing Board since 2024 till March 31, 2026

Joris de Beer was appointed as Managing Board member of DSM B.V. in August 2024.

Initially, Joris joined DSM in 1987 and held several, increasingly senior, international business positions. May 2022, Joris was appointed as president of DSM Netherlands B.V.

Joris de Beer has developed into a seasoned manager with extensive expertise in general management, business development, marketing and sales and mergers and acquisitions.

His career spans various roles both domestically and internationally, demonstrating his adaptability and global perspective. He is recognized for exceptional ability to navigate and manage multi-stakeholder environments.



Nationality	Dutch
Year of Birth	1958
Education	<ul style="list-style-type: none"> Master's degree, Business Economics, Vrije Universiteit Amsterdam (Netherlands)

Ivo Nelissen, Senior Vice-President & Global Head of Group Tax, member of the Managing Board since 2024

Ivo Nelissen was appointed Global Head of Group Tax of DSM-Firmenich in September 2020 and as Managing Board member of DSM B.V. in August 2024.

He initially joined DSM in 2008 in the tax department responsible for different regions, business, and corporate departments. Since he joined DSM, he played an important role in the many transformative M&A projects up to and including the merger with Firmenich. Ivo started his career at Deloitte as a Tax Lawyer, laying a strong foundation in Legal and Tax structuring, M&A, Enterprise Modelling and Finance.



Nationality	Dutch
Year of Birth	1978
Education	<ul style="list-style-type: none"> Master's degree in Dutch Tax Law, Maastricht University (Netherlands) Master's degree in European and International Tax Law, Maastricht University (Netherlands)
Listed Company Boards	<ul style="list-style-type: none"> N/A
Non-Listed Company Boards	<ul style="list-style-type: none"> PDN Pension Fund: Director Limburg Ventures: Member of the Supervisory Board Chemelot Ventures: Member of the Supervisory Board
Other Memberships	<ul style="list-style-type: none"> N/A



Inge Massen-Biemans, Vice-President Nutrition, Health & Social Impact, President dsm-firmenich Netherlands, member of the Managing Board as of April 1, 2026

Inge Massen-Biemans was appointed Vice-President Nutrition, Health & Social Impact at dsm firmenich in 2026, which she combines with her role as President dsm firmenich Netherlands. She previously served as VP Corporate & Public Affairs of dsm firmenich and, prior to the merger, held several leadership roles at DSM. Inge's readiness to tackle complex challenges and her unwavering commitment to delivering impactful results exemplify her profound influence and lasting contribution to dsm-firmenich. Inge has been with the company for more than 25 years.



Nationality	Dutch
Year of Birth	1970
Education	<ul style="list-style-type: none"> • Master's degree in Business Communications, Nijmegen University (Netherlands) • Master's degree in Brand Management, EURIB, Rotterdam (Netherlands)
Listed Company Boards	<ul style="list-style-type: none"> • N/A
Non-Listed Company Boards	<ul style="list-style-type: none"> • dsm-firmenich Progress Foundation: Chair/Member of the Board up to April 1, 2026, and as of April 1, 2026 Member / Treasurer
Other Memberships	<ul style="list-style-type: none"> • N/A



FINANCIAL STATEMENTS

Consolidated financial statements

The financial statements of DSM include the consolidated financial statements and the parent company financial statements. DSM (the 'Company' or the 'Group') is a sub-group of the dsm-firmenich group.

The parent company of the sub-group DSM is DSM B.V., domiciled in Maastricht (Netherlands). Its shareholder and ultimate parent is DSM-Firmenich AG, listed on the Euronext Amsterdam stock exchange.

These consolidated financial statements comprise DSM B.V. and its subsidiaries (the 'Group'). A list of main participations of the Group can be downloaded from the company website.

The financial year 2025 covers the period from January 1, 2025, to December 31, 2025.

The Board of Directors of DSM B.V. approved these statements for issue on April 24, 2026 and they are subject to the approval of the Annual General Meeting on April 27, 2026.

The accompanying notes are an integral part of these consolidated financial statements.



Consolidated income statement

in € million	Notes	2025	2024
Continuing operations			
Net sales	<u>5</u>	4,008	4,058
Cost of sales	<u>5</u>	(2,532)	(2,935)
Gross profit		1,476	1,123
Marketing & Sales	<u>5</u>	(582)	(650)
Research & Development	<u>5</u>	(215)	(232)
General & Administrative	<u>5</u>	(419)	(149)
Other operating income	<u>5</u>	71	45
Other operating expense	<u>5</u>	(3)	(42)
Operating profit (loss)		329	95
Finance income	<u>6</u>	98	106
Finance expense	<u>6</u>	(162)	(124)
Profit (loss) before tax		265	77
Income tax expense	<u>7</u>	(89)	(15)
Share of net profit of associates and joint ventures	<u>10</u>	(114)	(12)
Other results related to associates and joint ventures	<u>10</u>	5	9
Net profit (loss) from continuing operations		67	59
Net profit from discontinued operations	<u>3</u>	(792)	(78)
Net profit (loss) for the period		(725)	(19)
Attributable to:			
- Holders of shares parent company	<u>16</u>	(762)	(43)
- Non-controlling interests	<u>17</u>	37	24



Consolidated statement of comprehensive income

in € million	Notes	2025	2024
Net profit (loss) for the period		(725)	(19)
Other comprehensive income			
Remeasurements of defined benefit liability	24	1	7
Fair value changes in other participating interests and other financial instruments	11	(15)	(20)
Related tax		(4)	(3)
Items that will not be reclassified to profit or loss		(18)	(16)
Exchange differences on translation of foreign operations	16		
- Change for the period		(536)	161
- Reclassified to the income statement on loss of significant influence		63	10
Hedging reserve	16		
- Change for the period		44	(28)
- Reclassified to the income statement		-	-
Equity accounted investees – share of other comprehensive income		-	-
Related tax		(6)	6
Items that may subsequently be reclassified to profit or loss		(435)	149
Total other comprehensive income		(453)	133
Total comprehensive income for the period, net of tax		(1,178)	114
Attributable to:			
- Holders of shares parent company	16	(1,210)	88
- Non-controlling interests	17	32	26



Consolidated balance sheet at December 31

in € million	Notes	2025	2024
Assets			
Goodwill and intangible assets	<u>8</u>	3,169	4,984
Property, plant and equipment	<u>9</u>	2,009	3,542
Deferred tax assets	<u>7</u>	151	238
Prepaid pension costs	<u>24</u>	1	20
Share in associates and joint ventures	<u>10</u>	126	240
Derivatives	<u>23</u>	60	50
Other non-current assets	<u>11</u>	230	261
Non-current assets		5,746	9,335
Inventories	<u>12</u>	1,049	2,201
Trade receivables	<u>13</u>	864	1,565
Income tax receivables	<u>13</u>	63	51
Other current receivables	<u>13</u>	602	144
Derivatives	<u>23</u>	42	42
Financial investments	<u>14</u>	81	20
Cash and cash equivalents	<u>15</u>	1,599	2,469
Assets held for sale	<u>3</u>	2,729	-
Current assets		7,029	6,492
Total assets		12,775	15,827
Equity and liabilities			
Shareholders' equity		4,864	7,959
Non-controlling interests	<u>17</u>	153	158
Equity	<u>16</u>	5,017	8,117
Deferred tax liabilities	<u>7</u>	283	411
Employee benefit liabilities	<u>24</u>	45	271
Provisions	<u>18</u>	42	65
Borrowings	<u>19</u>	3,126	3,085
Derivatives	<u>23</u>	1	1
Other non-current liabilities	<u>20</u>	87	95
Non-current liabilities		3,584	3,928
Employee benefit liabilities	<u>24</u>	4	3
Provisions	<u>18</u>	38	62
Borrowings	<u>19</u>	829	672
Derivatives	<u>23</u>	25	54
Trade payables	<u>21</u>	604	1,460
Income tax payables	<u>21</u>	118	142
Other current liabilities	<u>21</u>	1,150	1,389
Liabilities held for sale	<u>3</u>	1,406	-
Current liabilities		4,174	3,782
Total equity and liabilities		12,775	15,827



Consolidated statement of changes in equity (Note 16)

x € million	Share capital	Share premium	Other reserves	Retained earnings	Shareholders' equity	Non-controlling interests	Total Equity
Balance at January 1, 2024	261	469	250	7,834	8,814	109	8,923
Net profit (loss) for the period	-	-	-	(43)	(43)	24	(19)
Other comprehensive income	-	-	126	5	131	2	133
Total comprehensive income	-	-	126	(38)	88	26	114
Dividend	-	-	-	(673)	(673)	-	(673)
Deemed dividend ¹	-	-	-	(282)	(282)	-	(282)
Options / performance shares granted	-	-	31	-	31	-	31
Options / performance shares vested / canceled	-	-	(27)	27	-	-	-
Divestment of subsidiary with NCI	-	-	-	-	-	4	4
Transfer	-	-	191	(210)	(19)	19	-
Other changes	-	-	-	-	-	-	-
Balance at December 31, 2024	261	469	571	6,658	7,959	158	8,117
Net profit (loss) for the period	-	-	-	(762)	(762)	37	(725)
Other comprehensive income	-	-	(443)	(5)	(448)	(5)	(453)
Total comprehensive income	-	-	(443)	(767)	(1,210)	32	(1,178)
Dividend	-	-	-	(1,744)	(1,744)	(55)	(1,799)
Options / performance shares granted	-	-	38	-	38	-	38
Options / performance shares vested / canceled	-	-	(19)	19	-	-	-
Acquisition	-	-	-	-	-	(101)	(101)
Transfer	-	-	(17)	(102)	(119)	119	-
Other changes	-	-	-	(60)	(60)	-	(60)
Balance at December 31, 2025	261	469	130	4,004	4,864	153	5,017

¹ The in-substance demerger of DSM Re Switzerland AG in 2024 resulted in a deemed dividend amounting to €282 million.



Consolidated cash flow statement (Note 26)

in € million	2025	2024
Operating activities		
Net profit (loss) from continuing operations	67	59
Net profit from discontinued operations	(792)	(78)
Net profit for the period	(725)	(19)
Share of profit of associates and joint ventures (including discontinued operations) ¹	108	3
Income tax expenses (including discontinued operations) ¹	(127)	98
Profit before tax (including discontinued operations)¹	(744)	82
Finance income and expense (including discontinued operations) ¹	74	28
Operating profit (including discontinued operations)¹	(670)	110
Depreciation, amortization and impairments (including discontinued operations) ¹	2,335	851
EBITDA (including discontinued operations)¹	1,665	961
- (Gain) or loss from disposals	(501)	(59)
- Changes in provisions	(39)	(24)
- Changes in employee benefits	(12)	(23)
- Share-based compensation	38	24
- Income taxes paid / received	(208)	(131)
- Other non-cash items	(5)	2
Operating cash flow before changes in working capital	938	750
Changes in:		
Inventories	(54)	5
Trade receivables	66	(130)
Trade payables	(35)	123
Changes in operating working capital	(23)	(2)
Changes in non-operating working capital	(50)	53
Changes in working capital	(73)	51
Cash provided by operating activities	865	801

¹ The consolidated cash flow statement includes an analysis of all cash flows in total, therefore including both continuing and discontinued operations. For the amounts related to discontinued operations split by activities and a reconciliation of profit from continuing operations to total, including discontinued operations, see [Note 3 Change in the scope of the consolidation](#) to the consolidated financial statements.



Consolidated cash flow statement (Note 26) (continued)

in € million	2025	2024
Cash provided by operating activities	865	801
Investing activities		
Capital expenditure for intangible assets	(97)	(83)
Capital expenditure for property, plant and equipment	(395)	(450)
Proceeds from disposal of property, plant and equipment	60	18
Acquisition of subsidiaries	(19)	(5)
Disposal of subsidiaries	1,270	29
Payments for short-term financial investments	-	-
Proceeds from short-term financial investments	(64)	53
Other financial assets (incl. associates):		
- Dividends received	3	8
- Capital payments and acquisitions	(26)	(59)
- Proceeds from disposals	11	72
- Additions to loans granted	(25)	(87)
- Repayment of loans granted	4	58
Interest received	25	23
Cash from / (used in) investing activities	747	(423)
Financing activities		
Acquisition of non-controlling interests	(106)	-
Proceeds from borrowings	739	807
Repayment of borrowings	(514)	(548)
Payments of lease liabilities	(58)	(65)
Change in debt to credit institutions	7	37
Dividend paid	(1,799)	(673)
Interest paid	(44)	(28)
Funding cash pool	(670)	362
Other	5	-
Cash (used in) / from financing activities	(2,440)	(108)
Cash and cash equivalents at the beginning of the period	2,469	2,181
Net increase / (decrease) in cash and cash equivalents	(828)	270
Effect of movements in exchange rates on cash held	(42)	18
Cash and cash equivalents at the end of the period	1,599	2,469
Reclassification to held for sale	(11)	-
Cash and cash equivalents at the end of the period	1,588	2,469

See [Note 26 Notes to the cash flow statements](#) to the consolidated financial statements for selected comments on the statement of cash flow.



Notes to the consolidated financial statements

1 General information

Basis of preparation

DSM's consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as adopted by the European Union, and with the provisions of Section 362(8), Book 2 of the Dutch Civil Code.

In the following notes, all amounts are shown in millions of euros (€), unless otherwise stated.

Effect of new or amended standards

On April 9, 2024, the International Accounting Standards Board (IASB) issued IFRS 18 Presentation and Disclosure in Financial Statements, which becomes effective from January 1, 2027. IFRS 18 includes requirements on the presentation of new defined subtotals in the consolidated income statement, the disclosure of management-defined performance measures, and enhanced requirements for the aggregation and disaggregation of information. As such, IFRS 18 will primarily affect the presentation of the consolidated income statement and the categorization of certain items of income and expenses. During 2025, DSM has performed a preliminary impact assessment, but the company has not yet completed its detailed assessment.

Other new or amended standards that are effective from January 1, 2025 do not have a material effect on DSM's Consolidated Financial Statements. In addition, other new or amended standards effective after January 1, 2026 were neither adopted early, nor expected to have significant impact.

Group material accounting policies

The below information outlines the general Group material accounting policies. Other specific material accounting policies that management considers to be the most important for the presentation of the financial position and results of DSM's operations are included in the relevant notes and applied throughout the consolidated financial statements.

Principles of consolidation

As a parent company, DSM is exposed, or has a right, to the variable returns from its involvement with its subsidiaries and has the ability to affect the returns through its power over the subsidiaries. The financial data of subsidiaries are fully consolidated. Non-controlling interests in the Group's equity and profit and loss are stated separately. Subsidiaries are consolidated from the acquisition date until the date on which DSM ceases to have control. From the acquisition date onwards, all intra-group balances and transactions and unrealized profits or losses from intra-group transactions are eliminated.

A joint arrangement is an entity in which DSM holds an interest and which is jointly controlled by DSM and one or more other venturers under a contractual arrangement. A joint arrangement can either be a joint venture whereby DSM and the other partner(s) have rights to the net assets of the arrangement, or a joint operation where DSM and the partner(s) have rights to the assets and obligations for the liabilities of the arrangement.

For joint ventures, the investment in the net assets is recognized and accounted for in accordance with the equity method, see also [Note 10 Associates and joint arrangements](#). For a joint operation, assets, liabilities, revenues, and expenses are recognized in the financial statements of DSM in accordance with the contractual entitlement or obligations of DSM.



Foreign currencies

The Group's presentation currency is the euro (€), which is also the parent company's functional currency.

Each entity of the Group records transactions and balance sheet items in its functional currency. Transactions denominated in a currency other than the functional currency are recorded at the spot exchange rates prevailing at the date of the transactions.

Monetary assets and liabilities denominated in a currency other than the functional currency of the entity are translated at the closing rates. Exchange differences resulting from the settlement of these transactions and from the translation of monetary items are recognized in the income statement. Non-monetary items that are measured on the basis of historical costs denominated in a currency other than the functional currency continue to be translated against the rate at initial recognition and will not result in exchange differences.

On consolidation, the balance sheets of subsidiaries that do not have the euro as their functional currency are translated into euros at the closing rate. The income statements of these entities are translated into euros at the average rates for the relevant period. The functional currency in which goodwill paid on acquisition is recorded is based on the business case underlying the corresponding business combination.

Exchange differences arising from the translation of quasi-equity loans and the net investment in entities with a functional currency other than the euro are recorded in Other comprehensive income. The same applies to exchange differences arising from borrowings and other financial instruments insofar as those instruments hedge the currency risk related to the net investment.

On disposal of an entity with a functional currency other than the euro, the cumulative exchange differences relating to the translation of the net investment are recognized in profit or loss.

The currency exchange rates that were used in preparing the consolidated financial statements are listed below for the most important currencies.

1 euro =	Exchange rate at December 31		Average exchange rate	
	2025	2024	2025	2024
US dollar	1.18	1.04	1.13	1.08
Swiss franc	0.93	0.94	0.94	0.95
Brazilian real	6.44	6.43	6.31	5.83
Chinese renminbi	8.23	7.58	8.12	7.79

Emission rights

DSM is subject to legislation encouraging reductions in greenhouse gas emissions and has been awarded emission rights (principally CO₂ emission rights) in a number of jurisdictions. Emission rights are reserved for meeting delivery obligations and are recognized at cost. Income is recognized when surplus emission rights are sold to third parties. When actual emissions exceed the emission rights available to DSM, a liability is recognized for the expected additional costs.

Significant accounting estimates and judgments

The preparation of the consolidated financial statements requires management to make estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses, disclosure of contingent assets and liabilities at the date of the financial statements. Actual outcomes could differ from those estimates. The estimates are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.



Furthermore, the application of the Group's accounting policies may require management to make judgments, apart from those involving estimates, that can have a significant effect on the amounts recognized in the financial statements.

Areas of management estimates and judgments that have the most significant effect on the amounts recognized in the financial statements are disclosed along with the material accounting policies in the relevant notes.

Presentation of Consolidated income statement

DSM presents expenses in the Consolidated income statement in accordance with their function. This allows the presentation of gross profit on the face of the income statement, which is a widely used performance measure in the industry. The composition of the costs allocated to the individual functions is explained below.

Cost of sales encompasses all manufacturing costs (including raw materials, employee benefits, and depreciation and amortization) related to goods and services captured in net sales. These are measured at their actual cost based on weighted average cost, or FIFO.

Marketing & Sales relates to the selling and marketing of goods and services, and also includes all costs that are directly related to the sale of goods but are not originated by the manufacturing of the goods (e.g., outbound freight).

Research & Development consists of:

- Research, which is defined as original and planned investigation undertaken with the prospect of gaining new scientific or technical knowledge and understanding
- Development, which is defined as the application of research findings or other knowledge to a plan or design for the production of new or substantially improved materials, devices, products, processes, systems or services before the start of commercial production or use that do not meet the accounting requirements for capitalization

General & Administrative relates to the strategic and governance role of the general management of the company as well as the representation of DSM as a whole in the financial, political, or business community. It also relates to business support activities of staff departments that are not directly related to the other functional areas.

2 Alternative performance measures

Accounting policy

In monitoring the financial performance of DSM, management uses EBITDA as an Alternative performance measure (APM) not defined by IFRS. An APM should not be viewed in isolation as an alternative to the equivalent IFRS measure and should be used as supplementary information in conjunction with the most directly comparable IFRS measure. An APM does not have standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other companies.

In line with common industry practice, EBITDA is used as a metric to review DSM's financial performance.

Earnings before interest, tax, depreciation and amortization (EBITDA) is defined as the IFRS metric operating profit plus depreciation, amortization, and impairments.



Reconciliation of Alternative performance measures (continuing operations)

	2025	2024
Operating profit (loss)	329	95
Depreciation, amortization and impairments	363	447
EBITDA	692	542

3 Change in the scope of consolidation

Accounting policy

Business combinations

Business combinations are accounted for using the acquisition method from the moment control is transferred to the Group.

The cost of an acquisition is measured as the aggregate of the consideration transferred, including assets transferred, shares issued, and liabilities incurred, measured at acquisition date fair value. Acquisition-related costs incurred are expensed, except if related to the issue of debt or equity securities. As of the acquisition date, identifiable assets acquired, liabilities assumed, and any non-controlling interest in the acquiree are recognized separately from goodwill.

Identifiable assets acquired and the liabilities assumed are measured at acquisition date fair value. For each business combination, DSM elects whether it measures the non-controlling interest in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Any contingent consideration payable is measured at fair value at the acquisition date; subsequent changes in the fair value of the contingent consideration resulting from events after the acquisition date are recognized in profit or loss.

For business combinations with the acquisition date in the prior reporting period, comparative information is revised in case adjustments are made during the measurement period to the provisional amounts, determined as part of the purchase price allocation (PPA), based on information available at the acquisition date.

Non-current assets and disposal groups held for sale

Non-current assets and disposal groups (assets and liabilities relating to an activity that is to be sold) are classified as 'held for sale' if their carrying amount is to be recovered principally through a sales transaction rather than through continuing use. The reclassification takes place when the assets are available for immediate sale and the sale is highly probable. These conditions are usually met as from the date on which a letter of intent or agreement to sell is ready for signing. Non-current assets and disposal groups held for sale are measured at the lower of the carrying amount and fair value less costs to sell. Non-current assets held for sale are not depreciated or amortized.

Discontinued operations

Discontinued operations comprise those activities that were disposed of during the period or which were classified as held for sale at the end of the period and represent, or is part of single co-ordinated plan to dispose of, a separate major line of business or geographical area that can be clearly distinguished for the purposes of operational and financial reporting. Classification as a discontinued operation occurs when the operation meets the criteria to be classified as held for sale. The business results reclassified to discontinued operations include also intercompany recharges that cease to be earned/incurred on disposal. Corporate costs are excluded from the reclassification to discontinued operations.



The comparative numbers in the Income statement and the Statement of comprehensive income are re-presented as if the activities had been discontinued from the start of the comparative year.

Estimates and judgments

Key estimates DSM makes in the accounting for changes in the scope of consolidation relate to the determination of fair values for assets acquired and liabilities assumed in business combinations. These estimates are based on historical quoted market prices and experience and are generally validated by external valuation specialists.

Acquisitions

In 2025, DSM did not acquire any business (same as in 2024).

Divestments

Feed Enzymes

On June 2, 2025, DSM completed the divestment of its interest in the Feed Enzymes Alliance to its partner Novonesis, a global leader in biosolutions, for a cash consideration of €1.5 billion. The Feed Enzymes business was part of the Animal Nutrition & Health Business Unit, and represented approximately €165 million sales in 2024, with approximately 100 employees who were transferred to Novonesis.

Other divestments

The other divestments that were completed in the reporting period include the Pentapharm business and the Mechanical biomedical devices business (BU HNC).

Summary of divestments in 2025

See below table for the book result and the impact on the cash flow statement of the divestments and deconsolidation that took place in the reporting year.



	Feed Enzymes	Other divestments	Total
Assets			
Goodwill and intangible assets	(701)	-	(701)
Property, plant and equipment	-	(18)	(18)
Other non-current assets	-	3	3
Inventories	(33)	(22)	(55)
Receivables and other current assets	52	(5)	47
Cash and cash equivalents	(30)	(4)	(34)
Total assets	(712)	(46)	(758)
Liabilities			
Current liabilities	17	(1)	16
Total liabilities	17	(1)	16
Net assets dsm-firmenich shareholders	(729)	(45)	(774)
Consideration	1,475	2	1,477
Selling costs	(10)	(2)	(12)
Book result	736	(45)	691
Release translation reserve, hedging reserve	(60)	(1)	(61)
Income tax	-	1	1
Net book result	676	(45)	631
Impact on the cash flow statement			
Consideration	1,475	2	1,477
Of which deferred payments, non-cash and internal financing	-	(1)	(1)
Consideration in cash	1,475	1	1,476
Cash in divested company	(30)	(4)	(34)
Selling costs	(10)	(2)	(12)
Other divestment-related cash-in/(out)	(19)	(141)	(160)
Total cash-in/(out) related to disposals	1,416	(146)	1,270

Income statement continuing and discontinued operations

Discontinued Operations captures the results of the combined businesses that were an integral part of the single co-ordinated plan to dispose these businesses following DSM's post-merger portfolio review, mainly including the ANH business subject to the carve-out and the completed divestments of the Feed Enzymes business, the Yeast Extracts business, and the Marine Lipids business. The assets and liabilities related to the ANH business subject to the carve-out were reclassified as assets held for sale at year-end following its planned divestment.

The operating loss in discontinued operations amounting to -€999 million comprises the full year operating profit of the regular activities of the discontinued businesses (€253 million), the book profit of the divested businesses in 2025 (€631 million), the impairment of the ANH business which is held for sale (-€1,719 million), and carve-out and divestment costs (-€164 million).



Breakdown net profit into continuing and discontinued operations

	2025			2024		
	Continuing operations	Discontinued operations	Total Group	Continuing operations	Discontinued operations	Total Group
Net sales	4,008	3,487	7,495	4,058	3,745	7,803
EBITDA	692	973	1,665	542	419	961
Total expenses	3,679	4,486	8,165	3,963	3,730	7,693
Operating profit (loss)	329	(999)	(670)	95	15	110
Financial income and expense	(64)	(10)	(74)	(18)	(10)	(28)
Profit (loss) before income tax expense	265	(1,009)	(744)	77	5	82
Income tax expense	(89)	216	127	(15)	(83)	(98)
Results related to associates and joint ventures	(109)	1	(108)	(3)	-	(3)
Net profit (loss) for the year	67	(792)	(725)	59	(78)	(19)
Of which attributable to non-controlling interests	(3)	40	37	5	19	24
Available to holders of ordinary shares	70	(832)	(762)	54	(97)	(43)

Impact of discontinued operations on the cash flow statement

The impact of the business that has been included as discontinued operations in the cash flow statement is shown in the table below.

	2025	2024
Net cash provided by / (used in):		
- Operating activities	376	336
- Investing activities	1,112	(159)
Net change in cash and cash equivalents	1,488	177

Impact of discontinued operations on comprehensive income

The impact of the businesses that have been presented as discontinued operations in the income statement and statement of comprehensive income are presented in the table below. The comparative numbers in the Income statement and the Statement of comprehensive income are re-presented as if the activities of the combined businesses that were an integral part of the single coordinated plan to dispose these businesses had been discontinued from the start of the comparative year 2024.



	2025	2024
Net profit from discontinued operations	(792)	(78)
Other comprehensive income		
Remeasurements of defined benefit pension plans	28	1
Fair value changes in Other participating interests and other financial instruments	-	-
Related tax	(4)	(1)
Items that will not be reclassified to profit or loss	24	-
Exchange differences on translation of foreign operations		
- Change for the year	133	(112)
Items that may subsequently be reclassified to profit or loss	133	(112)
Total comprehensive income discontinued operations	(635)	(190)
Of which:		
- Attributable to non-controlling interests	2	(4)
- Available to equity holders of DSM	(637)	(186)

Assets and liabilities held for sale

At the end of 2025, the assets and liabilities relating to the remaining ANH business were reclassified to held for sale based on its highly probable sale within the next 12 months (no assets and liabilities were held for sale at the end of 2024). Following its classification to held for sale, the ANH business was measured at the lower of its carrying amount and fair value less cost to sell, resulting in an impairment of €1,719 million.



	Transferred to held for sale	Impairment	Held for Sale on balance sheet
Assets			
Goodwill and intangible assets	737	(618)	119
Property, plant and equipment	1,521	(1,082)	439
Deferred tax assets	379	-	379
Prepaid pension costs	2	-	2
Share in associates and joint ventures	25	-	25
Other non-current assets	40	-	40
Non-current assets	2,704	(1,700)	1,004
Inventories	1,042	-	1,042
Trade receivables	630	-	630
Income tax receivables	20	-	20
Other current receivables	22	-	22
Cash and cash equivalents	11	-	11
Current assets	1,725	-	1,725
Total assets held for sale	4,429	(1,700)	2,729
Liabilities			
Deferred tax liabilities	100	-	100
Employee benefit liabilities	209	-	209
Provisions	3	-	3
Borrowings	50	-	50
Other non-current liabilities	45	-	45
Non-current Liabilities	407	-	407
Employee benefit liabilities	6	-	6
Provisions	61	-	61
Borrowings	1	-	1
Trade payables	720	-	720
Income tax payables	46	-	46
Other current liabilities	165	-	165
Current liabilities	999	-	999
Total liabilities held for sale	1,406	-	1,406
Total held for sale	3,023	(1,700)	1,323
Divestment-related liabilities		(19)	
Total impairment		(1,719)	



4 Segment information

Accounting policy

DSM has segmented its operations by business activity from which revenues are earned and expenses incurred. These operating results are regularly reviewed by the Managing Board, DSM's Chief Operating Decision Maker (CODM), to make decisions about resources to be allocated to the operating segments and assess their performance. DSM uses EBITDA as the main indicator to evaluate the consolidated performance as well as the performance per operating segment. Discrete financial information is available for each identified operating segment.

The same accounting policies that are applied for the consolidated financial statements of DSM are also applied for the operating segments. Prices for transactions between segments are determined on an arm's length basis at market-based prices. Segment results, assets and liabilities include items directly attributable to a segment as well as those that can reasonably and consistently be allocated. Interest income, interest expense, and income tax expense or income are not allocated to segments as these amounts are not included in the measure of segment profit or loss reviewed by the Managing Board.

Selected information on a country and regional basis is provided in addition to the information about operating segments.

Operating segments

The continuing operations of DSM are organized into two Business Units:

- **Taste, Texture & Health – DSM (TTH-DSM)** helps customers create food and beverage products that are delicious, nutritious, affordable, and sustainable. This Business Unit provides enjoyment and nourishment for consumers, business success for customers, and better health for People and Planet. This Business Unit mainly consists of the Ingredients Solutions business
- **Health, Nutrition & Care – DSM (HNC-DSM)** provides people solutions to help them look after their health by adding critical nutrients to diet. This Business Unit drives medical innovation forward, helping to accelerate recovery times and enhancing quality of life. This Business Unit mainly consists of DSM's former Health, Nutrition & Care business, including the Personal Care business. HNC-DSM excludes the Aroma Ingredients business, which was transferred to Animal Nutrition & Health (ANH) in view of the carve-out.

For 2025, these Business Units have been identified as the reportable operating segments of DSM. The ANH business also continued to be a reportable segment throughout 2025; however, in view of its highly probable sale, it was reclassified to 'discontinued operations' at year-end 2025.

Any consolidated activities outside the three reportable operating segments above are reported as the reportable segment 'Corporate Activities'. These consist of corporate operating and service activities that are not further allocated to the operating segments.

Following the changes in the composition of the reportable operating segments in view of the carve-out, the previously reported information has been restated accordingly.

DSM does not have a single external customer that represents 10% or more of total sales.



Geographical information

	Nether-lands	Switzer-land	Rest of EMEA	North America	Latin America	China	Rest of Asia	Total
2025								
Net sales continuing operations (by destination)								
In € millions	249	141	1,159	1,235	360	298	566	4,008
In %	6	4	29	31	9	7	14	100
Workforce at year-end (headcount) ¹	1,763	2,183	4,307	2,316	2,439	2,543	2,105	17,656
Intangible assets and property, plant and equipment at period-end (carrying amount)	1,555	143	1,636	1,645	3	152	44	5,178
2024								
Net sales continuing operations (by destination)								
In € millions	240	112	1,082	1,314	377	361	572	4,058
In %	6	3	27	32	9	9	14	100
Workforce at year-end (headcount) ¹	1,776	2,275	4,218	2,262	2,444	2,455	1,751	17,181
Intangible assets and property, plant and equipment at year-end (carrying amount)	1,618	1,822	2,251	2,005	337	405	88	8,526

¹ Refers to total Group, including discontinued operations

Reportable segments

	Taste, Texture & Health - DSM	Health, Nutrition & Care - DSM	Corporate Activities	Total continuing operations	Discontinued operations	Total Group
2025						
Net sales	1,395	2,435	178	4,008	3,487	7,495
EBITDA ¹	253	389	50	692	973	1,665
Operating profit	117	190	22	329	(999)	(670)
2024²						
Net sales	1,365	2,550	143	4,058	3,745	7,803
EBITDA ¹	175	407	(40)	542	419	961
Operating profit	56	99	(60)	95	15	110

¹ See [Note 2 Alternative performance measures](#) to the consolidated financial statements for the reconciliation to IFRS performance measures.

² Restated for comparative purposes.



5 Net sales and costs

Accounting policy

Revenue from contracts with customers is recognized by identifying the contract and its performance obligations as well as determination and allocation of the transaction price to these performance obligations. Net sales represent the invoice value less estimated rebates, cash discounts, and indirect taxes. No element of financing is deemed present as sales are made with a short-term credit term.

The payment terms are determined per business segment on a customer basis. DSM has neither specific obligations for returns or refunds, nor specific warranties or other related obligations.

Sale of goods

At DSM, revenue related to the sale of goods is recognized in the income statement when the performance obligation is satisfied. This is at the point in time when transfer of control of the goods passes to the buyer. Fulfilment of the performance obligations related to goods sold is measured using the commercial shipment terms as an indicator for the transfer of control. Revenue recognized is measured at the fair value of the contractual transaction price allocated to the performance obligation that is satisfied.

Rendering of services

Income coming from the rendering of services is recognized when the service, i.e., the performance obligation, has been fulfilled. Fulfilment of the performance obligations for services rendered is identified according to the individual contract but generally takes place at the point in time when the service is provided. The revenue recognized is measured at the fair value of the contractual transaction price allocated to the performance obligation that is satisfied.

Net sales

	2025	2024
Goods sold	3,721	3,796
Services rendered	287	262
Total	4,008	4,058

Services rendered also include recharges of corporate service costs to related parties. See also [Note 28 Related parties](#).

Disaggregation of net sales

	2025	2024
Taste, Texture & Health – DSM (TTH–DSM)	1,395	1,365
Health, Nutrition & Care – DSM (HNC–DSM)	2,435	2,550
- Dietary supplements and I-Health	846	870
- Early life nutrition	431	413
- Biomedical solutions	207	208
- Personal care	366	430
- Other	585	629
Corporate Activities	178	143
Total	4,008	4,058



Total costs

In 2025, total operating costs (the total costs included in operating profit) continuing operations amounted to €3.7 billion, €0.3 billion lower than in 2024, when these costs stood at €4.0 billion. Total operating costs in 2025 included Cost of sales amounting to €2.5 billion (2024: €2.9 billion); gross profit as a percentage of net sales stood at 37% (2024: 28%).

Employee benefit costs

	2025	2024
Wages and salaries	814	863
Social security costs	94	90
Pension costs (see also Note 24)	58	58
Share-based compensation (see also Note 27)	11	10
Total	977	1,021

Depreciation, amortization and impairments

	2025	2024
Amortization of intangible assets	189	196
Depreciation of property, plant and equipment owned	103	127
Depreciation of right-of-use assets	44	42
Impairment losses	27	82
Total	363	447

For impairment losses, see also [Note 2 Alternative Performance Measures](#) and [Note 8 Goodwill and intangible assets](#).

Other operating income

	2025	2024
Release of provisions	1	1
Gain on sale of assets and activities	42	14
Insurance benefits	10	3
Amendments / settlements to pension plans	-	-
Earn-out payments and other settlements	-	21
Lease income	-	-
Royalties	-	-
Sale of emission rights	-	-
Sundry	18	6
Total	71	45

Other operating expense

	2025	2024
Additions to provisions	-	5
Exchange differences	2	9
Acquisitions / disposals / demerger	-	19
Sundry	1	9
Total	3	42



6 Finance income and expense

	2025	2024
Finance income		
Interest income from third parties	54	62
Interest income from related parties	27	22
Fair value change in derivatives	12	15
Sundry	5	7
Total finance income	98	106
Finance expense		
Interest expense from third parties	(93)	(79)
Interest expense from related parties	(37)	(30)
Interest relating to lease liabilities	(10)	(8)
Interest relating to defined benefit plans	(1)	(1)
Fair value change in derivatives	(1)	-
Capitalized interest during construction	9	6
Exchange differences	(6)	(5)
Unwinding of discounted payables	(2)	(3)
Sundry	(21)	(4)
Total finance expense	(162)	(124)
Total finance income and expense	(64)	(18)

In 2025, the interest rate applied in the capitalization of interest during construction was 2.5% (2024: 2.5%).



7 Income tax

Accounting policy

Income tax expense is recognized in the income statement except to the extent that it relates to an item recognized directly in Other comprehensive income or Shareholders' equity.

Current tax is the expected tax payable or receivable on the taxable income for the year, using tax rates enacted at the balance sheet date, and any adjustment to tax payable with respect to previous years. The current tax position also reflects any uncertainty related to income taxes. Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax assets and liabilities are recognized for the expected tax consequences of temporary differences between the carrying amount of assets and liabilities and their tax base. Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantially enacted at the balance sheet date, and reflect any uncertainty related to income taxes and are expected to apply when the related deferred tax assets are realized or the deferred tax liabilities are settled. Deferred tax assets, including assets arising from losses carried forward and tax credits, are reassessed over time and recognized to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences and unused tax losses can be utilized. Deferred tax assets and liabilities are stated at nominal value.

Deferred taxes are not recognized for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. Deferred tax assets and deferred tax liabilities are offset and presented net when there is a legally enforceable right to offset, and the assets and liabilities relate to income taxes levied by the same taxation authority.

Estimates and judgments

Key estimates for income tax generally relate to uncertain tax positions that could result from different interpretation of tax legislation by local tax authorities in the countries where DSM operates. For the measurement of the uncertainty, DSM uses the most likely amount or the expected value method to estimate the underlying risk. This requires judgements and outcome may deviate from the estimates.



Income tax

The income tax expense on continuing operations was €89 million. The breakdown of the income tax expense is as follows.

	2025	2024
Current tax (expense) / benefit:		
- Current year	(123)	(65)
- Prior-year adjustments	11	-
- Tax credits compensated	7	10
- Non-recoverable withholding tax	-	(1)
Total current tax (expense) / benefit	(105)	(56)
Deferred tax (expense) / benefit:		
- Originating from temporary differences and their reversal	16	51
- Prior-year adjustments	(8)	(3)
- Change in tax rate	2	-
- Changes arising from write-down of deferred tax assets	-	(6)
- Changes in previously and newly recognized tax losses and tax credits	6	(1)
Total deferred tax (expense) / benefit	16	41
Total tax (expense) / benefit	(89)	(15)

The increase of the income tax expense and herewith the effective income tax rate as compared to 2024 is mainly due to the combination of the geographical spread of the results within the group and non-deductible expenses in 2025. The relationship between the income tax expense based on the nominal tax rate in the Netherlands and the actual income tax expense is explained in the table below.

In € million	2025	2024
Profit (loss) before tax	265	77
Tax reconciliation		
Tax calculation on Profit before tax based on nominal Dutch corporate income tax rate (25.8%)	(68)	(20)
<i>Income tax effects of:</i>		
- Deviating rates	(15)	21
- Change in tax rates	2	-
- Tax-exempt income and non-deductible expenses	2	(10)
- Other effects	(10)	(6)
Income tax income (expense)	(89)	(15)

Pillar Two legislation has been enacted in several jurisdictions in which DSM operates. DSM applies the temporary relief from deferred tax accounting for the impacts of the top-up tax and accounts for it as current tax when it is incurred. The income tax expense relating to Pillar Two legislation was less than €1 million in 2025 because of the geographical spread of the business results (2024: less than €1 million).

The balance of the deferred tax assets and deferred tax liabilities increased by €41 million owing to the changes presented in the following table.



Deferred tax assets and liabilities

	2025	2024
Balance at January 1		
Deferred tax assets	238	169
Deferred tax liabilities	(411)	(454)
Total	(173)	(285)
<i>Changes:</i>		
- Income tax income / (expense) in income statement	336	91
- Income tax: change in tax percentage	(6)	-
Total income statement (including discontinued operations)	330	91
- Income tax expense in OCI	(12)	3
- Acquisitions and disposals	4	-
- Consolidation changes	-	-
- Exchange differences	(4)	11
- Reclassification to held for sale	(279)	-
- Transfer	2	7
Balance at December 31	(132)	(173)
<i>Of which:</i>		
- Deferred tax assets	151	238
- Deferred tax liabilities	(283)	(411)

In various countries, DSM has taken standpoints regarding its tax position which may at any time be challenged, or have already been challenged, by the tax authorities, because the authorities in question interpret the law differently. For particular tax treatments whose acceptance by the relevant tax authorities is uncertain, DSM either recognizes a liability or reflects the uncertainty in the recognition and measurement of its current and deferred tax assets and liabilities.



The deferred tax assets and liabilities relate to the following balance sheet items.

Deferred tax assets and liabilities by balance sheet item

	2025		2024	
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
Intangible assets	97	(281)	12	(341)
Property, plant and equipment	241	(155)	30	(161)
Right-of-use assets	9	(50)	1	(42)
Financial assets	26	(15)	33	(7)
Inventories	89	(4)	101	(8)
Receivables	9	(21)	9	(19)
Asset held for sale	(379)	100		
Lease liabilities non-current	43	-	35	-
Other non-current liabilities	-	(1)	-	(1)
Non-current provisions	41	(2)	50	-
Other current liabilities	42	(16)	61	(4)
Lease liabilities current	10	-	10	-
	228	(445)	342	(583)
Tax losses carried forward and credits	85	-	68	-
Set-off	(162)	162	(172)	172
Total	151	(283)	238	(411)

No deferred tax assets were recognized for loss carryforwards amounting to €168 million (2024: €159 million).

Unrecognized loss carryforwards amounting to €53 million will expire in the years up to and including 2030 (2024: €53 million up to and including 2029), €6 million losses between 2031 and 2035 (2024: nil losses between 2030 and 2034) and the remaining €109 million in 2036 and beyond (2024: remaining €106 million in 2035 and beyond). In addition, an amount of €26 million (2024: €15 million) of withholding taxes was unrecognized.

No deferred tax liability is recognized on temporary differences relating to unremitted retained earnings of subsidiaries as the Group is able to control the timings of the reversal of these temporary differences and it is probable that they will not reverse in the foreseeable future. The amount of unremitted retained earnings on which no deferred tax liability has been provided for represents €1,139 million (2024: €1,011 million).

The valuation of deferred tax assets depends on the probability of the reversal of temporary differences and the utilization of tax loss carryforwards, tax credits and withholding tax. Deferred tax assets are recognized for future tax benefits arising from temporary differences and for tax loss carryforwards to the extent that the tax benefits are probable. DSM has to assess the likelihood that deferred tax assets will be recovered from future taxable profits. Deferred tax assets are reduced if, and to the extent that, it is not probable that all or some portion of the deferred tax assets will be realized. In the event that actual future results differ from estimates and depending on tax strategies that DSM may be able to implement, changes to the measurement of deferred taxes could be required, which could have an impact on the company's financial position and profit for the year.



8 Goodwill and intangible assets

Accounting policy

Goodwill

Goodwill represents the excess of the cost of an acquisition over DSM's share in the net fair value of the identifiable assets and liabilities in a business combination. Goodwill paid on acquisition of a business is included in intangible assets. Goodwill paid on acquisition of joint ventures or associates is included in the carrying amount of these entities. Goodwill recognized as an intangible asset is tested for impairment annually, and when there are indications that the carrying amount may exceed the recoverable amount. A gain or loss on the disposal of an operation includes the goodwill allocated to the operation sold.

Intangible assets acquired as part of a business combination

Intangible assets acquired in a business combination are recognized at fair value on the date of acquisition and subsequently amortized on a straight-line basis over their expected useful lives. The expected useful lives vary from four to 20 years.

Separately acquired intangible assets

Separately acquired licenses, patents, application software and other purchased rights are carried at historical cost less straight-line amortization and less any impairment losses. The expected useful lives vary from four to 20 years.

Capital expenditure that is directly related to the development of application software is recognized as an intangible asset and amortized over its estimated useful life (five to eight years). Costs of software maintenance are expensed when incurred.

Internally generated intangible assets

Research costs are expensed when incurred. Development expenditure is capitalized if the recognition criteria are met and if it is demonstrated:

- that it is technically feasible to complete the asset;
- that the entity intends to complete the asset; that the entity is able to sell the asset;
- that the asset is capable of generating future economic benefits;
- that adequate resources are available to complete the asset; and
- that the expenditure attributable to the asset can be reliably measured.

Capitalized development expenditures is amortized over the asset's useful life on a straight-line basis. As long as internally generated intangible assets are under construction, they are not amortized as they are not yet available for use. Instead, they are subject to a review for impairment annually, or more frequently if events or circumstances indicate this is necessary. Any impairment is charged to the income statement as it arises.

Impairment of non-financial assets

When there are indications that the carrying amount of a non-financial asset (goodwill, an intangible asset, or an item of property, plant and equipment) may exceed the estimated recoverable amount (the higher of its value in use and fair value less costs of disposal), an impairment test is performed.

If an asset does not generate largely independent cash flows, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market interest rates and the risks specific to the asset or CGU.

When the recoverable amount of a non-financial asset or a CGU is less than its carrying amount, the carrying amount is impaired to its recoverable amount and an impairment charge is recognized in profit or loss. An impairment loss is



reversed when there has been a change in estimate that is relevant for the determination of the asset's recoverable amount since the last impairment loss was recognized. Impairment losses for goodwill are never reversed.

Estimates and judgments

Key estimates and judgments DSM makes in the accounting for goodwill and intangible assets relate to:

- The amortization period of intangible assets, which depends on their useful lives
- The determination of CGUs, which depends on the capacity of the asset or group of assets to generate independent cash flows
- The estimation and allocation of future cash flows, growth rates, discount rates and fair values minus costs of disposal for the impairment testing of goodwill and intangible assets. These estimates are based on historical and current market rates, quoted prices, experience, current business outlooks, and are generally validated by external valuation specialists

Goodwill and intangible assets

The amortization and impairment losses of goodwill and intangible assets are included in Cost of sales, Marketing & Sales, Research & Development, and General & Administrative expenses.

Where DSM acquired entities in business combinations, they were accounted for by the acquisition method, resulting in recognition of mainly goodwill, customer- and marketing-related, and technology-based intangible assets.

Significant intangibles were mainly obtained during the acquisitions Glycom in 2020, and F&F Amyris and First Choice Ingredients in 2021. Intangible assets are amortized on a straight-line basis and subject to impairment trigger testing.

There are no intangible assets with an indefinite useful life (same as in 2024). The carrying amount of the internally generated intangible assets includes €130 million (2024: €137 million) that relates mainly to strategic projects which are not being amortized yet. The recoverable amount of these projects was estimated based on the present value of the future cash flows expected to be derived from the projects (value-in-use).



	Goodwill	Customer base	Brands and trademarks	Technology and formulas	Software, licenses and patents	Internally generated	Other	Total
Balance at January 1, 2024								
Cost	3,061	1,305	158	1,127	673	612	258	7,194
Amortization and impairment losses	21	660	71	346	430	236	220	1,984
Carrying amount	3,040	645	87	781	243	376	38	5,210
<i>Changes in carrying amount:</i>								
- Capital expenditure	-	-	-	-	1	79	3	83
- Put into operation	-	(1)	3	11	53	(68)	2	-
- Amortization	-	(65)	(14)	(60)	(78)	(25)	(6)	(248)
- Impairment losses	(37)	(1)	(4)	(54)	(1)	(6)	-	(103)
- Exchange differences	63	1	(1)	1	(1)	(4)	1	60
- Transfers	-	(15)	(17)	(1)	32	(1)	6	4
- Other consolidation changes	(11)	-	-	-	-	(11)	-	(22)
	15	(81)	(33)	(103)	6	(36)	6	(226)
Balance at December 31, 2024								
Cost	3,097	1,148	176	994	904	569	191	7,079
Amortization and impairment losses	42	584	122	316	655	229	147	2,095
Carrying amount	3,055	564	54	678	249	340	44	4,984
- Of which acquisition related	3,055	564	54	678	-	-	11	4,362
<i>Changes in carrying amount:</i>								
- Capital expenditure	-	-	-	-	1	95	1	97
- Put into operation	-	-	-	-	79	(84)	5	-
- Disposal of subsidiary	(684)	-	-	(6)	-	(10)	-	(700)
- Amortization	-	(62)	(7)	(61)	(79)	(19)	(8)	(236)
- Impairment losses	-	(1)	-	-	(1)	(10)	(1)	(13)
- Reversal of Impairment	-	-	-	-	-	-	1	1
- Exchange differences	(195)	(17)	1	(16)	3	2	(7)	(229)
- Reclassification to held for sale	(347)	(190)	(17)	(101)	(41)	(20)	(21)	(737)
- Reclassification from/to intangible assets	-	-	-	-	-	-	2	2
	1,829	294	31	494	211	294	16	3,169
Balance at December 31, 2025								
Cost	1,871	764	136	776	874	521	69	5,011
Amortization and impairment losses	42	470	105	282	663	227	53	1,842
Carrying amount	1,829	294	31	494	211	294	16	3,169
- Of which acquisition-related	1,829	294	31	494				2,648

The disposal of €700 million relates to the divestment in June 2025 of the Feed Enzymes business, which was part of the ANH Business Unit. Furthermore, following the classification of the ANH business as held for sale, €737 million was reclassified accordingly at year-end 2025. See also [Note 3 Change in the scope of consolidation](#).



Goodwill

The annual impairment tests of goodwill are performed at year-end. The CGUs DSM identified in 2025 were Taste, Texture & Health – DSM (TTH-DSM) and Health, Nutrition & Care (HNC-DSM).

Goodwill per Cash generating unit

	2025	2024
Taste, Texture & Health – DSM (TTH-DSM)	537	582
Health, Nutrition & Care – DSM (HNC-DSM)	1,292	1,490
Animal Nutrition & Health (ANH)	-	983
Total	1,829	3,055

The recoverable amount of the CGUs is based on a value-in-use calculation. More specifically, the cash flow projections in Euros are derived from dsm-firmenich's overall business plan as DSM does not operate in isolation from the dsm-firmenich Group. DSM's derived business plan is adopted by the Managing Board. The DSM specific cash flow projections are based on the derived budget for 2026 as well as the Long Range Planning (LRP), as approved by DSM's Managing Board. The key assumptions in the cash flow projections relate to the market growth for the CGUs and the related revenue projections, EBITDA developments, and the rates used for discounting cash flows.

For the CGU HNC-DSM, which is considered a mature business, a forecast period of five years is applied before it comes to a terminal value. For TTH-DSM, an explicit forecast period of seven years was applied, reflecting the remaining period of time during which the identified synergies arising from the merger are expected to contribute to the growth of this CGU. The terminal value growth rate is determined with the assumption of inflationary growth.

Key assumptions for goodwill impairment tests

	2025	2024
Forecast period (years)		
- Mature business	5	5
- Emerging business	7	10
Terminal value growth	2.0%	2.0%
Pre-tax discount rate		
Taste, Texture & Health – DSM (TTH-DSM)	10.2%	8.5%
Health, Nutrition & Care – DSM (HNC-DSM)	9.9%	8.6%
Organic sales growth (year 1–5)		
Taste, Texture & Health – DSM (TTH-DSM)	3%–15%	0%–6%
Health, Nutrition & Care – DSM (HNC-DSM)	0%–6%	0%–7%

For HNC-DSM, the growth assumptions are based on the growth of the global food markets; for TTH-DSM, on the growth assumptions of the global food and beverage markets.

A sensitivity test was performed on the impairment tests of the CGUs and showed that the conclusions of these tests would not have been different if a reasonable possible adverse change in key parameters had been assumed.



9 Property, plant and equipment

Accounting policy

Property, plant and equipment owned

Items of Property, plant and equipment owned are measured at cost less depreciation calculated on a straight-line basis over their estimated useful lives and less any impairment losses. Borrowing costs during construction are capitalized when the underlying asset under construction meets the recognition criteria of a qualifying asset.

Subsequent expenditure is capitalized only when it is probable that future economic benefits associated with the item will flow to the Group. Expenditures relating to major scheduled turnarounds are capitalized and depreciated over the period up to the next turnaround.

The estimated remaining lives of assets are reviewed every year, taking account of commercial and technological obsolescence as well as normal wear and tear. The initially assumed expected useful lives are in principle as follows:

- Buildings 10–50 years
- Plant and equipment 4–15 years
- Land is not depreciated

An item of property, plant and equipment owned is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use or the sale of the asset. Any gain or loss arising on derecognition of the asset is recorded in profit or loss.

Right-of-use assets (leases)

DSM mainly leases offices, warehouses, vehicles, machinery, and other equipment.

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. Right-of-use assets are measured at cost less any depreciation on a straight-line basis over the expected lease term, less any impairment losses, and adjusted for remeasurements of the lease liability. In line with the initially assumed expected useful life of the corresponding asset class within Property, plant and equipment, the minimum expected lease term for building leases is in principle 10 years. However, the contractual terms or specific circumstances could require applying the shorter non-cancellable period in determining the expected lease term. For vehicle leases, the expected lease term is set equal to the contractual term (four to five years).

Impairment of Property, plant and equipment

If there is an indication of impairment, the carrying amount of an item of Property, plant and equipment or the cash generating unit (CGU) to which it belongs is reviewed and the recoverable amount of the asset or the CGU is estimated. An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount. An impairment loss is reversed when there has been a change in estimate that is relevant for the determination of the asset's recoverable amount since the last impairment loss was recognized.

Estimates and judgments

Key estimates and judgments DSM makes in the accounting for items of property, plant and equipment relate to:

- The depreciation period of items of property, plant and equipment, which depend on their useful lives
- The determination of the lease term for lease contracts based on assessment of available renewal options. Estimates are based on the underlying asset class, past practices and current business outlooks



- The estimation and allocation of future cash flows, growth rates, discount rates and fair values minus costs of disposal for the impairment testing of items of property, plant and equipment. These estimates are based on historical and current market rates, experience, and current business outlooks

Composition of Property, plant and equipment

	2025	2024
Property, plant and equipment owned	1,754	3,242
Right-of-use assets	255	300
Total	2,009	3,542

In 2025, impairment losses of €32 million (2024: €128 million) were recognized on Property, plant and equipment owned, and of €2 million on Right-of-use assets (2024: nil).

In addition, following the classification of the ANH business as held for sale, €1,461 million and €60 million in, respectively, Property, plant and equipment owned and Right-of-use assets were reclassified accordingly at year-end 2025.



Property, plant and equipment owned

	Land and buildings	Plant and equipment	Under construction	Not used for operating activities	Total
Balance at January 1, 2024					
Cost	1,937	4,965	595	6	7,503
Depreciation and impairments	917	3,320	-	-	4,237
Carrying amount at January 1, 2024	1,020	1,645	595	6	3,266
<i>Changes in carrying amount:</i>					
- Capital expenditure	4	47	445	-	496
- Put into operation	33	140	(173)	-	-
- Disposals and deconsolidations	(41)	(52)	(2)	-	(95)
- Depreciation	(63)	(252)	-	-	(315)
- Impairment losses	(35)	(90)	(3)	-	(128)
- Exchange differences	1	10	11	-	22
- Other reclassifications	15	193	(212)	-	(4)
	(86)	(4)	66	-	(24)
Balance at December 31, 2024					
Cost	1,774	4,840	663	6	7,283
Depreciation and impairments	840	3,199	2	-	4,041
Carrying amount at December 31, 2024	934	1,641	661	6	3,242
<i>Changes in carrying amount:</i>					
- Capital expenditure	9	60	385	-	454
- Put into operation	66	224	(290)	-	-
- Disposals and deconsolidations	(4)	(4)	(1)	(5)	(14)
- Depreciation	(60)	(242)	-	-	(302)
- Impairment losses	(17)	(12)	(3)	-	(32)
- Reclassification to held for sale	(438)	(888)	(135)	-	(1,461)
- Exchange differences	(37)	(57)	(36)	(1)	(131)
- Transfers	-	-	(2)	-	(2)
	453	722	579	-	1,754
Balance at December 31, 2025					
Cost	886	2,132	579	-	3,597
Depreciation and impairments	433	1,410	-	-	1,843
Carrying amount at December 31, 2025	453	722	579	-	1,754



Right-of-use assets

	Land and buildings	Plant and equipment	Total
Balance at January 1, 2024	174	52	226
<i>Changes in carrying amount:</i>			
New leases / terminations	86	12	98
Remeasurements	27	6	33
Depreciation	(39)	(18)	(57)
Exchange rate differences	-	-	-
	74	-	74
Balance at December 31, 2024			
Cost	390	92	482
Depreciation and impairments	142	40	182
Carrying amount at December 31, 2024	248	52	300
<i>Changes in carrying amount:</i>			
New leases / terminations	62	16	78
Depreciation	(38)	(16)	(54)
Reclassified to held for sale	(33)	(27)	(60)
Impairments	-	(2)	(2)
Exchange rate differences	(7)	-	(7)
	(16)	(29)	(45)
Balance at December 31, 2025			
Cost	349	43	392
Depreciation and impairments	(117)	(20)	(137)
Carrying amount at December 31, 2025	232	23	255

For the disclosures on the lease liabilities that correspond with the right-of-use assets, see [Note 19 Borrowings](#).



10 Associates and joint arrangements

Accounting policy

An associate is an entity over which DSM has significant influence but no control or joint control, usually evidenced by a shareholding that entitles DSM to between 20% and 50% of the voting rights. A joint venture is an entity over which DSM has joint control and is entitled to its share of the net assets and liabilities.

Investments in associates and joint ventures are initially recognized at cost, including transaction costs. Subsequent to initial recognition, these investments are accounted for by the equity method, which involves recognition in the income statement of DSM's share of the associate's or joint venture's profit or loss for the year determined in accordance with the accounting policies of DSM. Any other results at DSM in relation to associated companies are recognized under Other results related to associates and joint ventures. DSM's interest in an associate or joint venture is carried in the balance sheet at its share in the net assets of the associate or joint venture together with goodwill paid on acquisition, less any impairment loss.

When DSM's share in the loss of an associate or joint venture exceeds the carrying amount of that entity, the carrying amount is reduced to zero. No further losses are recognized unless DSM has responsibility for obligations relating to the entity.

Associates and joint ventures

The following table analyses, in aggregate, the carrying amount and share of profit of associates and joint ventures. For acquisitions and divestments, see [Note 3 Change in the scope of consolidation](#).

	2025					2024
	KD Pharma	Other associates	Olatein	Other joint ventures	Total	Total
Equity share	29%		50%			
Balance at January 1	159	48	27	6	240	55
- Share of the profit of associates and joint ventures	(62)	5	(46)	-	(103)	(13)
- Other comprehensive income	-	-	-	-	-	-
- Capital payments	-	1	19	-	20	17
- Dividends received	-	(3)	-	-	(3)	(8)
- Reclassification to held for sale	-	(25)	-	-	(25)	-
- Other consolidation change	-	-	-	(1)	(1)	185
- Other	(1)	4	-	(5)	(2)	4
Balance at December 31	96	30	-	-	126	240

The total share of profit (loss) of associates and joint ventures in 2025 amounting to a loss of €103 million is mainly the result of the losses of KD Pharma and Olatein. A loss of €62 million was recognized in the share in KD Pharma of which €26 million is due to impairment. The share of the loss of Olatein amounting to €46 million consists of a share in the operating loss of €15 million and an impairment of €31 million.

The equity share of the associates which are in the perimeter of the discontinued operations amounting to €25 million is reclassified to held for sale. It mainly consists of the share in Nenter Shishou (€24 million).



See the table below for the key figures of the main associate MidCo Omega (KD Pharma) on a 100% basis.

	KD Pharma	
	2025	2024
Current assets	264	325
Non-current assets	263	395
Current liabilities	66	71
Non-current liabilities	257	249
Net assets (100% basis)	204	400
of which Non-controlling interest	-	1
Attributable to investee's shareholders	204	399
Summarized statement of profit or loss		
Revenue (net sales)	256	31
Profit for the year (continuing operations)	(199)	(9)
Other comprehensive income	-	-
Total comprehensive income	(199)	(9)
of which Non-controlling interest	-	-
Attributable to investee's shareholders	(199)	(9)

Joint operations

The operations Veramaris and Avansya are accounted for in accordance with IFRS 11 for joint operations. DSM therefore recognizes their amounts for the assets, liabilities, revenues, and expenses in accordance with the contractual entitlement and obligations of DSM, see also [Note 1 General Information](#).



11 Other non-current assets

Accounting policy

Other non-current assets comprise loans to associates and joint ventures, other participating interests and other long-term investments and receivables.

Other participating interests comprise equity interests in entities in which DSM has no significant influence. We generally apply the irrevocable election upon initial recognition to present subsequent changes in the fair values of these interests in Other comprehensive income (OCI) as these represent investments that DSM intends to hold for a longer term for strategic purposes. Fair value changes in OCI will not be recycled through profit and loss upon disposal of the interest. All dividends received will be presented in profit or loss.

DSM's business model objective for loans granted is 'held-to-collect contractual cash flows only'. Held to collect loans, other receivables and other deferred items, for which the contractual cash flows consist solely of principal and interest, are measured at amortized cost, using the effective interest method, which generally corresponds to the nominal value, less an adjustment for expected credit loss. Upon disposal of these assets, the gain or loss is recognized in profit or loss. Other long-term investments and receivables, for which the contractual cash flows are not solely principal and interest, are recognized at fair value, with changes in fair value recognized in profit or loss.

In 2025, the vast majority of the investments under other participating interests were classified as FVOCI. These other participating interests mainly include investments in DSM's venturing portfolio. The other receivables include earn-out receivables, other loans, non-current prepayments and security deposits.



	Loans associates and joint ventures	Other participating interests	Other receivables	Other	Total
Balance at January 1, 2024	4	139	63	8	214
<i>Changes:</i>					
- Charged to the income statement	-	-	8	-	8
- Acquisitions	-	52	-	-	52
- Disposals	-	(8)	-	-	(8)
- Capital payments	-	6	-	-	6
- Loans granted / prepayments	47	-	55	-	102
- Repayments / (receipts)	-	-	(47)	-	(47)
- Exchange differences	-	-	(3)	-	(3)
- Re-issuance of shares held in DSM-Firmenich AG	-	(21)	-	-	(21)
- Sale shares held in DSM-Firmenich AG from treasury shares	-	(40)	-	-	(40)
- Other transfers	(3)	11	54	1	63
- Changes in fair value through OCI	-	(21)	-	-	(21)
- Expected credit loss (ECL) adjustment and impairments	(1)	-	(45)	-	(46)
- Other changes	(1)	1	2	-	2
Balance at December 31, 2024	46	119	87	9	261
<i>Changes:</i>					
- Charged to the income statement	-	-	(1)	(1)	(2)
- Disposals	-	(11)	-	-	(11)
- Capital payments	-	5	-	-	33
- Loans granted / prepayments	28	-	-	-	-
- Repayments / (receipts)	-	-	1	1	2
- Exchange differences	-	-	(4)	-	(4)
- reclassified to held for sale	-	(1)	(38)	-	(39)



- Other transfers	-	3	11	(4)	10
- Changes in fair value through OCI	(1)	(15)	-	-	(16)
- Changes in fair value through income statement	-	-	2	-	2
- Expected credit loss (ECL) adjustment and impairments	-	-	(3)	-	(3)
- Other changes	(3)	-	-	-	(3)
Balance at December 31, 2025	70	100	55	5	230



12 Inventories

Accounting policy

Inventories are stated at the lower of cost and net realizable value. The cost of intermediates, work-in-progress and finished goods includes directly attributable costs and related production overhead expenses.

Net realizable value is determined as the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. Value adjustments for slow-moving and obsolete inventories are made.

Cost is generally determined using the weighted average cost formula, unless the nature of the inventories warrants the use of the first in, first out (FIFO) method of valuation.

	2025	2024
Raw materials and consumables	280	610
Intermediates and finished goods	825	1,666
	1,105	2,276
Adjustments to lower net realizable value	(56)	(75)
Total	1,049	2,201

Changes in the adjustment to net realizable value

	2025	2024
Balance at January 1	(75)	(74)
Additions charged to income statement	(27)	(26)
Utilization / reversals	20	24
Exchange differences	2	-
Disposal	7	2
Transfer	-	(1)
Reclassification to held for sale	17	-
Balance at December 31	(56)	(75)

Inventories decreased by €1,152 million, mainly due to the reclassification to held for sale of the inventories relating to the ANH business in the amount of €1,042 million at the end of 2025.



13 Current receivables

Accounting policy

Current receivables, for which the contractual cash flows are solely principal and interest, are initially recognized at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortized cost, which generally corresponds to their nominal, non-discounted value, less an adjustment for expected credit loss.

Loss allowances for trade receivables are always measured at lifetime expected credit loss – see also [Note 23 Financial Instruments and risks](#).

	2025	2024
Trade receivables		
Trade accounts receivable	637	1,238
Other trade receivables	79	225
Other receivables from related parties	122	71
Deferred items	29	39
Receivables from associates	1	3
	868	1,576
Expected credit loss	(4)	(11)
Total Trade receivables	864	1,565
Income tax receivable	63	51
Other current receivables		
Other taxes and social security contributions	11	10
Related party cash pool	547	68
Employee-related receivables	-	3
Acquisition-/disposal-related receivables	-	9
Loans	15	23
Other receivables	19	30
Deferred items	10	1
Total Other current receivables	602	144
Total current receivables	1,529	1,760

Information about the expected credit loss that relates to trade accounts receivable resulting in a loss allowance is included under Credit risk in [Note 23 Financial instruments and risks](#).

Deferred items comprised €39 million (2024: €40 million) in prepaid expenses that include advance payments for any expenditure that would have otherwise been made during the next 12 months.

The decrease in current receivables was mainly due to the reclassification to held for sale of the current receivables relating to the ANH business in the amount of €672 million at the end of 2025.

Related party cash pool relates to the receivables from DSM Finance B.V., the dsm-firmenich finance entity, with entities of the dsm-firmenich Group. See [Note 26 Notes to the cash flow statements](#).



14 Financial investments

Accounting policy

Financial investments are initially recognized at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortized cost using the effective interest method.

Deposits with banks with a maturity between three and twelve months are classified as current financial investments.

	2025	2024
Fixed term deposits	81	20
Total	81	20

All fixed-term deposits have been placed with institutions with a high credit rating in line with our counterparty policy. The purpose of the deposits is either to meet short-term cash commitments, or to manage liquidity to such extent that yields are optimized while allowing DSM sufficient freedom in fulfilling its (strategic) goals.

For more information regarding the counterparty policy, see [Note 23 Financial instruments and risks](#).



15 Cash and cash equivalents

Accounting policy

Cash and cash equivalents comprise cash at banks and in hand and deposits held at call with banks with a maturity of less than three months at inception.

Deposits will be classified as 'cash equivalent' if held at banks with a maturity of less than three months at inception. Deposits will be classified as 'financial investments' if the maturity is more than three months but less than or equal to one year. Bank overdrafts are included in current liabilities. Included in cash and cash equivalents are investments in money-market funds that do not meet the SPPI (Solely Payments of Principal & Interest) criterion but are held to meet short-term cash demand and have a maturity of less than three months at inception. Money-market fund investments have been placed with institutions with a high credit rating in line with our counterparty policy.

Cash and cash equivalents are measured at amortized cost, or at fair value through profit and loss.

Composition of cash and cash equivalents

	2025	2024
Deposits	16	610
Money-market funds	123	504
Cash at bank and in hand	1,457	1,351
Payments in transit	3	4
Total	1,599	2,469

For DSM, the purpose of holding cash in deposits and money-market funds is to meet short-term cash commitments and to manage liquidity to such an extent that yields are optimized, while allowing DSM sufficient freedom in fulfilling its (strategic) goals.

Cash at year-end 2025 was not being used as collateral and therefore was not restricted (same as in 2024). The decrease in cash balance compared to 2024 mainly relates to the redemption of the hybrid bond (€750m) that is not replaced with new bond issuance for the same amount and the share buy-back program (€1bn).

In a few countries, DSM faces cross-border foreign exchange controls and/or other legal restrictions that limit its ability to make these balances available at short notice for general use by the Group. The amount of cash held in these countries was €59 million at year-end 2025 (2024: €142 million). The cash will generally be invested or held in the relevant country and, given the other liquidity resources available to the Group, does not significantly affect the ability of the Group to meet its obligations.

For more information regarding the counterparty policy, see [Note 23 Financial instruments and risks](#).



16 Equity

Accounting policy

DSM classifies ordinary shares and other financial instruments, for which settlement of the contractual obligations is at the sole discretion of DSM, as equity.

Dividend to be distributed to holders of ordinary shares is recognized as a liability when the Annual General Meeting of Shareholders approves the profit appropriation.

Movements in equity

	2025	2024
Balance at January 1	8,117	8,923
Net profit for the year	(725)	(19)
Other comprehensive income	(453)	133
Options / share units granted	38	31
Dividend	(1,799)	(673)
Deemed dividend ¹	-	(282)
Proceeds from reissue of ordinary shares	5	-
Acquisition of NCI without a change in control	(101)	4
Other changes	(65)	-
Balance at December 31	5,017	8,117

¹ The in-substance demerger of DSM Re Switzerland AG in 2024 resulted in a deemed dividend amounting to €282 million. The related translation reserve amounting to €110 million has been released to retained earnings.

Share capital

On December 31, 2025, the capital amounted to €261 million, consisting of 174 million ordinary shares, all held by its parent DSM-Firmenich AG. All shares have a nominal value of €1.50 each. The outstanding shares provide an entitlement of one vote per share at the General Meeting of Shareholders. All rights attached to the company's shares held by the Group (treasury shares) are suspended until those shares are reissued.

In 2025, the number of issued and outstanding shares has not changed. The outstanding shares are fully paid and provide an entitlement of one vote per share at the Annual General Meeting. At the end of 2025, a total of 174,018,034 shares were authorized, issued and outstanding.

Share premium

The share premium did not change in the reporting year.



Other reserves in Shareholders equity

	Translation reserve	Hedging reserve	Reserve for share-based compensation	Fair value reserve	Total
Balance at January 1, 2024	327	(7)	44	(114)	250
<i>Changes:</i>					
Fair-value changes of derivatives	-	(28)	-	-	(28)
Fair-value changes of other financial assets	-	-	-	(20)	(20)
Exchange differences	168	-	-	-	168
Options and performance shares granted	-	-	31	-	31
Options and performance shares exercised/canceled	-	-	(27)	-	(27)
Transfer to retained earnings	110	-	-	81	191
Income tax	-	6	-	-	6
Total changes	278	(22)	4	61	321
Balance at December 31, 2024	605	(29)	48	(53)	571
<i>Changes:</i>					
Fair-value changes of derivatives	-	44	-	-	44
Fair-value changes of other financial assets	-	-	-	(15)	(15)
Exchange differences	(469)	-	-	-	(469)
Stock options and share units granted	-	-	38	-	38
Stock options and share units exercised/canceled	-	-	(19)	-	(19)
Transfer to retained earnings	-	-	-	(17)	(17)
Income tax	(3)	(2)	-	2	(3)
Total changes	(472)	42	19	(30)	(441)
Balance at December 31, 2025	133	13	67	(83)	130

For information on the reserves, see [Note 6 Shareholders' equity](#) to the parent company financial statements.



Dividend

Dividend distribution in the reporting year to the shareholders of DSM B.V.

	2025	2024
Shareholders DSM B.V. – per ordinary share		
Interim dividend ordinary shares held by DSM-Firmenich AG: €8.23	1,432	-
Final dividend ordinary shares held by DSM-Firmenich AG: €1.79 (2024: €3.87)	312	673
Total	1,744	673

The dividend distribution to the non-controlling interests in 2025 amounted to €55 million (2024: nil). See also Note 17 Non-controlling interests. The dividend distribution in 2024 is excluding the deemed dividend of €282 million that was posted following the in-substance demerger of DSM Re Switzerland AG and transfer of its shares to DSM B.V.'s parent company DSM-Firmenich AG.



17 Non-controlling interests

Accounting policy

Non-controlling interests in subsidiaries are measured at the proportionate share of the subsidiaries' identifiable net assets. Profit-sharing arrangements are accounted for separately in equity by attributing any additional profits or losses to the controlling interest or non-controlling interest based on the terms of the agreement.

	2025				2024
	Andre Pectin	Yimante	Other	Total	
% of non-controlling interest	9.5%	25.0%			
Balance at January 1	54	101	3	158	109
<i>Changes:</i>					
- Share of profit/charged to income statement	1	40	(4)	37	24
- Dividends	(19)	(36)	-	(55)	-
- Other consolidation changes	79	-	-	79	-
- Divestments	-	-	-	-	4
- Transfers	-	40	-	40	19
- Capital payments	(101)	-	-	(101)	-
- Exchange differences	(1)	(5)	1	(5)	2
Total changes	(41)	39	(3)	(5)	49
Balance at December 31	13	140	-	153	158

The shareholding by DSM in Yimante Health Ingredients (Jingzhou) Company Ltd. is 75%. Profits are distributed on a 50:50 basis. The impact of this arrangement has led to a transfer of €40 million (2024: €19 million) within equity from shareholders' equity to non-controlling interest.

In the reporting period, DSM acquired an additional 15.5% of the shares in Andre Pectin (Yantai, China) for a purchase price of €101 million. It also concluded with the minority shareholder on a reciprocal option to acquire the remaining 9.5% of the shares in Andre Pectin. See also [Note 3 Change in the scope of consolidation](#) and [Note 20 Other non-current liabilities](#).



Not fully-owned subsidiaries on a 100% basis

	2025				2024
	Andre Pectin	Yimante	Other	Total	
Assets					
Intangible assets	30	17	-	47	56
Property, plant and equipment	37	100	-	137	159
Other non-current assets	2	32	15	49	57
Inventories	42	10	-	52	61
Receivables	21	45	(1)	65	142
Current investments	-	-	-	-	7
Cash and cash equivalents	32	144	1	177	82
Total assets	164	348	15	527	564
Liabilities					
Provisions (non-current)	8	-	-	8	11
Borrowings (non-current)	1	-	-	1	13
Other non-current liabilities	-	1	-	1	1
Borrowings and derivatives (current)	1	-	-	1	13
Other current liabilities	19	33	17	69	42
Total liabilities	29	34	17	80	80
Net assets (100% basis)	135	314	(2)	447	484
Net sales	91	365	1	457	374
Net profit for the year	8	159	(15)	152	93
Cash provided by / (used in) operating activities	47	293	75	415	99



18 Provisions

Accounting policy

Provisions are recognized when there is a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources will be required to settle the obligation, and when a reliable estimate of the amount can be made. The underlying assumptions in the recognition of provisions are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In cases where the effect of the time value of money is material, provisions are measured at the present value of the expenditures expected to be required to settle the obligation. Where discounting is used, the increase in the provision due to time passing is recognized as financial expense.

Differences in final obligations and initial estimates are recognized in the consolidated income statement in the period in which such determination is made.

Estimates and judgments

Main estimates relate to determining the likelihood and timing of potential cash flows included in their measurement.

	Restructuring costs and termination benefits	Environmental costs	Other provisions	Total
Balance at January 1, 2024	39	33	39	111
Of which current	25	3	6	34
<i>Changes:</i>				
- Additions	35	-	61	96
- Releases	(3)	-	(18)	(21)
- Uses	(38)	(3)	(13)	(54)
- Disposals			(5)	(5)
- Other change	-	-	-	-
Total changes	(6)	(3)	25	16
Balance at December 31, 2024	33	30	64	127
Of which current	12	3	47	62
<i>Changes:</i>				
- Additions	21	-	12	33
- Releases	(8)	-	(36)	(44)
- Uses	(15)	(3)	(12)	(30)
- Reclassification to held for sale	(6)	-	(3)	(9)
- Other change	1	1	1	3
Total changes	(7)	(2)	(38)	(47)
Balance at December 31, 2025	26	27	25	80
Of which current	26	-	13	38

The base rate used for discounting increased from 3.4% to 3.9%. Depending on the risk profile, the discount rates used at the end of 2025 vary from 3.9% to 6.2% (2024: 3.4% to 5.3%). The balance of provisions measured at present value increased by less than €2 million in 2025 in view of the passage of time (2024: less than €2 million). Provisions for restructuring costs and termination benefits mainly relate to the costs of redundancy schemes connected to the dismissal of employees and costs of termination of contracts. These provisions generally have a term of one to three years.



Provisions for restructuring costs and termination benefits mainly relate to the costs of redundancy schemes connected to the dismissal of employees and costs of termination of contracts. These provisions generally have a term of one to three years. The additions of €21 million related mainly to various smaller restructuring projects across the company.

The provisions for environmental costs mainly relate to soil clean-up obligations and have an average life of around 30 years.

Several items have been combined under Other provisions, e.g., demolition costs, onerous contracts and legal claims. These provisions have an average life of one to ten years. The release of €36 million mainly relates to a positive outcome of a legal dispute of €26 million and a release for onerous contracts.

19 Borrowings

Accounting policy

Borrowings

Borrowings, including bonds, are not held for trading and are initially recognized at fair value of the proceeds received, net of transaction costs. Subsequently, borrowings are stated at amortized cost using the effective interest method, with any discount or premium on the borrowing amortized over the applicable term. The corresponding interest expenses are recorded as financial expense in profit or loss.

Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, DSM uses its incremental borrowing rate as the discount rate. In determining the incremental borrowing rate, DSM applies the practical expedient to use a single discount rate to portfolios of leases with reasonably similar characteristics, as reflected in the contractual currency and expected lease term of these contracts.

In general, DSM splits the contractual consideration into a lease and a non-lease component based on their relative stand-alone prices. For vehicle leases, however, DSM applies the practical expedient not to make this split but rather accounts for the fixed consideration as a single lease component.

Over time, the lease liability is increased by the interest expense related to the unwinding of the lease liability and decreased by the lease payments made. The lease liability is remeasured to reflect any reassessment of or modification to the contractual terms and conditions of the lease, including indexation.

Payments related to short-term leases (leases with a term shorter than 12 months) are recognized on a straight-line basis in profit or loss.



Borrowings

	2025		2024	
	Total	Of which current	Total	Of which current
Bonds	3,281	750	3,040	500
Related party borrowings	360	-	300	40
Private loans	12	10	35	14
Lease liabilities	276	43	317	53
Credit institutions	26	26	65	65
Total	3,955	829	3,757	672

At December 31, 2025, there was €2,359 million in borrowings outstanding with a remaining term of more than 5 years (at December 31, 2024, €1,561 million).

In agreements governing loans with a residual amount at year-end 2025 of €3,641 million (December 31, 2024: €3,340 million), negative pledge clauses have been included that restrict the provision of security.

Related party borrowings relate to the borrowings from DSM Finance B.V., the dsm-firmenich finance entity, with entities of the dsm-firmenich Group.

The schedule of repayment of borrowings is as follows.

Borrowings by maturity

	2025	2024
Less than one year	829	672
One to two years	50	794
Two to three years	593	66
Three to four years	72	593
Four to five years	52	71
More than five years	2,359	1,561
Total	3,955	3,757

A breakdown by currency is given in the following table.

Borrowings by currency

	2025	2024
EUR	3,661	3,444
CNY	3	34
USD	99	110
CHF	98	101
BRL	18	24
Other	76	44
Total	3,955	3,757



On balance, total borrowings increased by €198 million due to the following changes.

Movements of borrowings

	2025	2024
Balance at January 1	3,757	3,118
Loans taken up	739	807
Repayments	(514)	(548)
Unwinding (interest)	14	12
Consolidation changes	-	230
Related party loans taken up	60	70
Transfers	-	-
Disposals	-	(39)
Reclassification to held for sale	(111)	-
Changes in debt to credit institutions	7	37
New lease arrangements (incl. remeasurements)	78	132
Payment of lease liabilities	(58)	(65)
Exchange differences	(17)	3
Balance at December 31	3,955	3,757

DSM redeemed in full the 1% EUR bond 2015–2025 of €500 million on the maturity date of April 9, 2025.

A breakdown of bonds is given below.

Bonds

				Nominal amount	2025	2024
EUR loan	1.00%	2015–2025	500	-	500	
EUR loan	0.75%	2016–2026	750	750	750	
EUR loan	0.25%	2020–2028	500	499	499	
EUR loan	0.63%	2020–2032	500	497	498	
EUR loan	3.63%	2024–2034	800	795	793	
EUR loan	3.38%	2025–2036	750	740	-	
Total					3,281	3,040

The bonds issued by DSM B.V. have a fixed interest rate. The bonds issued in the period 2015–2020 are listed on Euronext Amsterdam. The bonds issued in 2024 and 2025 are listed on the Luxembourg Stock Exchange.

- The 1% EUR bond 2015–2025 of €500 million was pre-hedged by means of forward starting swaps, resulting in an effective interest rate for this bond at 3.65%, including the settlement of the pre-hedge
- The 0.75% EUR bond 2016–2026 of €750 million was pre-hedged by means of a collar, resulting in an effective interest rate for this bond of 1.08%, including the settlement of the pre-hedge
- The 0.25% EUR bond 2020–2028 of €500 million has an effective interest rate of 0.29%
- The 0.625% EUR bond 2020–2032 of €500 million has an effective interest rate of 0.70%
- The 3.625% EUR bond 2024–2034 of €800 million has an effective interest rate of 3.691%
- The 3.375% EUR bond 2025–2036 of €750 million has an effective interest rate of 3.533%



A breakdown of private loans is given below.

Private loans

	2025	2024
CNY loan	-	14
Other loans	12	21
Total	12	35

A breakdown of the lease liabilities is given below.

Lease liabilities by maturity

	2025	2024
Less than one year	42	54
One to two years	33	45
Two to three years	27	35
Three to four years	24	26
Four to five years	23	23
More than five years	209	212
Total undiscounted lease liabilities at December 31	358	395
Lease liabilities included in the Balance Sheet at December 31	276	317
Current	43	53
Non-current	233	264

In addition to the contractual lease commitments, DSM has identified explicit renewal options available to DSM, which are currently not reasonably certain to be exercised and are therefore not included in the measurement of the lease. The associated future lease payments which are uncommitted and optional for DSM, are estimated at around €165 million (undiscounted; 2024: €196 million). The interest expense on the lease liabilities was €10 million (2024: €10 million) and the total repayments of the lease liabilities amounted to €58 million in 2025 (2024: €65 million). These cash flows are reported as financing cash flows. DSM's policy regarding financial risk management is described in [Note 23 Financial instruments and risks](#).



20 Other non-current liabilities

Accounting policy

Other liabilities are measured at amortized cost, which generally corresponds to the nominal value, or at fair value through profit and loss. The latter is mainly applied to acquisition-related liabilities.

Government grants are recognized at their fair value if there is reasonable assurance that the grant will be received and that all related conditions will be complied with. Governments grants either relate to income (cost grants) or to assets (investment grants).

Cost grants, which are grants that compensate DSM for expenses incurred, are recognized as income over the periods necessary to match the grant on a systematic basis to the cost that it is intended to compensate.

If the grant is an investment grant, its fair value is initially recognized as deferred income in Other non-current liabilities and then released to profit or loss over the expected useful life of the relevant asset.

	2025	2024
Investment grants / customer funding	23	48
Deferred items	-	35
Acquisition-/divestment-related liabilities	50	10
Other	14	2
Total	87	95

The decrease in investment grants/customer funding is mainly caused by the transfer to liabilities held for sale. See also [Note 3 Change in the scope of consolidation](#).

The decrease in deferred items is caused by the transfer to liabilities held for sale.

The increase in acquisition-/divestment-related liabilities relates mainly to the reciprocal option agreement to acquire the remaining non-controlling interest in Andre Pectin.



21 Current liabilities

Accounting policy

Other liabilities are measured at amortized cost, which generally corresponds to the nominal value, or at fair value through profit and loss. The latter is mainly applied to acquisition-related liabilities.

	2025	2024
Trade payables		
Received in advance	6	5
Trade accounts payable third parties	573	1,387
Trade accounts payable related parties	25	64
Notes and cheques due	-	4
Total Trade payables	604	1,460
Income tax payable	118	142
Other current liabilities		
Other taxes and social security contributions	27	53
Interest	4	26
Pensions	1	-
Investment creditors	163	145
Employee-related liabilities	132	263
Payables associates and joint ventures relating to cash facility	-	4
Related party cash pool	726	870
Acquisition-/divestment-related liabilities	53	28
Other	44	-
Total Other current liabilities	1,150	1,389
Total current liabilities	1,872	2,991

Related party cash pool relates to the payable of DSM Finance B.V., the DSM finance entity within the dsm-firmenich group. See [Note 26 Notes to the cash flow statements](#).

The decrease in trade payables was mainly due to the reclassification to held for sale of the trade payables relating to the ANH business in the amount of €720 million at the end of 2025.

Included in trade accounts payable are amounts due to suppliers which could be part of a supply chain finance arrangement between the supplier and a third-party bank. Our suppliers can enter into such arrangements with third-party banks, and access earlier payment on terms linked to our investment grade credit rating. If a supplier participates, this does not impact classification of the trade payable, as arrangements are concluded between them and banks and do not alter payment conditions between the supplier and us. Additionally, DSM does not incur any additional interest toward the bank on the amounts due to the suppliers. Therefore, these amounts remain classified as trade payables and the related payments are included in operating cash flows. DSM applied transitional relief available under Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7 and has not provided comparative information in the first year of adoption.



Supplier finance arrangements

	2025
Carrying amount of liabilities	
Presented within trade and other payables (beginning of the period)	200
Presented within trade and other payables (end of the period)	32
- Of which suppliers have received payment (by a third-party bank)	29
Range of payment due dates	
Liabilities that are part of supplier finance arrangements	30-120 days after invoice date
Comparable trade payables that are not part of a supplier finance arrangement	0-120 days after invoice date



22 Contingent liabilities and other financial obligations

The contingent liabilities and other financial obligations in the following table are not recognized in the balance sheet.

	2025	2024
Guarantee obligations on behalf of related parties	168	173
Other	54	51
Total	222	224

Guarantee obligations

Guarantee obligations are principally related to VAT and duties on the one hand and to financing obligations of associated companies or related parties on the other. Guarantee obligations will only lead to a cash outflow when called upon in which case a liability will be recognized. Most of the outstanding orders for projects under construction will be completed in 2026. Other relates mainly to contingent liabilities in contracts for catalysts.

Litigation

DSM has a process in place to monitor legal claims periodically and systematically. DSM is involved in several legal proceedings, most of which are related to the ordinary course of business. DSM does not expect these proceedings to result in liabilities that have a material effect on the company's financial position. However, in cases where it is probable that the outcome of the proceedings will be unfavorable, and the financial outcome can be measured reliably, a provision has been recognized in the financial statements and disclosed in Note 18 Provisions.

In 2015, an award was issued against DSM Sinochem Pharmaceuticals India Private Ltd. (DSP India) in a protracted arbitration case in India going back to 2004 involving a joint venture that DSP India had formed with Hindustan Antibiotics Ltd., which suspended its operations in 2003. DSP India (renamed to Centrient Pharmaceuticals after divestment by the former DSM in 2018) is covered by an indemnity from DSM B.V. for this case. In 2015, DSP India made an application with the Civil Court in Pune (India) to set aside the arbitral award. The award amounts to INR 127.5 crore (€12 million as at year-end 2025) excluding interest of 12% per year as of 2004. DSM provided the Pune Court a bank guarantee of INR 410 crore (€39 million as at year-end 2025). At the end of 2025, application proceedings were still pending. DSM views this case as unfounded and is of the opinion that the likelihood of the award being ultimately set aside is high. Therefore, no liability is recognized in respect of this case.

In 2019, Brazilian tax authorities disagreed with certain tax treatment as applied by the company in 2014–2016, which would have an effect on such prior year income tax returns of around BRL 170 million (€26 million as at year-end 2025), including penalties and interest. DSM views this case as unfounded and considers that the possibility of winning this case is high, as confirmed by external legal counsel. Therefore, no liability relating to this case is recognized. Currently certain elements are subject to appeal at the Superior Chamber (at administrative level). In the event that DSM receives an unfavorable decision, the case can still be taken to the Judicial Court.



23 Financial instruments and risks

Policies on financial risks

As an international company, DSM is exposed to financial risks in the normal course of business. A major objective of the company is to minimize the impact of market, liquidity and credit risk on the value of the company and its profitability. To achieve this, a systematic financial and risk management system has been established. Furthermore, an internal control framework is in place, and the controls are monitored and tested periodically.

The derivatives contracts used by DSM are entered into exclusively in connection with the corresponding underlying transaction (hedged item) relating to normal operating business. The instruments used are customary products, such as currency swaps, cross-currency interest rate swaps, collars, forward exchange contracts and interest rate swaps.

An important element of DSM's capital management is the allocation of cash flow. DSM primarily allocates cash flow to investments aimed at strengthening its business positions and securing the payment of dividends to its shareholders. The remaining cash flow is further used for acquisitions and partnerships that strengthen DSM's competences and market positions. The net debt to equity ratio (gearing) is 13.3 (2024: 13.2), see also [Note 25 Net debt](#).

Liquidity risk

Liquidity risk is the financial risk that an entity does not have and/or cannot access enough liquid cash and/or assets to meet its obligations. This can happen if the entity's credit rating falls, or when it experiences sudden unexpected cash outflows or an unexpected drop in cash inflows, or some other event that causes counterparties to avoid trading with or lending to the entity. Additionally, an entity can be indirectly exposed to market liquidity risk if the financial markets on which it depends are subject to loss of liquidity.

The primary objective of liquidity management is to optimize the corporate cash position, among other means by securing availability of sufficient liquidity for execution of payments by DSM entities, at the right time and in the right place.

At December 31, 2025, DSM had cash and cash equivalents of €1,600 million (2024: €2,469 million).

During 2024 DSM concluded a new €1.8 billion revolving credit facility (RCF) to replace existing RCF arrangements which would have expired in 2025: DSM's €1 billion RCF and Firmenich's CHF 750 million RCF. The syndicated facility, which DSM entered into with a group of 15 banks, has a tenor of five years and two one-year extension options. On November 15, 2024, DSM entered into a €100 million bilateral revolving credit facility with the same commercial terms and maturity to provide additional financial flexibility. The agreements for the newly arranged committed credit facilities neither contain financial covenants nor material adverse change clauses. At year-end 2024, no loans had been taken up under the committed credit facilities.

In 2023, a bridge financing facility amounting to €1.0 billion was contracted by DSM B.V. The issuance by dsm-firmenich of an €800 million bond on 2 July 2024 reduced the undrawn amount of the bridge financing facility to €200 million. The remaining undrawn amount was canceled on 18 October 2024.

On December 13, 2024, DSM concluded a €1.0 billion bridge facility to provide additional financial flexibility in light of upcoming bond maturities. The agreement neither contains financial covenants nor material adverse change clauses. At year-end 2024, no loans had been taken up under the bridge facilities.

Furthermore, DSM has a commercial paper program amounting to €2.0 billion (2024: €2.0 billion). At December 31, 2025, there was no ECP outstanding (2024: no ECP outstanding).



DSM has no derivative contracts to manage currency risk or interest rate risk outstanding under which margin calls by the counterparty would be permitted.

Floating-rate and fixed-rate borrowings and monetary liabilities analyzed by maturity are summarized in the following table. Borrowings excluding credit institutions are shown after taking into account related interest rate derivatives in designated hedging relationships. DSM manages financial liabilities and related derivative contracts on the basis of the remaining contractual maturities of these instruments. The remaining maturities presented in the following table provide an overview of the timing of the cash flows related to these instruments.

Liquidity risk of financial liabilities

	Carrying amount	Within 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	After 5 years
2024							
Borrowings	3,757	672	794	66	593	71	1,561
Monetary liabilities	3,084	3,074	2	-	-	-	8
Guarantees	173	84	2	-	-	-	87
Derivatives	55	54	1	-	-	-	-
Interest payments	336	44	39	33	34	32	154
Cash at redemption ¹	12	2	2	2	1	1	4
Total	7,417	3,930	840	101	628	104	1,814
2025							
Borrowings	3,955	829	50	593	72	52	2,359
Monetary liabilities	1,211	1,147	3	3	3	3	52
Guarantees	168	4	40	-	-	12	112
Derivatives	26	25	1	-	-	-	-
Interest payments	651	80	74	73	69	67	288
Cash at redemption ¹	26	3	3	3	3	3	11
Total	6,037	2,088	171	672	147	137	2,822

¹ Difference between nominal redemption and amortized costs.

The following table reflects the exposure of the derivatives to liquidity risk. It contains the cash flows from derivatives with positive fair values and from derivatives with negative fair values to provide a complete overview of the derivative-related cash flows. The amounts are gross and undiscounted.

Derivatives cash flow

	2025	2026	2027	2028	2029	2030	Total	MANUAL ENTRY IN TABLE
2024								
Inflow	3,089	24	5	1	11	-	3,130	
Outflow	(3,130)	(31)	(5)	(1)	(11)	-	(3,178)	
2025								
Inflow		3,551	4	4	3	3	3,565	
Outflow		(3,534)	(5)	(5)	(5)	(4)	(3,553)	



Market risk

Market risk can be subdivided into price risk, interest rate risk, and currency risk.

Price risk

Financial instruments that are subject to changes in stock exchange prices or indexes are subject to a price risk. At year-end 2025, mainly other participating interests are subject to price risks.

Interest rate risk

Interest rate risk is the risk that adverse movements of interest rates lead to high costs on interest-bearing debt or assets, which negatively impact our ability to honor our commitments. The aim is to minimize the interest rate risks associated with the financing of the company and thus at the same time optimizing the net interest costs. This translates into a certain desired profile of fixed-interest and floating-interest positions, including cash and cash equivalents, with the floating-interest position not exceeding 60% of net debt.

There were no outstanding fixed-floating interest rate swaps (end of 2024 none).

The following analysis of the sensitivity of borrowings, assets and related derivatives to interest rate movements assumes an instantaneous 1% change in interest rates for all maturities from their level on December 31, 2025, with all other variables held constant. A 1% reduction in interest rates would result in a €13 million pre-tax loss in the income statement and equity on the basis of the composition of financial instruments on December 31, 2025, as floating-rate borrowings are more than compensated for by floating-rate assets (mainly cash). The opposite applies in the case of a 1% increase in interest rates.

For more information regarding fixed or floating interest, see [Note 19 Borrowings](#) to the consolidated financial statements.

Sensitivity to change in interest rate

	2025		2024	
	Carrying amount	Sensitivity	Carrying amount	Sensitivity
		+1%		+1%
		(1%)		(1%)
Loans to associates and joint ventures	70	-	46	-
Financial investments	81	1	20	-
Cash and cash equivalents	1,599	16	2,469	25
Short-term borrowings	(829)	-	(672)	(1)
Long-term borrowings	(3,126)	(4)	(3,085)	(3)

Currency risk

Adverse movements of foreign currencies negatively impact the results of operations and our financial condition, e.g. due to losses on assets or liabilities in foreign currencies. The aim is to hedge risks resulting from sales and purchases at the moment of recognition of the receivables and payables. This is done by transferring at spot rates the respective exposures to the Group, which are, then (on a netted basis), hedged externally.

Companies may opt to hedge currency risks from firm commitments and forecast transactions. The currencies involved are primarily USD and CHF.



CNY has significant exposure for the Group. However, it does not meet the threshold for cash flow hedging. We use currency forward contracts, spot contracts, and average-rate currency forwards and options to hedge exposure to fluctuations in foreign exchange rates. At year-end, these instruments had remaining maturities of less than one year. For the hedging of currency risks from firm commitments and forecast transaction cash flows, hedge accounting is applied. Hedge accounting is not applied for hedges of recognized trade receivables and payables hedged with short-term derivatives. To hedge intercompany loans, receivables, and payables denominated in currencies other than the functional currency of the subsidiaries, we use currency swaps or forward contracts. The following table assumes a 10% change in all foreign currency rates against the euro from their level on December 31, 2025, with all other variables constant. A +10% change indicates a strengthening of the foreign currencies against the euro, and vice-versa.

Sensitivity to change in exchange rate

	2025			2024		
	Carrying amount	Sensitivity		Carrying amount	Sensitivity	
		+10%	(10%)		+10%	(10%)
Loans to associates and joint ventures	70	-	-	46	-	-
Current investments	81	1	(1)	20	1	(1)
Cash and cash equivalents	1,599	41	(51)	2,469	29	(29)
Short-term borrowings (excluding lease liabilities)	(786)	(8)	9	(619)	(7)	7
Long-term borrowings (excluding lease liabilities)	(2,893)	-	-	(2,821)	(2)	2
Lease liabilities	(276)	(19)	23	(317)	(22)	22
Currency forward contracts	(1)	46	(58)	11	1	(1)
Average-rate forwards used for economic hedging ¹	18	34	(2)	(23)	(2)	2
Other derivatives	59	3	(3)	50	2	(2)

¹ Fair-value change reported in Hedging reserve.

Sensitivity changes on these positions will generally be recognized in profit or loss or in the translation reserve in equity, except for the instruments for which cash flow hedge accounting or net-investment hedge accounting is applied.

In case of a strengthening or weakening of the euro against USD, CHF and CNY (being the key currencies), this would affect the translation of financial instruments denominated in these currencies taking into account the effect of hedge accounting and assuming all other variables being constant.



	Profit or loss		Equity	
	Strengthening	Weakening	Strengthening	Weakening
EUR				
USD (10% movement)	(17)	21	(551)	674
CHF (10% movement)	1	(1)	(64)	78
CNY (10% movement)	(3)	4	(29)	35

Credit risk

Credit risk is the risk that a (commercial or financial) counterparty may not be able to honor a financial commitment according to the contractual agreement with DSM. The company manages the credit risk to which it is exposed by applying credit limits per institution and by dealing exclusively with institutions that have a high credit rating.

At the balance sheet date, there were no significant concentrations of credit risks.

For all financial assets measured at amortized cost, the estimation of the loss allowance for doubtful accounts receivable is based on an expected credit loss (ECL) model.

For trade receivables, DSM uses an allowance matrix to measure the lifetime ECL for trade receivables. The loss rates depend among other things on the specified aging categories and are based on historical write-off percentages, taking market developments into account.

For other financial assets, DSM applies an ECL model that reflects the size and significance of DSM's exposure to credit loss. The ECL is based on the allocation of a credit risk grade which is based on data that is determined to be predictive of the risk of loss (including but not limited to external ratings, audited financial statements, management accounts and cash flow projections and available press information about customers) and applying experienced credit judgement.

Credit risk grades are defined using qualitative and quantitative factors that are indicative of the risk of default and are aligned to external credit rating definitions from Moody's. Risk of default is herewith considered as the risk of bankruptcy, or any legal impediment to the timely payment of either interest and/or principal, as well as missed or delayed disbursement of either interest and/or principal. The loss allowance on non-current financial assets taken into consideration at the end of 2025 was €4 million (2024: €2 million).

With regard to treasury activities (for example cash, cash equivalents and derivatives held with banks or financial institutions) it is ensured that financial transactions are only concluded with counterparties that have at least a Moody's credit rating of A3 for long-term instruments. At Business Unit level, outstanding receivables are continuously monitored by management. Appropriate allowances are made for any credit risks that have been identified in line with the expected credit loss policy.

The development of the outstanding trade accounts receivable per aging category is as follows.

	2025	2024
Neither past due nor impaired	513	1,099
1–29 days overdue	67	69
30–89 days overdue	42	40
90 days or more overdue	15	30
Total	637	1,238



The table below provides information about the credit risk exposure per aging category and the ECL for trade accounts receivable of €3 million at December 31, 2025 (December 31, 2024: €11 million), see [Note 13 Current receivables](#) to the consolidated financial statements.

	2025			2024		
	Weighted average loss rate	Gross carrying amount	Expected credit loss	Weighted average loss rate	Gross carrying amount	Expected credit loss
Neither past due nor impaired	0.2%	513	(1)	0.0%	1,099	-
1–29 days overdue	0.0%	67	-	0.2%	69	-
30–89 days overdue	0.0%	42	-	0.8%	40	-
90 days or more overdue	20.0%	15	(3)	33.2%	30	(11)
Total		637	(4)		1,238	(11)

The changes in the expected credit loss for trade accounts receivable are as follows.

	2025	2024
Balance at January 1	(11)	(18)
Net remeasurement of expected credit loss	(1)	4
Deductions	-	-
Disposals	3	3
Reclassification to held for sale	5	-
Exchange differences	-	-
Balance at December 31	(4)	(11)

The maximum exposure to credit risk is represented by the carrying amounts of financial assets that are recognized in the balance sheet, including derivative financial instruments. DSM has International Swaps and Derivatives Association (ISDA) agreements in place with its financial counterparties that allow for the netting of exposures in case of a default of either party, but do not meet the criteria for offsetting in the balance sheet. The following table presents the carrying amounts of the derivative financial instruments subject to these agreements. No significant agreements or financial instruments were available at the reporting date that would reduce the maximum exposure to credit risk.

Exposure to credit risk related to derivatives

	2025	2024
Receivables from derivatives presented in the balance sheet	101	92
Related amounts not offset in the balance sheet	(25)	(19)
Net amount	76	73
Liabilities from derivatives presented in the balance sheet	(26)	(55)
Related amounts not offset in the balance sheet	25	18
Net amount	(1)	(37)



Notional value of derivative financial instruments

	2025			2024		
	Non-current	Current	Total	Non-current	Current	Total
Cross-currency interest rate swaps	103	13	116	(13)	-	(13)
Forward exchange contracts, currency options, currency swaps	3	4,218	4,220	-	(2,070)	(2,070)
Other derivatives	59	-	59	-	-	-
Total	165	4,231	4,395	(13)	(2,070)	(2,083)

Information about financial assets is presented in [Note 10 Associates and joint arrangements](#), [Note 11 Other financial assets](#), [Note 13 Current receivables](#), [Note 14 Current investments](#) and [Note 15 Cash and cash equivalents](#) to the consolidated financial statements.

DSM may grant corporate guarantees for credit support of subsidiaries and associates, to get access to credit facilities which are necessary for their operating working capital needs and which cannot be funded by the corporate cash pools and/or for bank guarantees needed for local governmental requirements. Information on guarantees is presented in [Note 22 Contingent liabilities and other financial obligations](#).

Hedge accounting

Any financial derivative contracts used by dsm-firmenich are entered into exclusively in connection with the corresponding underlying transaction (hedged item) relating to normal operating business. The financial instruments used are customary products, such as currency swaps, cross-currency interest rate swaps, and forward exchange contracts.

DSM mainly applies cash flow hedge accounting. The purpose of cash flow hedges is to minimize the risk of volatility of future cash flows. These may result from a recognized asset or liability or a forecast transaction that is considered highly probable (firm commitment). dsm-firmenich determines the existence of an economic relationship between the hedging instrument and hedging item based on currency, amount, and timing of their respective cash-flows.

Cash flow hedges

In 2025, DSM hedged USD 859 million (2024: USD 1,129 million) of its projected net cash flow in USD against the EUR by means of average-rate currency forward contracts at an average exchange rate of USD 1.14 per EUR for the four quarters of 2026. Each quarter, the relevant hedges for that quarter will be settled and recognized in the income statement.

In 2025, DSM also hedged the projected CHF obligations against the EUR, namely CHF 322 million (2024: CHF 380 million) at an average exchange rate of CHF 0.92 per EUR. These hedges have fixed the exchange rate for part of the USD receipts and CHF payments in 2026. Cash flow hedge accounting is applied for these hedges. In 2025, €34 million profit was recognized in the operating profit of the segments involved in accordance with the realization of the expected cash flows. There was no ineffectiveness in relation to these hedges. As of the second quarter of 2025, the Group no longer hedges forecast JPY cash flows as the exposure is no longer deemed material.



Cash flow hedges foreign currency risk

	Inventory purchases	Other
2024		
Nominal amount hedged item	10	667
Carrying amount assets	1	6
Carrying amount liabilities	-	(41)
Line item balance sheet	Derivatives	Derivatives
Change in the value of the hedging instrument	-	59
Costs of hedging recognized in OCI	-	63
Reclassified from hedging reserve to income statement	(1)	4
Line item income statement	Cost of sales	Sales
2025		
Nominal amount hedged item	-	277
Carrying amount assets	-	1
Carrying amount liabilities	-	(19)
Line item balance sheet	Derivatives	Derivatives
Change in the value of the hedging instrument	-	(40)
Costs of hedging recognized in OCI	-	(6)
Reclassified from hedging reserve to income statement	-	(22)
Line item income statement	Cost of sales	Sales

Fair value of financial instruments

The fair value of derivatives and long-term instruments are based on calculations, quoted market prices or quotes obtained from intermediaries.

The portfolio of derivatives consists of average-rate forward contracts that are valued against average foreign exchange forward rates obtained from Bloomberg and other derivatives that are valued using a discounted cash flow model, applicable market yield curves and foreign exchange spot rates. Inputs for the fair value calculations represent observable market data that are obtained from external sources that are deemed to be independent and reliable.

We use the following hierarchy for determining the fair value of financial instruments:

- Level 1: quoted prices in active markets for identical assets or liabilities
- Level 2: other techniques for which all inputs that have a significant effect on the fair value are observable, either directly or indirectly
- Level 3: techniques that use inputs that have a significant effect on the fair value that are not based on observable market data

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for the financial assets and financial liabilities measured at amortized cost if the carrying amount is a reasonable approximation of the fair value.



Fair value of financial instruments

	Carrying amount				Fair Value				
	Amort. Cost	Fair value hedging instr.	FVTPL	FVOCI	Total	Level 1	Level 2	Level 3	Total
Assets 2024									
Non-current derivatives	-	1	49	-	50	-	50	-	50
Other participating interests	-	-	-	119	119	2	74	43	119
Non-current loans to associates and JVs	46	-	-	-	46	-	-	-	-
Other non-current receivables	87	-	-	-	87	-	-	-	-
Trade receivables	1,565	-	-	-	1,565	-	-	-	-
Other current receivables	144	-	-	-	144	-	-	-	-
Current derivatives	-	42	-	-	42	-	42	-	42
Financial investments	20	-	-	-	20	-	-	-	-
Cash and cash equivalents	1,965	-	504	-	2,469	504	-	-	504
Liabilities 2024									
Non-current borrowings	(3,085)	-	-	-	(3,085)	(2,436)	-	-	(2,436)
Non-current derivatives	-	(1)	-	-	(1)	-	5	(6)	(1)
Other non-current liabilities	(85)	-	(10)	-	(95)	-	-	(10)	(10)
Current borrowings	(672)	-	-	-	(672)	(493)	-	-	(493)
Current derivatives	-	(54)	-	-	(54)	-	(54)	-	(54)
Trade payables	(1,460)	-	-	-	(1,460)	-	-	-	-
Other current liabilities	(1,389)	-	-	-	(1,389)	-	-	-	-
Assets 2025									
Non-current derivatives	-	-	60	-	60	-	60	-	60
Other participating interests	-	-	-	100	100	3	48	49	100
Non-current loans to associates and JVs	70	-	-	-	70	-	-	-	-
Other non-current receivables	55	-	-	-	55	-	-	-	-
Trade receivables	864	-	-	-	864	-	-	-	-
Other current receivables	602	-	-	-	602	-	-	-	-
Current derivatives	-	32	10	-	42	-	42	-	42
Financial investments	81	-	-	-	81	-	-	-	-
Cash and cash equivalents	1,477	-	123	-	1,600	1,600	-	-	1,600
Liabilities 2025									
Non-current borrowings	(3,126)	-	-	-	(3,126)	(2,426)	-	-	(2,426)
Non-current derivatives	-	-	(1)	-	(1)	-	-	(1)	(1)
Other non-current liabilities	(37)	-	(50)	-	(87)	-	-	(50)	(50)
Current borrowings	(829)	-	-	-	(829)	(742)	-	-	(742)
Current derivatives	-	(1)	(24)	-	(25)	-	(25)	-	(25)
Trade payables	(604)	-	-	-	(604)	-	-	-	-
Other current liabilities	(1,150)	-	-	-	(1,150)	-	-	-	-



24 Employee benefits

Accounting policy

Short-term employee benefits

Short-term employee benefits are generally recognized as an expense in the period the employee renders services to DSM.

Post-employment benefits

Post-employment benefits are employee benefits (other than termination benefits and short-term employee benefits) that are payable after the completion of employment. Post-employment benefit accounting is intended to reflect the recognition of post-employment benefits over the employee's approximate service period, based on the terms of the plans and the investment and funding.

Post-employment benefits: Defined contribution plans

For DSM's defined contribution plans, the obligations are limited to the payment of contributions, which are recognized as employee benefit costs.

Post-employment benefits: Defined benefit plans

For defined benefit plans, the aggregate of the value of the defined benefit obligation and the fair value of plan assets for each plan is recognized as a net defined benefit liability or asset. Defined benefit obligations are determined using the projected unit credit method. Plan assets are recognized at fair value. If the fair value of plan assets exceeds the present value of the defined benefit obligation, a net asset is only recognized to the extent that the asset is available for refunds to the employer or for reductions in future contributions to the plan. Defined benefit pension costs consist of three elements: service costs, net interest, and remeasurements. Service costs are part of employee benefit costs and consist of current service costs. Past service costs and results of plan settlements are included in Other operating income or expenses. Net interest is part of Finance income and expenses and is determined on the basis of the value of the net defined benefit asset or liability at the start of the year, and on the interest on high-quality corporate bonds. Remeasurements are actuarial gains and losses, the return (or interest cost) on net plan assets (or liabilities) excluding amounts included in net interest and changes in the effect of the asset ceiling. These remeasurements are recognized in Other comprehensive income as they occur and are not recycled through profit or loss at a later stage.

Post-employment defined benefit plans include pension plans and other post-employment benefits

Other employee benefits

The service cost, the net interest on the net defined liability (asset) and remeasurements of the net defined liability (asset) related to other long-term employee benefits, such as jubilee and incentive plans, are recognized in profit or loss.

Estimates and judgments

Management makes assumptions regarding variables such as discount rate, future salary increases, life expectancy, and future healthcare costs. Management consults with external actuaries regarding these assumptions at least annually for significant plans. Changes in these key assumptions can have a significant impact on the projected defined benefit obligations, funding requirements and periodic costs incurred.

Employee benefit liabilities

The employee benefit liabilities of €49 million (2024: €274 million) consist of €30 million related to pensions (2024: €247 million), €3 million related to other post-employment benefits (2024: €4 million), and €15 million related to other employee benefits (2024: €24 million). See also the table at the end of this note.



The Group also operates a number of defined benefit plans and defined contribution plans throughout the world, the assets of which are generally held in separately administered funds. The pension plans are generally funded by payments from employees and from the relevant Group companies.

The Group also provides certain additional healthcare benefits to retired employees in the US. For the core countries (Switzerland, United States of America, United Kingdom, and Germany), costs for the defined benefit plans relating to pensions are expected to be €14 million in 2026. In 2026, DSM BV is expected to contribute €14 million (actual 2025: €42 million) to its defined benefit plans in these countries.

Changes in net liabilities of the post-employment benefits recognized in the balance sheet are shown in the overview on the following page. The decrease in the net liabilities during 2025 is mainly due to the reclassification of assets and liabilities relating to the ANH business reclassified to held for sale.

	2025	2024
Employee benefit liabilities		
Pension plans and other post-employment benefits	34	250
Other employee benefits	15	24
Total	49	274
Of which current	4	3

The charges for post-employment benefit costs recognized in the income statement ([Note 5 Net sales and costs](#)) relate to the following.

Post-employment benefit costs

	2025	2024
Defined benefit plans:		
- Current service costs pension plans	9	8
- Other post-employment benefits	-	1
Defined contribution plans	49	49
Total pension costs included in employee benefit costs	58	58
- Pension costs included in Other operating (income) / expense	-	-
Total in operating profit, continuing operations	58	58
Pension costs included in Financial income and expense	1	1
Total continuing operations	59	59
Discontinued operations	46	46
Total	105	105
Of which:		
- Defined contribution plans	60	61
- Defined benefit plans	45	44

Changes in net liabilities of the post-employment benefits recognized in the balance sheet are shown in the following overview.



	Funded and unfunded defined benefit obligations	Fair value of plan assets	Impact of minimum funding requirement/ asset ceiling	Net liabilities/ (assets) recognized in the balance sheet
Balance at January 1, 2024	1,753	(1,578)	79	254
<i>Included in income statement:</i>				
- Current service cost	36	-	-	36
- Plan administration expenses	1	-	-	1
- Interest expense / (income)	31	(25)	1	7
Total included in income statement	68	(25)	1	44
<i>Included in other comprehensive income:</i>				
- Loss / (gain) from change in financial assumptions	25	-	-	25
- Experience loss / (gain)	44	-	-	44
- Return on plan assets excluding interest income	-	(73)	-	(73)
- Asset ceiling change, excluding movement through income statement	-	-	(1)	(1)
- Other changes	-	(2)	-	(2)
Total included in other comprehensive income	69	(75)	(1)	(7)
<i>Other</i>				
- Benefits paid (including transfers in and out)	(80)	63	-	(17)
- Contributions by plan participants	21	(21)	-	-
- Employer contributions	-	(45)	-	(45)
- Currency translation adjustment and other	(13)	16	(1)	2
Total other	(72)	13	(1)	(60)
Balance at December 31, 2024	1,818	(1,665)	78	231
Net defined benefit assets				(20)
Net defined benefit liabilities				251
Total				231
- Current service cost	45	-	-	45
- Administration cost and other	-	-	-	-
- Interest	29	(22)	-	7
Total included in income statement	74	(22)	-	52
<i>Included in other comprehensive income:</i>				
- Loss / (gain) from change in demographic assumptions	(5)	-	-	(5)
- Loss / (gain) from change in financial assumptions	(23)	-	-	(23)
- Experience loss / (gain)	55	-	-	55
- Return on plan assets excluding interest income	-	(84)	-	(84)
- Asset ceiling change, excluding movement through income statement	-	-	54	54
- Other changes	-	-	-	-
Total included in other comprehensive income	27	(84)	54	(3)
<i>Other</i>				
- Benefits paid (including transfers in and out)	(83)	66	-	(17)
- Contributions by plan participants	22	(22)	-	-
- Employer contributions	-	(42)	-	(42)
- Settlements	-	-	-	-
- Balance sheet transfer	-	7	-	7
- Acquisition / disposals	(60)	64	(4)	-
- Reclassification to held for sale	(1,075)	953	(75)	(197)
- Currency translation adjustment and other	6	(7)	2	1
Total other	(1,190)	1,019	(77)	(248)
Balance at December 31, 2025	729	(752)	55	32
Net defined benefit assets				(1)
Net defined benefit liabilities				33
Total				32

The fair value of the plan assets consists of 93% of quoted assets (2024: 93%).



Pension-plan assets by category

	2025	2024
Equities	189	500
Bonds	273	590
Property	167	384
Insurance policies	1	3
Other	98	140
Cash and bank deposits	24	48
Total plan assets	752	1,665

The pension-plan assets do not include ordinary DSM-firmenich shares nor property occupied by DSM.

The countries with the most significant defined benefit obligations for DSM are specified in the following table.

Defined benefit plans in core countries

	Switzerland	United States of America	United Kingdom	Germany	Other countries	Total
Defined benefit plans 2024						
Funded and unfunded defined benefit obligations	1,410	9	151	231	17	1,818
Fair value of plan assets	(1,500)	(8)	(145)	(12)	-	(1,665)
Net excess of liabilities/(assets) over obligations	(90)	1	6	219	17	153
Unrecognized assets due to asset ceiling	78	-	-	-	-	78
Net excess of liabilities/(assets) over obligations recognized	(12)	1	6	219	17	231
Composed of						
Net defined benefit assets	(12)	(8)	-	-	-	(20)
Net defined benefit liabilities	-	9	6	219	17	251
Total changes	(12)	1	6	219	17	231
Defined benefit plans 2025						
Funded and unfunded defined benefit obligations	558	8	135	20	8	729
Fair value of plan assets	(613)	-	(136)	(3)	-	(752)
Net excess of liabilities/(assets) over obligations	(55)	8	(1)	17	8	(23)
Unrecognized assets due to asset ceiling	55	-	-	-	-	55
Net excess of liabilities/(assets) over obligations recognized	-	8	(1)	17	8	32
Composed of						
Net defined benefit assets	-	-	(1)	-	-	(1)
Net defined benefit liabilities	-	8	-	17	8	33
Total changes	-	8	(1)	17	8	32



The main actuarial assumptions for the year (weighted averages) are:

Actuarial assumptions for major plans

	Switzerland	United States of America	United Kingdom	Germany
2024				
Discount rate	0.90%	5.50%	5.50%	3.40%
Salary increase	2.25%	3.00%	0.00%	2.60%
Pension increase	0.00%	0.00%	3.05%	2.00%
2025				
Discount rate	0.90%	5.20%	5.50%	4.00%
Salary increase	2.00%	3.25%	0.00%	2.60%
Pension increase	0.00%	0.00%	2.90%	2.10%

The above-mentioned actuarial assumptions are harmonized for all defined benefit plans in a country.

Sensitivities of significant actuarial assumptions

The discount rate, the future increase in wages and salaries and the pension increase rate were identified as significant actuarial assumptions. The following impacts on the defined benefit obligation are to be expected.

- A 0.25% increase/decrease in the discount rate would lead to a decrease/increase of 3.2% (2024: 3.1%) in the defined benefit obligation
- A 0.25% increase/decrease in the expected increase in salaries/wages would lead to an increase/decrease of 0.3% (2024: 0.3%) in the defined benefit obligation
- A 0.25% increase/decrease in the expected rate of pension increase would lead to an increase/decrease of less than 1.3% (2024: 1.4%) in the defined benefit obligation

The sensitivity analysis is based on realistically possible changes as at the end of the reporting year. Each change in a significant actuarial assumption was analyzed separately as part of the test. Interdependencies were not taken into account.

Main defined benefit plans description

The DSM Group companies have various pension plans, which are geared to the local regulations and practices in the countries in which they operate. As these plans are designed to comply with the statutory framework, tax legislation, local customs, and economic situation of the countries concerned, it follows that the nature of the plans varies from country to country. The plans are based on local legal and contractual obligations.

DSM's current policy is to offer defined contribution retirement benefit plans to new employees wherever possible. However, DSM still has a (small) number of defined benefit pension and healthcare schemes from the past or in countries where legislation does not allow us to offer a defined contribution scheme. Generally, these schemes have been funded through external trusts or foundations, where DSM faces the potential risk of funding shortfalls.

The most significant defined benefit schemes are:

- Affiliation to DSM Nutritional Products (DNP) AG Pension Plan in Switzerland (DNP AG)



- **DSM UK Pension Scheme in the UK**

For each plan, the following characteristics are relevant:

Affiliation to DNP AG pension plan in Switzerland

The DNP AG pension plan is a typical Swiss cash balance plan. For accounting purposes, the plan is qualified as a defined benefit plan. It is a contribution-based plan, with no promise of indexation for ongoing pensions. The Swiss state minimum requirements for occupational benefit plans have, however, to be respected.

The purpose of the plan is to protect the DSM employees against the economic consequences of retirement, disability, and death. The employer and employees pay contributions into the pension plan at rates set out in the pension plan rules based on a percentage of salary. The amount of the retirement account can be taken by the employee at retirement in the form of pension or capital.

The weighted average duration of the defined benefit obligation for the DSM business affiliated to the DNP AG pension plan is 13.0 years (2024: 13.9 years), which could be seen as an indication of the maturity profile of the schemes.

According to the Swiss Federal Law on Occupational Retirement, Survivors and Disability (LPP/BVG), the Swiss pension plans are managed by independent and legally autonomous entities which have the legal structure of a foundation. The plan is managed by a foundation. The Pension Board is composed of employee and employer representatives in equal numbers. Each year, the Pension Board decides on the level of interest, if any, to apply to the retirement accounts in accordance with the pension policy of the pension plan.

The Pension Board is also responsible for the investment of the assets and defining the investment strategy for long-term returns with an acceptable level of risk. Within each foundation, the plan assets are invested collectively (no individual investment choice is offered).

DSM UK Pension Scheme

The DSM UK Pension Scheme was closed as of September 30, 2016 for all pension accruals. An unconditional indexation policy is applicable for the vested pension rights.

The weighted average duration of the defined benefit obligation is 12.1 years (2024: 12.9 years), which could be seen as an indication of the maturity profile of the scheme.

The pension plan is managed and controlled by a DSM company pension fund. The Board of Trustees consists of representatives of the employer and the employees who have an independent role.

There is a long-term de-risking strategy for the DSM UK Pension Scheme in place with the objective to align the company's intentions and the Trustees responsibility with respect to this plan.

Impact ANH Carve-out

Two core country pension plans are impacted in the reclassification of liabilities and assets to held for sale. This pertains to the affiliated NewCo businesses of the DSM Nutritional Products (DNP) AG pension plan in Switzerland (DNP AG), which is included in the transaction perimeter with the sale of DNP AG and the funded as well as unfunded pension plans at DSM Nutritional Products GmbH in Germany (DNP GmbH).



Other employee benefits

Other employee benefits comprise jubilees, long-term incentive (LTI) plans to senior management and deferred compensation liabilities.

The changes in other employee benefits are listed below.

	Other employee benefits
Balance at January 1, 2024	22
Of which current	2
<i>Changes:</i>	
- Additions	5
- Uses	(3)
- Other change	-
Total changes	2
Balance at December 31, 2024	24
Of which current	2
<i>Changes:</i>	
- Acquisition	-
- Additions	3
- Releases	(2)
- Reclassification to held for sale	(10)
- Uses	-
- Other change	-
Total changes	(9)
Balance at December 31, 2025	15
Of which current	(2)



25 Net debt

The development of the components of net debt is as follows.

	Cash and cash equivalents	Current investments	Non-current borrowings	Current borrowings	Derivatives	Total
Balance at January 1, 2024	2,181	101	(2,487)	(631)	50	(786)
Change from operating activities	801	-	-	-	(13)	788
Change from investing activities	(423)	(83)	(151)	(38)	-	(695)
Reclassifications and transfers	232	-	(233)	1	-	-
Dividend to shareholders	(673)	-	-	-	-	(673)
Interest	(28)	-	(12)	-	-	(40)
New leases and remeasurements	-	-	(132)	-	-	(132)
Funding cash pool ¹	362	-	(70)	-	-	292
Other	(1)	-	-	-	-	(1)
Change from financing activities	(108)	-	(447)	1	-	(554)
Exchange differences	18	2	-	(4)	-	16
Total changes	288	(81)	(598)	(41)	(13)	(445)
Balance at December 31, 2024	2,469	20	(3,085)	(672)	37	(1,231)
Change from operating activities	865	-	(14)	-	31	882
Change from investing activities	747	65	-	-	-	812
Reclassifications and transfers	174	-	93	(267)	-	-
Dividend and remuneration	(1,799)	-	-	-	-	(1,799)
Interest	(44)	-	-	-	-	(44)
Proceeds from (re)issued shares	5	-	-	-	-	5
New leases and remeasurements	-	-	(78)	-	-	(78)
Funding cash pool ¹	(670)	-	(100)	40	-	(730)
Other	(106)	-	-	-	(1)	(107)
Change from financing activities	(2,440)	-	(85)	(227)	(1)	(2,753)
Transfer to Assets held for sale	(11)	-	50	61	-	100
Exchange differences	(42)	(3)	8	9	9	(19)
Total changes	(881)	62	(41)	(157)	39	(978)
Balance at December 31, 2025	1,588	82	(3,126)	(829)	76	(2,209)

¹ For the explanation of change related to Funding cash pool, see [Note 26 Notes to the cash flow statement](#).

In 2025, the gearing (net debt / equity plus net debt) was 30.6% (in 2024: 13.2%).



26 Notes to the cash flow statement

Accounting policy

The cash flow statement explains the changes in cash and cash equivalents. It is prepared via a comparison of the balance sheets at January 1 and December 31.

In reporting the cash flows from operating activities, DSM applies the indirect method. Under this method, the profit or loss for the period is adjusted for changes that do not involve cash flows, such as changes in exchange rates, amortization, depreciation, impairment losses, and transfers to other balance sheet items. Changes in working capital due to the acquisition or disposal of consolidated companies are included under Investing activities.

The consolidated cash flow statement includes an analysis of all cash flows in total, including continuing and discontinued operations. For amounts related to discontinued operations split by activities and a reconciliation of results from continuing operations to total, see [Note 3 Change in the scope of the consolidation](#).

Most of the changes in the cash flow statement can be traced back to the detailed statements of changes for the balance sheet items concerned. For those balance sheet items for which no detailed statement of changes is included, the table opposite shows the link between the change according to the balance sheet and the change according to the cash flow statement.

The cash flow relating to acquisitions (–€19 million) is limited in 2025. The disposal of businesses of €1,270 million consists of the cash-related part of the consideration (€1,476 million) minus the cash in the divested companies (€34 million) and the divestment-related costs and tax settlements (€172 million). See also [Note 3 Change in the scope of the consolidation](#).

Funding Cash pool

Funding cash pool relates to Group cash management facility within the dsm-firmenich Group. Cash balances of the dsm-firmenich Group are pooled and transferred to a centralized treasury function within DSM to the extent legally and fiscally possible. Cash balances of dsm-firmenich subsidiaries are swept daily to bank accounts centrally held by DSM Finance B.V., to the extent legally possible, which as such result in a receivable balance on or payable balance to DSM Finance B.V.



27 Share-based compensation

Accounting policy

Share-based compensation at DSM consists of the granting of Performance Share Units (PSUs) and Restricted Share Units (RSUs), and stock option plans to eligible employees.

PSUs and RSUs generally vest after three years on the achievement of predefined vesting conditions. The cost of PSUs and RSUs is measured by reference to the fair value of the DSM-Firmenich AG (dsm-firmenich) shares on the date on which the PSUs and RSUs were granted or modified. The cost is recognized in profit or loss (Employee benefit costs) during the vesting period, together with a corresponding increase in equity. The transaction is classified as an equity-settled transaction because DSM has no obligation to settle the transaction with its eligible employees. The obligation to settle was transferred to DSM-Firmenich AG (the parent and issuing entity) following the swap of shares after the merger in 2023. Vesting conditions other than market conditions are considered by adjusting the number of equity instruments, so that the amount recognized during the vesting period in employee benefit costs is based on the number of share units that eventually vest.

Estimates and judgments

Key estimates related to share-based compensation costs for PSUs and RSUs are the estimation of fair values of the shares on the grant or modification date, and the number of shares that will vest. An independent third party conducts the fair value calculation as far as vesting is tied to market conditions, using the Monte Carlo method.

Restricted- and Performance Share Unit Plan

The DSM and dsm-firmenich Restricted- and Performance Share Unit Plans provide rules for the grant of RSUs and/or PSUs to eligible employees. Considering the plan rules that allow multiple grant dates, best practice is to effectuate the grant of share units on the last trading day at the Amsterdam Stock Exchange in March. In principle PSUs will be granted; RSUs may be granted in specific circumstances.

The number of share units to be granted is based on job level, contribution, and the face value of the dsm-firmenich share over a reference period. As a result, the number of share units to be granted annually will fluctuate with the share price development.

RSUs and PSUs are subject to a vesting period of 3 years starting at the grant date. Vesting of RSUs is subject to continued employment until the vesting date. In addition, vesting of PSUs is also subject to the achievement of predefined performance targets at the end of the performance period.

The 2025 grant of PSUs under the dsm-firmenich Restricted- and Performance Share Unit Plan to eligible employees is based on the at-target level; in 2025 this concerned 148,162 (2024: 161,243) share units.

The 2022 grant vested March 31, 2025. The relevant vesting percentage for the PSUs granted at-target to members of the Managing Board disclosed herein and other Employees that received a grant in 2022 was 160%, while 100% of the granted RSUs vested.



Overview of share units eligible employees from DSM

Year of grant	Outstanding at Dec. 31, 2024	In 2025			Outstanding at Dec. 31, 2025	Share price at date of grant (€)	Expiry date
		Granted	Vested ¹	Forfeited/expired			
2022	60,685	13,591	(70,308)	(3,968)	-	162.50	Mar 31, 2025
2023	125,118	-	(14,917)	(14,872)	95,329	97.67	Mar 31, 2026
2024	148,419	-	(9,754)	(24,935)	113,730	106.32	Mar 31, 2027
2025	-	148,162	(30)	(5,022)	143,110	106.32	Mar 31, 2028
2025 Total	334,222	161,753	(95,009)	(48,797)	352,169		
	at Dec. 31, 2023				at Dec. 31, 2024		
2024 Total	297,281	180,450	(107,779)	(35,730)	334,222		

¹ Restricted- and Performance Share Units may partly vest upon termination of employment in connection with, for example, divestments, retirement or early retirement.

In September 2022, a group of senior key employees (excluding the Co-CEOs) at DSM received a RSU grant, which was subject to completion of the merger between DSM and Firmenich. As the merger was completed, the RSUs were finally awarded. Upon vesting on September 30, 2025, the respective RSUs were settled in cash. The fair value on that date was €72.52 (December 31, 2024: €97.72).

Overview of cash-settled RSUs

Year of grant	Outstanding at Dec. 31, 2024	In 2025			Outstanding at Dec. 31, 2025	Share price at date of grant (€)	Expiry date
		Granted	Vested	Forfeited/expired			
2022	67,101	-	(61,609)	(5,492)	-	117.45	Sep 30, 2025

Employee stock options

Certain employees in the Netherlands are entitled to employee stock options, to be granted on the first day on which the dsm-firmenich stock is quoted ex-dividend following the Annual General Meeting of Shareholders. The opening price of the dsm-firmenich stock on that day is the strike price of such stock options. Employee stock options can immediately be exercised and have a term of five years.

Overview of equity-settled employee stock options

Year of grant	Outstanding at Dec. 31, 2024	In 2025				Outstanding at Dec. 31, 2025	Fair value on grant date (€)	Exercise price (€)	Exercise period until
		Granted	Exercised	Avg. price (€)	Forfeited / expired				
2020	36,485	-	-	-	(36,485)	-	10.26	112.00	May 2025
2022	226,620	-	-	-	(12,430)	214,190	13.58	137.85	May 2027
2025	-	289,465	(2,600)	97.89	(12,020)	274,845	10.29	92.94	May 2030
2025 Total	263,105	289,465	(2,600)	97.89	(60,935)	489,035			
	at Dec. 31, 2023					at Dec. 31, 2024			
2024 Total	340,820	-	(56,240)	105.31	(21,475)	263,105			



Measurement of fair value

The following assumptions were used to determine the fair value of the equity-settled share units at grant date.

Assumptions equity-settled share units

	2025	2024
Share units granted to certain executives		
Risk-free rate ¹	2.13%	2.53%
Expected share life in years	3	3
Nominal share life in years	3	3
Share price in € ¹	91.36	105.40
Expected dividend in €	2.50	2.50
Expected volatility	25.5%	25.7%
Fair value of share granted in €	84.16	98.30
Employee stock options		
Risk-free rate	1.78%	-
Expected option life in years	2	-
Nominal option life in years	5	-
Share price / exercise price in €	92.94	-
Expected dividend in €	2.50	-
Expected volatility	20.0%	-
Fair value of option granted in €	10.29	-

¹ The differences in the risk-free rate and share price are due to different grant dates.

Share-based compensation

An amount of €11 million is included in the costs for wages and salaries for share-based compensation (2024: €10 million). The following table specifies the share-based compensation.

Share-based compensation

	2025	2024
Equity-settled stock options	3	-
Equity-settled share units	8	7
Cash-settled share units	-	3
Total expense	11	10



28 Related parties

Accounting policy

DSM has identified its key management personnel, the other entities from the DSM-firmenich Group and its associates and joint ventures as related parties. For associates and joint ventures, see also [Note 10 Associates and joint arrangements](#).

Key management personnel are those persons who have authority and responsibility for planning, directing, and controlling the activities of the entity, directly or indirectly, as defined by IAS 24 'Related Parties'. IAS 24 requires the disclosure of the remuneration of key management personnel divided into: short-term employee benefits (salary and short-term incentive), post-employment (pension expenditure) and other long-term benefits, termination benefits, and share-based payment cost (share-based compensation).

Transactions with related parties

	2025	2024
DSM-Firmenich AG (equity holder)		
Sales to	-	2
Receivables from	-	3
Payables to	4	34
In-house cash receivables from	545	68
In-house cash payables to	-	-
Interest from	-	1
Other DSM-firmenich entities outside of the DSM B.V. Group		
Sales to	194	169
Receivables from	125	68
Payables to	33	30
In-house cash receivables from	-	-
In-house cash payables to	726	870
Borrowings from	360	300
Associates and joint ventures		
Sales to	22	19
Purchases from	70	108
Loans to	66	47
Receivables from	31	23
Payables to	10	14
Interest from	6	1
Commitments to	3	12

In 2025, DSM issued dividends to DSM-Firmenich AG for the amount of €1,743 million (2024: €673 million regular, this dividend distribution is excluding the deemed dividend of €282 million that was posted following the in-substance demerger of DSM Re Switzerland AG and transfer of its shares to DSM B.V.'s parent company DSM-Firmenich AG). See also [Note 3 Change in the scope of consolidation](#).

DSM recharged to DSM-Firmenich AG €1 million (2024: €3 million) and to other related parties €139 million (2024: €83 million) of corporate service costs.

DSM may issue guarantees as credit enhancement of associates to acquire bank facilities for these associates. DSM has provided guarantees to third parties for debts of associates for an amount of €19 million (2024: €21 million).



In 2025, DSM recognized €19 million in expected credit losses for loans to and receivables from related parties (2024: zero).

Other related-parties disclosures relate entirely to key management of DSM, being represented by the company's management.

Key management personnel

The remuneration of key management personnel concerns the Supervisory Board and the Managing Board DSM B.V. The members of the Supervisory Board as well as the members of the Managing Board of DSM B.V. did not receive any remuneration in that capacity. Included in the table below is the remuneration paid to them in view of other positions they hold within the dsm-firmenich group as far as such payments are not considered in the 2025 Compensation report as included in the 2025 Integrated Annual Report of DSM-Firmenich AG.

Remuneration expenses Supervisory Board and Managing Board of DSM

in € thousand	2025	2024
Base salary / Supervisory Board fees	489	477
Employer pension contribution	79	95
Short-Term Incentive ¹	111	267
Share-based compensation ²	143	178
Other ³	142	134
Total	964	1,151

1 Short-Term Incentive (STI); annual cash settled incentive, accrued in reporting period based on performance in the reporting period, payable year after

2 Represents the expenses of Performance Share Units (PSUs) awarded according to IFRS rules. These costs are considered over the vesting period and therefore cover several years.

3 Benefits, company car, special bonuses or allowances and social security contributions.

29 Service fees paid to external auditors

The service fees recognized in the financial statements 2025 for the services of PwC amounted to €9.0 million (2024: €6.7 million for services by KPMG). The amounts per service category are shown in the following table.

	Total service fee		Of which	
	PwC 2025	KPMG 2024	PwC NL 2025	KPMG NL 2024
Audit of the Group financial statements	7.4	5.7	4.4	4.1
Audit of other (statutory) financial statements	0.5	0.8	-	-
Other assurance services	0.8	0.1	0.8	0.1
Permitted non-assurance services	-	0.1	-	0.1
Tax advisory services	0.3	-	-	-
Total assurance services charged to DSM	9.0	6.7	5.2	4.3

The service fees mentioned in the table for the audit of the financial statements 2025 (2024) relate to the total fees for the audit of the financial statements 2025 (2024), irrespective of whether the activities were performed during the financial year 2025 (2024).

The other assurance services rendered by PwC in 2025 mainly relate to Sustainability assurance and audits of capital reduction.

PwC provided permitted non-assurance services related to regulatory filings and agreed-upon procedures.



30 Events after the balance sheet date

On February 9, 2026, DSM announced it entered into an agreement with CVC Capital Partners to divest its Animal Nutrition & Health business for an enterprise value of about €2.2 billion, which includes an earn-out of up to €0.5 billion. DSM will retain a 20% equity stake. The announced divestment of ANH resulted in a non-cash impairment of around €1.7 billion in 2025 before taxes. The transaction is expected to be completed at the end of 2026 and is subject to conditions including regulatory approvals, the finalization of all required employee consultation processes, and the creation and separation of a standalone Essential Products Company and standalone Solutions Company by DSM.

On February 17, 2026, DSM successfully launched a €1.5 billion dual-tranche bond issuance, consisting of €750 million 3.00% fixed-rate notes due in 2031, and €750 million 3.75% fixed-rate notes due in 2038. The bonds will be issued by DSM B.V. and guaranteed by DSM-Firmenich AG pursuant to the previously established cross-guarantee structure (see also Note 9 Contingent liabilities to the Parent Company Financial Statements). The proceeds of the new bond will be used for refinancing of existing bond maturities. The re-offer price for the 5-year bond tranche was 99.886%. Based on this price, the yield is 3.025%. The re-offer price for the 12-year bond tranche was 99.100%. Based on this price, the yield is 3.845%. The bonds will be listed on the Luxembourg Stock Exchange. (see also Note 23 Financial instruments and risks).



Parent company financial statements

Balance sheet of DSM B.V. at 31 December before profit appropriation

x € million	Notes	2025	2024
Assets			
Intangible assets	<u>2</u>	469	468
Financial assets	<u>3</u>	9,409	12,112
Deferred tax assets	<u>4</u>	33	67
Other deferred items		3	4
Non-current assets		9,914	12,651
Receivables	<u>5</u>	88	116
Cash and cash equivalents		-	-
Current assets		88	116
Total		10,002	12,767
Shareholders' equity and liabilities			
Share capital	<u>6</u>	261	261
Share premium	<u>6</u>	469	469
Legal reserves	<u>6</u>	464	926
Other reserves, incl. retained earnings	<u>6</u>	5,863	6,346
Interim dividend	<u>6</u>	(1,432)	-
Undistributed results:	<u>6</u>		
- Net profit (loss) for the year	<u>6</u>	(761)	(43)
Shareholders' equity	6	4,864	7,959
Borrowings	<u>7</u>	2,531	2,540
Other non-current liabilities		7	7
Non-current liabilities		2,538	2,547
Borrowings	<u>7</u>	750	500
Other current liabilities	<u>8</u>	1,850	1,761
Current liabilities		2,600	2,261
Total		10,002	12,767

The accompanying notes are an integral part of these parent company financial statements.



Income statement of DSM B.V.

x € million	Notes	2025	2024
Other income	<u>1</u>	5	2
Cost of outsourced work and other external costs		(25)	(8)
Wages and salaries	<u>10</u>	-	-
Other operating expense		2	-
Total operating expenses		(23)	(8)
Operating profit (loss)		(18)	(6)
Financial income	<u>11</u>	65	89
Financial expense	<u>11</u>	(234)	(262)
Profit (loss) before income tax		(187)	(179)
Income tax	<u>4</u>	25	49
Share of the profit (loss) of subsidiaries	<u>3</u>	(599)	87
Net profit (loss) available to equity holders of DSM B.V.		(761)	(43)



Notes to the parent company financial statements

1 General

Unless stated otherwise, all amounts are in € million.

Summary of the accounting policies

The parent company's financial statements have been prepared in accordance with Part 9, Book 2 of the Dutch Civil Code. In accordance with sub 8 of article 362, Book 2 of the Dutch Civil Code, the parent company's financial statements are prepared based on the accounting principles of recognition, measurement and determination of profit, as applied in the consolidated financial statements. These principles also include the classification and presentation of financial instruments, being equity instruments or financial liabilities.

In these parent company financial statements, investments in subsidiaries are accounted for using the net asset value method. Results on transactions involving the transfer of assets and liabilities between the Company and its participating interests and mutually between participating interests themselves are eliminated to the extent that they can be considered as not realized. For an appropriate interpretation of these parent company financial statements, they should be read in conjunction with the consolidated financial statements.

To the extent that there is no legal or constructive obligation, participating interests with a negative equity value are valued at nil. This measurement also considers any loans/funding provided to the participating interests that are, in substance, an extension of the net investment. In particular, this relates to loans for which settlement is neither planned nor likely to occur in the foreseeable future. A share in the profits of the participating interest in subsequent years will only be recognized if and to the extent that the cumulative unrecognized share of loss has been absorbed. If the Company fully or partially guarantees the debts of the relevant participating interest, or if it has the constructive obligation to enable the participating interest to pay its debts (for its share therein), then a provision is recognized accordingly to the amount of the estimated payments by the Company on behalf of the participating interest.

Information on the use of financial instruments and on related risks for the group is provided in [Note 23 Financial instruments and risks](#) to the consolidated financial statements. The Company makes use of the option to eliminate intragroup expected credit losses against the book value of loans and receivables from the Company to participating interests, instead of elimination against the equity value / net asset value of the participating interests.

Statutory and fiscal seat

The statutory seat of DSM B.V. is Maastricht (Netherlands). A list of DSM B.V.'s participations has been filed with the Chamber of Commerce (Netherlands) and is available from the Company upon request. DSM is registered in the Dutch Commercial Register under number 14022069.

The Company forms a fiscal unity for corporate income tax and VAT purposes together with the group companies in the Netherlands. Each of the companies recognizes the portion of corporate income tax that the relevant company would owe as an independent taxpayer, taking into account tax liabilities applicable to the company, as well as the tax position of the fiscal unity. Under the standard conditions, the members of the tax group are jointly and severally liable for any taxes payable by the income tax group.



2 Intangible assets

The carrying amount of intangible assets comprises goodwill on the acquisition of businesses in the HNC-DSM and TTH-DSM CGUs. For full information on these assets including the discussion of the related impairment tests, see [Note 8 Goodwill and intangible assets](#) to the consolidated financial statements.

Intangible assets

	Total
Balance at 1 January 2024	
Cost	475
Amortization and impairment losses	6
Carrying amount	469
<i>Changes in carrying amount:</i>	
- Exchange rate difference	(1)
Balance at 31 December 2024	
Cost	474
Amortization and impairment losses	6
Carrying amount	468
<i>Changes in carrying amount:</i>	
- Exchange rate difference	1
Balance at 31 December 2025	
Cost	475
Amortization and impairment losses	6
Carrying amount	469



3 Financial assets

	Share in Subsidiaries	Other participating interests	Total
Balance at 1 January 2024	13,067	43	13,110
<i>Changes:</i>			
- Share in profit	87	-	87
- Capital payments	331	52	383
- Capital refunds	(251)	-	(251)
- Dividend received	(1,001)	-	(1,001)
- Deemed dividend ¹	(282)	-	(282)
- Disposal	-	(61)	(61)
- Net actuarial gains/(losses)	4	-	4
- Change in Fair value reserve	7	(28)	(21)
- Change in Hedging reserve	(22)	-	(22)
- Exchange differences	165	1	166
Balance at 31 December 2024	12,105	7	12,112

<i>Changes:</i>			
- Share in profit	(599)	-	(599)
- Capital payments	159	-	159
- Dividend received	(1,745)	-	(1,745)
- Disposal	-	(11)	(11)
- Net actuarial gains/(losses)	(5)	-	(5)
- Change in Fair value reserve	(31)	9	(22)
- Change in Hedging reserve	36	-	36
- Exchange differences	(470)	-	(470)
- Other	(46)	-	(46)
Balance at 31 December 2025	9,404	5	9,409

¹ On June 10, 2024, DSM demerged its re-insurance company DSM Re Switzerland AG to its main shareholder DSM-Firmenich AG. This in-substance demerger of DSM Re Switzerland AG and transfer of its shares to DSM B.V.'s parent company DSM-Firmenich AG is accounted for applying a book-value method. The difference between the nominal consideration and the book values transferred is treated as a distribution to DSM-Firmenich AG (deemed dividend).

Share in subsidiaries comprise investees over which DSM B.V. is directly or indirectly in control; these investees are recognized at net asset value. Other participating interests comprise equity interests in entities in which DSM has no significant influence; these are valued at fair value.

A list of DSM participations can be downloaded from the Chamber of Commerce, or from the Company website.

The Other change in the share in subsidiary reflects the reciprocal option agreement to acquire the remaining non-controlling interest in Andre Pectin amounting to €46 million. See also [Note 17 Non-controlling interests](#) and [Note 20 Other non-current liabilities](#) to the consolidated financial statements.

4 Deferred tax assets and income tax

The deferred tax asset of €33 million (2024: €67 million) relates to net operating losses and temporary differences in the Dutch fiscal unity.

The effective tax rate in 2025 was 13% (2024: 27%). The variation in the effective tax rate arises due to changes in the result in combination with among others changes in tax exempt income, tax positions and non-deductible expenses.



5 Receivables

	2025	2024
Receivables from subsidiaries	76	103
Other receivables	12	13
Total	88	116

The carrying values of the receivables are a reasonable approximation of their respective fair values, given the short maturities of the positions and the fact that allowances for doubtful debts have been recognized, if necessary. All receivables have an estimated maturity shorter than one year.

The Receivables from subsidiaries of €76 million (2024: €103 million) mainly include receivables relating to the Dutch fiscal unity. Other receivables amounting to €12 million (2024: €13 million) mainly consist of VAT and other tax receivables.



6 Shareholders' equity

x € million	Share capital	Share prem.	Legal reserves				Other reserves			Total shareholder equity	
			Trans-lation reserve	Capital dev. costs	Part. inte-rest	Hedg. reserve	Fair value reserve	Share-based comp.	Ret. Earn.		Undistributed results
Balance at 31 December 2023	261	469	327	239	187	(7)	(114)	44	5,090	2,318	8,814
Added to other reserves	-	-	-	-	-	-	-	-	2,318	(2,318)	-
Net profit	-	-	-	-	-	-	-	-	-	(43)	(43)
Dividend	-	-	-	-	-	-	-	-	(673)	-	(673)
Deemed dividend	-	-	-	-	-	-	-	-	(282)	-	(282)
Fair value changes of derivatives	-	-	-	-	-	(28)	-	-	-	-	(28)
Release to income statement	-	-	10	-	-	-	-	-	-	-	10
Fair value changes of other financial assets	-	-	-	-	-	-	(20)	-	-	-	(20)
Exchange differences	-	-	158	-	-	-	-	-	-	-	158
Options and performance shares granted	-	-	-	-	-	-	-	31	-	-	31
Options and performance shares exercised/canceled	-	-	-	-	-	-	-	(27)	27	-	-
Transfer to retained earnings	-	-	110	11	(87)	-	81	-	(115)	-	-
Transfer to Non-controlling interests	-	-	-	-	-	-	-	-	(19)	-	(19)
Income tax	-	-	-	-	-	6	-	-	(3)	-	3
Remeasurements of defined benefit pension plans	-	-	-	-	-	-	-	-	7	-	7
Other	-	-	-	-	-	-	-	-	1	-	1
Balance at 31 December 2024	261	469	605	250	100	(29)	(53)	48	6,351	(43)	7,959
Withdrawn from other reserves	-	-	-	-	-	-	-	-	(43)	43	-
Net profit	-	-	-	-	-	-	-	-	-	(761)	(761)
Dividend	-	-	-	-	-	-	-	-	(1,744)	-	(1,744)
Fair value changes of derivatives	-	-	-	-	-	44	-	-	-	-	44
Release to income statement	-	-	63	-	-	-	-	-	-	-	63
Fair value changes of other financial assets	-	-	-	-	-	-	(15)	-	-	-	(15)
Exchange differences	-	-	(531)	-	-	-	-	-	-	-	(531)
Options and performance shares granted	-	-	-	-	-	-	-	38	-	-	38
Options and performance shares exercised/canceled	-	-	-	-	-	-	-	(19)	19	-	-
Transfer to retained earnings	-	-	-	(36)	4	-	(17)	-	49	-	-
Transfer to Non-controlling interests	-	-	-	-	-	-	-	-	(119)	-	(119)
Income tax	-	-	(4)	-	-	(2)	2	-	(6)	-	(10)
Remeasurements of defined benefit pension plans	-	-	-	-	-	-	-	-	1	-	1
Other	-	-	-	-	-	-	-	-	(61)	-	(61)
Balance at 31 December 2025	261	469	133	214	104	13	(83)	67	4,447	(761)	4,864



The Other changes in 2025 of €61 million mainly consist of the expenditures incurred in relation to the acquisition of the 15.5% additional shares in Andre Pectin (€5 million), and the recognition of the reciprocal option agreement to acquire the remaining non-controlling interest in Andre Pectin amounting to €46 million.

For details see the consolidated statement of changes in [Note 16 Equity](#) and [Note 17 Non-controlling interests](#) to the consolidated financial statements.

Legal reserves

In Shareholders' equity, a total amount of €429 million (2024: €808 million) is included for legal reserves required by Dutch law. The translation reserve relates to exchange gains and losses arising from the translation of the functional currency of foreign operations to the reporting currency of DSM B.V. Further, a legal reserve is recorded for capitalized development costs. The legal reserve for participating interests is recorded to the extent that there are limitations for DSM B.V. to arrange profit distributions from its participating interests. The hedging reserve relates to cash flow hedge accounting. A revaluation reserve has been included for fair value changes of unquoted equity instruments of participating interests with no frequent notations owned by DSM; debit balances are recorded as part of Other reserves, which are considered freely distributable reserves.

Other reserves

The Other reserves comprise a Fair value reserve for fair value changes of unquoted equity instruments of participating interests with frequent notations, debit balances of the legal reserve for fair value changes of unquoted equity instruments of participating interests owned by DSM, and a Reserve for share-based compensation.

In the 'Consolidated financial statements', the Other reserves consist of the Translation reserve, Fair value reserve, Hedging reserve and Reserve for share-based compensation. See [Note 16 Equity](#) to the consolidated financial statements.

Profit appropriation

According to article 23 of the Articles of Association of DSM B.V. and after consultation of the Supervisory Board, every year the Managing Board determines the portion of the net profit to be appropriated to the reserves. For the year 2025, the net loss is €761 million (2024: €43 million loss). The amount of €2,850 million will be appropriated to the reserves (in 2024, €354 million was appropriated to the reserves).

In 2025, an interim dividend of €1,432 million was distributed to the shareholders.

The remaining undistributed amount of €657 million (2024: €311 million) will be put at the disposal of the Annual General Meeting of Shareholders in accordance with the provisions of Article 32 of the Articles of Association.

If the Annual General Meeting of Shareholders decides in accordance with the proposal, the net result will be appropriated as follows.

Profit appropriation

in € million	2025	2024
Net profit (loss) for the year	(761)	(43)
<i>Profit appropriation:</i>		
- To be added to (withdrawn from) the reserves	(2,850)	(354)
- Interim dividend on ordinary shares	1,432	-
- Final dividend distributable on ordinary shares	657	311



7 Borrowings

	2025		2024	
	Total	Of which current	Total	Of which current
Bonds	3,281	750	3,040	500
Total	3,281	750	3,040	500

At 31 December 2025, there were five bonds (€3,281 million, maturing in 2026, 2028, 2032, 2034 and 2036). The repayment schedule for borrowings is as follows.

Borrowings by maturity

	2025	2024
Less than one year	750	500
One to two years	-	750
Two to three years	499	-
Three to four years	-	499
Four to five years	-	-
More than five years	2,032	1,291
Total	3,281	3,040

In agreements governing loans with a residual amount at year-end 2025 of €3,281 million (31 December 2024: €3,040 million), clauses have been included which restrict the provision of security. More information on borrowings is provided in [Note 19 Borrowings](#) to the consolidated financial statements.

8 Other current liabilities

	2025	2024
Liabilities to subsidiaries	1,772	1,701
Other liabilities	78	60
Total	1,850	1,761

The Liabilities to subsidiaries concern mainly the current account toward the DSM internal financing company. These liabilities carry a short-term maturity and are interest-bearing.

The carrying values of the recorded liabilities are a reasonable approximation of their respective fair values, given the short maturities of the positions. All liabilities have an estimated maturity shorter than one year.

9 Contingent liabilities

Guarantee obligations on behalf of affiliated companies amounted to €504 million (31 December 2024: €533 million). DSM B.V. has declared in writing that it accepts several liabilities for debts arising from acts in law of a number of consolidated companies (including relating to the Dutch fiscal unity for income tax and VAT). These debts are included in the consolidated balance sheet.

DSM B.V. uses the funding provided by its internal financing company, which is a direct subsidiary of DSM B.V., to cover its long- and short-term obligations. In addition, DSM B.V., DSM-Firmenich AG and Firmenich International SA signed a cross-guarantee agreement in 2024 to mitigate structural subordination in the Group. The cross-guarantee agreement includes downstream guarantees from DSM-Firmenich AG to DSM B.V. and Firmenich International SA. In addition, there are also upstream guarantees from these two subsidiaries to DSM-Firmenich AG. The guarantees are irrevocable and unconditional and cover existing and future senior unsecured debt instruments across these entities, including the existing senior unsecured bonds throughout the dsm-firmenich Group.



Under this cross-guarantee agreement, DSM-Firmenich AG acts as guarantor for the €800 million bond issued on 2 July 2024 by DSM B.V., and for the credit facilities concluded in 2024 by DSM B.V. comprising the €1.8 billion revolving credit facility (RCF) and the €1.0 billion bridge facility.

10 Personnel

During the 2025 financial year there was no staff employed by DSM B.V. (2024: 0 employees).

11 Financial income and expense

Financial income of €65 million (2024: €89 million) consists of interest income on outstanding in-house cash balances; financial expense of €234 million (2024: €262 million) mainly consists of the interest expense on debit in-house cash balances (€138 million). See also [Note 19 Borrowings](#) and [Note 23 Financial instruments and risks](#) to the consolidated financial statements.

12 Remuneration of key personnel

Remuneration of members of the Supervisory Board and the Managing Board of DSM B.V.

The remuneration of key personnel concerns the Supervisory Board and the Managing Board DSM B.V. The members of the Supervisory Board as well as the members of the Managing Board DSM B.V. do not receive any remuneration for their position at DSM B.V. The Members of the Supervisory Board of DSM B.V. are also part of the Board of Directors of DSM-Firmenich AG. The remuneration disclosed in the table below relates to the members of the Managing Board of DSM B.V who are not members of the Executive Committee of DSM-Firmenich AG.

Remuneration of members of the Managing Board of DSM B.V. in 2025 and 2024

The below table provides an overview of the remuneration paid to members the Managing Board of DSM B.V. considering the above remarks.

Total remuneration expenses awarded to members of the Managing Board DSM B.V.

In 1,000 €	2025	2024
Base salary/Supervisory Board fees	489	477
Pension contributions	79	95
Short-Term Incentive ¹	111	267
Share-based compensation ²	143	178
Other ³	142	134
Total remuneration	964	1,151
Of which Managing Board remuneration	964	1,151
Of which Supervisory Board remuneration	-	-

1 Short-Term Incentive (STI); annual cash settled incentive, accrued in reporting period based on performance in the reporting period, payable year after.

2 Represents the expenses according to IFRS rules of Restricted Share Units (RSUs) and/or Performance Share Units (PSUs) awarded in the respective year. These costs are considered over the vesting period and therefore cover several years.

3 Benefits, company car special bonuses or allowances and social security contributions.



Maastricht, 24 April 2026

Managing Board,

Ralf Schmeitz, CFO

Inge Massen-Biemans

Ivo Nelissen

Maastricht, 24 April 2026

Supervisory Board,

Thomas Leysen, Chair

John Ramsay, Deputy Chair

Corien Wortmann



OTHER INFORMATION

Profit appropriation

In summary, the statutory rules of the profit appropriation are as follows, referring to the Articles of Association:

1. Priority dividend for Preference Shares (article 23.1)

Profits are first used to pay a preferred dividend to holders of Preference Shares A. In 2024 and 2025, no Preference Shares A are issued or outstanding and no outstanding dividend rights from holders of Preference Shares A exist.

2. Remaining profits (article 23.2)

After paying the preference dividend, the General Meeting decides how to allocate the remaining profits. These distributions go only to ordinary shareholders (no additional payments to Preference Shares A).

3. Scope of distributions (article 23.3)

The General Meeting can distribute profits from current year profits, or from Company reserves. This includes both final dividends and interim dividends.

4. Approval and financial safeguard (23.4)

Any distribution must be approved by the Managing Board. The Board can refuse if the company would risk not being able to pay its debts after the distribution.



Independent auditor's report



Independent auditor's report

To: the general meeting and the Supervisory Board of DSM B.V.

Report on the audit of the financial statements 2025

Our opinion

In our opinion:

- the consolidated financial statements of DSM B.V. together with its subsidiaries ('the Group') give a true and fair view of the financial position of the Group as at 31 December 2025 and of its result and cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union ('EU') and with Part 9 of Book 2 of the Dutch Civil Code;
- the Parent company financial statements of DSM B.V. ('the Company') give a true and fair view of the financial position of the Company as at 31 December 2025 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

What we have audited

We have audited the accompanying financial statements 2025 of DSM B.V., Maastricht. The financial statements comprise the consolidated financial statements of the Group and the Parent company financial statements.

The consolidated financial statements comprise:

- the consolidated balance sheet at 31 December 2025; and
 - the following statements for 2025: the consolidated income statement, the consolidated statements of comprehensive income and changes in equity and the consolidated cash flow statement.

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www.pwc.nl



- the notes to the financial statements, including material accounting policy information and other explanatory information.

The Parent company financial statements comprise:

- the balance sheet of DSM B.V. at 31 December 2025;
- the income statement of DSM B.V. for the year then ended; and
- the notes, comprising a summary of the accounting policies applied and other explanatory information.

The financial reporting framework applied in the preparation of the financial statements is IFRS Accounting Standards as adopted by the EU and the relevant provisions of Part 9 of Book 2 of the Dutch Civil Code for the consolidated financial statements and Part 9 of Book 2 of the Dutch Civil Code for the Parent company financial statements.

The basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. We have further described our responsibilities under those standards in the section ‘Our responsibilities for the audit of the financial statements’ of our report.

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

Independence

We are independent of DSM B.V. in accordance with the European Union Regulation on specific requirements regarding statutory audit of public-interest entities, the ‘Wet toezicht accountantsorganisaties’ (Wta, Audit firms supervision act), the ‘Verordening inzake de onafhankelijkheid van accountants bij assuranceopdrachten’ (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the ‘Verordening gedrags- en beroepsregels accountants’ (VGBA, Dutch Code of Ethics).



Our audit approach

We designed our audit procedures with respect to the key audit matters, fraud and going concern, and the matters resulting from that, in the context of our audit of the financial statements as a whole and in forming our opinion thereon. Therefore, we do not provide separate opinions or conclusions on information in support of our opinion, such as our findings and observations related to individual key audit matters and the audit approach to address fraud risk and going concern.

Overview and context

DSM B.V. is part of the dsm-firmenich Group, which is an international group of companies focused on nutrition, health, and beauty. The Group is comprised of several components and therefore we considered our group audit scope and approach as set out in the section ‘The scope of our group audit’.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where the Managing Board made important judgements, for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain.

In the notes of the financial statements, the Company describes the areas of judgement in applying accounting policies and the key sources of estimation uncertainty. Given the significant estimation uncertainty and the related higher inherent risks of material misstatement in the accounting for the Animal, Health and Nutrition separation and the valuation of goodwill, we considered these matters as key audit matters as set out in the section ‘Key audit matters’ of this report.

We ensured that the audit teams at both group and component level included the appropriate skills and competences which are needed for the audit of a nutrition, health, and beauty ingredients company with listed debt on EU-regulated markets. We included experts and specialists in the areas of amongst others IT, forensics, actuarial expertise, treasury, tax, share based compensation and valuations in our team.

The outline of our audit approach was as follows:



Overall materiality: €74,900,000

We conducted audit work in 44 components spread over 11 locations.

Site visits were conducted to USA, Switzerland, China, Mexico and Brazil.

Audit coverage: 71% of consolidated revenue, 80% of consolidated total assets and 73% of consolidated profit before tax.

- Accounting for the Animal Nutrition & Health separation; and
- Valuation of goodwill.

First-year audit consideration

After our appointment as the Company’s auditors, we developed and executed a comprehensive transition plan. As part of this transition plan, we carried out a process of understanding the strategy of the Group, its business, its internal control environment and IT systems. We examined where and how this affected the Company’s and the Group’s financial statements and internal control framework. Additionally, we read the prior year financial statements, and we reviewed the predecessor auditor’s files and discussed and evaluated the outcome of the audit procedures included therein. We attended closing meetings and Supervisory Board meetings related to the 2024 audit. Based on these procedures, amongst others, we obtained sufficient and appropriate audit evidence regarding the opening balances. Furthermore, we prepared our risk assessment, our audit strategy and our audit plan for the year 2025, which we discussed with the Managing Board and the Supervisory Board.

Materiality

The scope of our audit was influenced by the application of materiality, which is further explained in the section ‘Our responsibilities for the audit of the financial statements’.



Based on our professional judgement we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and to evaluate the effect of identified misstatements, both individually and in aggregate, on the financial statements as a whole and on our opinion.

Overall group materiality	€74,900,000.
Basis for determining materiality	We used our professional judgement to determine overall materiality. As a basis for our judgement, we used 1% of Net Sales from continued and discontinued operations..
Rationale for benchmark applied	We used total Net Sales as the primary benchmark, a generally accepted auditing practice, based on our analysis of the common information needs of the users of the financial statements. On this basis, we believe that Net Sales is the most relevant metric for the financial performance of the Company.
Component materiality	Based on our judgement, we allocated materiality to each component in our audit scope that is less than our overall group materiality. The range of materiality allocated across components was between €5,000,000 and €45,000,000.

We also took misstatements and/or possible misstatements into account that, in our judgement, are material for qualitative reasons.

We agreed with the Supervisory Board that we would report to them any misstatement identified during our audit above €3,745,000 as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

The scope of our group audit

DSM B.V. is the parent company of a group of entities. The financial information of this Group is included in the consolidated financial statements of DSM B.V.



We are responsible for the identification and assessment of the risks of material misstatement of the financial statements of the group, including those with respect to the consolidation process. Based on our risk assessment, we tailored the scope of our audit to ensure that we, in aggregate, performed sufficient work on the financial statements to enable us to provide an opinion on the financial statements as a whole.

In setting the scope of our group audit we determined what audit work needed to be performed at group level or component level and whether involvement of component auditors was necessary.

Based on this outcome, we subjected 3 components to audits of their complete financial information, as those components are considered significant due to risk or size. Additionally, we selected 41 components for audit procedures to achieve appropriate coverage on financial line items in the consolidated financial statements. In total, we conducted audit work in 44 components spread over 11 locations.

In total, in performing these procedures, we achieved the following coverage on the financial line items:

Revenue	71%
Total assets	80%
Profit before tax	73%

None of the remaining components represented more than 2% of total DSM B.V. group revenue or total group assets. For those remaining components we performed, among other things, analytical procedures to corroborate our assessment that there were no significant risks of material misstatements within those components.

The group engagement team performed the audit work for corporate entities based in the Netherlands. For the rest of the components, we used component auditors who are familiar with the local laws and regulations to perform the audit work.

Where component auditors performed the work, we determined the nature, timing and extent of direction and supervision of the component auditors and review of their work. We furthermore:



- Issued group audit instructions to component auditors to set expectations for the component auditors' work and facilitate our direction and supervision of the component auditors and review of their work.
- Participated in discussions with component auditors as part of planning the engagement, including when we as the group auditor assigned tasks or procedures such as the performance of risk assessment procedures or determining the nature, timing and extent of audit responses to identified and assessed risks of material misstatement to component auditors.
- Communicated with component auditors throughout the course of the group audit, either virtually by leveraging technology solutions, in-person meetings (e.g., as part of site visits to the USA, Switzerland, China, Mexico and Brazil), or through a combination of these, in order to monitor the progress of the component auditors' work. These ongoing communications included matters affecting the execution, completion and reporting of the group audit.
- Reviewed relevant parts of the component auditors' work including the component auditors' communication of matters relevant to our conclusion with regard to the group audit. Our review of the component auditors' work took place throughout the engagement. This included on-site and/or virtual reviews, including the review of component auditors' working papers.
- Reviewed formal written communications prepared by the component auditors relevant to the group audit.
- Attended certain key client meetings (e.g. the closing meetings) between the component auditors and component management.

The group engagement team performed the audit work on the group consolidation, financial statement disclosures and a number of more complex items at the head office. These included derivative financial instruments, hedge accounting, goodwill, share-based payments, accounting for the separation of Animal, Health & Nutrition and the accounting for the disposal of the Feed Enzymes business.

By performing the procedures outlined above at the components, combined with additional procedures exercised at group level, we have been able to obtain sufficient and appropriate audit evidence on the financial information, to provide a basis for our opinion on the financial statements.

Audit approach fraud risks



We identified and assessed the risks of material misstatements in the financial statements due to fraud. During our audit we obtained an understanding of DSM B.V. and its environment and the components of the internal control system. This included the Managing Board's risk assessment process, the Managing Board's process for responding to the risks of fraud and monitoring the internal control system and how the Supervisory Board exercised oversight, as well as the outcomes.

We evaluated the design and implementation of relevant aspects of the internal control system with respect to the risks of material misstatements due to fraud and in particular the fraud risk assessment, as well as the code of conduct, whistleblower procedures, incident registration and investigation protocols, among other things. We evaluated the design and the implementation and, where considered appropriate, tested the operating effectiveness of internal controls designed to mitigate fraud risks.

We performed inquiries with a selection of members of the Managing Board and senior management to evaluate their fraud awareness, the DSM B.V. group internal control environment in relation to fraud, the 'tone at the top' and entity-level controls. As part of these procedures, we have requested the Group CFO and Business Unit CFO's, Internal Audit, Legal, Risk & Compliance, Business Ethics, Tax, Financial control and accounting, and Treasury to fill in our fraud risk assessment questionnaire and discussed the outcomes of this questionnaire.

We asked members of the Managing Board and the Supervisory Board whether they were aware of any actual or suspected fraud. This did not result in signals of actual or suspected fraud that may lead to a material misstatement.

As part of our process of identifying fraud risks, we evaluated, in close co-operation with our forensic specialists, fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption. We evaluated whether these factors indicate that a risk of material misstatement due to fraud is present.

We identified the following fraud risks and performed the following specific procedures:



Identified fraud risks	Our audit work and observations
<p>The risk of management override of controls</p> <p>The Managing Board is in a unique position to perpetrate fraud because of the Managing Board's ability to manipulate accounting records and to prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. That is why, in all our audits, we pay attention to the risk of management override of controls in:</p> <ul style="list-style-type: none"> • The appropriateness of journal entries and other adjustments made in the preparation of the financial statements • Significant transactions, if any, outside the normal course of business for the entity. • Estimates. <p>We pay particular attention to tendencies due to possible bias of the Managing Board.</p>	<p>We evaluated the design and implementation of the internal control system in the processes of generating and processing journal entries and making estimates. We also paid specific attention to the access safeguards in the IT systems.</p> <p>We selected journal entries based on risk criteria and conducted specific audit procedures for these entries. These procedures include, amongst others, inspection of the source documentation related to these journal entries. We also paid particular attention to consolidation journal entries, focusing on testing entries that affected revenue and results. These procedures include, amongst other things, inspection of supporting documentation related to consolidation journal entries and verifying the business nature of the entries recorded.</p> <p>We performed substantive audit procedures on significant transactions outside the normal course of business for the Group, including but not limited to the accounting and presentation of the separation of Animal, Nutrition & Health, which is included as a key audit matter in the section key audit matters of this report.</p> <p>We also performed specific audit procedures to evaluate areas which include significant estimates or judgements for bias by the Managing Board including but not limited to the impairment in relation to Animal, Nutrition & Health and the impairment assessment of goodwill, both included in the section key audit matters of this report.</p> <p>Our audit procedures did not lead to specific indications of fraud or suspicions of fraud with respect to management override of controls.</p>
<p>The risk of fraud in revenue recognition</p> <p>As part of our risk assessment and based on a presumption that there are risks of fraud in revenue recognition, we evaluated which types of revenue give rise to risk of material misstatement due to fraud.</p>	<p>We performed our audit procedures in a mix of controls and substantive procedures.</p> <p>We evaluated the design and implementation of the internal control system in the processes related to revenue reporting and recognition including revenue cut-off adjustments and tested the operating effectiveness of these controls where appropriate.</p>



Identified fraud risks	Our audit work and observations
<p>The Managing Board receives bonuses, which partly depend on financial goals and the financial results achieved. This could lead to pressure on the Managing Board to overstate revenue by recognizing revenue too early for products shipped but not yet delivered and/or for which the contractual performance obligation is not met per 31 December 2025.</p>	<p>We performed IT audit procedures (both IT General Controls testing and testing of automated controls) related to revenue recognition and cut-off.</p> <p>We performed substantive testing on revenue recognised around the financial year-end to ensure that risks and rewards of ownership relating to external revenue transactions are recorded in the correct period (including inspecting customer agreements, orders and shipping documents).</p> <p>We requested accounts receivable confirmations and performed alternative procedures where such confirmations have not been received.</p> <p>Our audit procedures did not lead to specific indications of fraud or suspicions of fraud with respect to the cut-off of the revenue reporting.</p>

We incorporated an element of unpredictability in our audit and reviewed lawyer’s letters. During the audit, we remained alert to indications of fraud. Furthermore, we considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud.

Audit approach going concern

The Managing Board prepared the financial statements on the assumption that the Company is a going concern and that it will continue all its operations for at least 12 months from the date of preparation of the financial statements.

Our procedures to evaluate the Managing Board’s going-concern assessment included, amongst others:

- considering whether the Managing Board identified events or conditions that may cast significant doubt on the entity’s ability to continue as a going concern (hereafter: going-concern risks);
- considering whether the Managing Board’s going concern assessment included all relevant information of which we were aware as a result of our audit and inquiring with the Managing Board regarding the Managing Board’s most important assumptions underlying its going concern assessment. Amongst others, we evaluated the Managing Board’s consideration of the net current liability position in the Parent company financial statements;



- evaluating the Managing Board’s current budget and financing plan, including projected liquidity and corresponding financing needs, developments in working capital and cash flows for at least 12 months from the date of preparation of the financial statements and all relevant information of which we were aware as a result of our audit;
- analysing whether the current and the required financing has been secured to enable the continuation of the entirety of the entity’s operations, including compliance with relevant covenants;
- performing inquiries of the Managing Board as to its knowledge of going concern risks beyond the period of the Managing Board’s assessment.

Based on our procedures performed and evidence obtained, we concluded that the Managing Board’s use of the going concern basis of accounting is appropriate, and that no material uncertainty exists related to events or conditions that may cast significant doubt on the entity’s ability to continue as a going concern.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements. We have communicated the key audit matters to the Supervisory Board. The key audit matters are not a comprehensive reflection of all matters identified by our audit and that we discussed. In this section, we described the key audit matters and included a summary of the audit procedures we performed on those matters.

Key audit matter	Our audit work and observations
<p>Accounting for the Animal Nutrition & Health separation</p> <p>In February 2024, the company announced the initiation of a process to carve-out and separate its Animal Nutrition & Health (ANH) business. As part of the separation, the company sold its Feed Enzymes business in 2025, the remaining ANH business was held for sale as at 31 December 2025. The Sale and Purchase Agreement (SPA) for the remaining ANH business was signed on 9 February 2026. Management considered it highly probable that the</p>	<p>We assessed management’s accounting position paper, including management’s assessment of the relevant criteria of IFRS 5, related to the ANH separation and the perimeter of the businesses that form part of discontinued operations.</p> <p>We tested the Feed Enzymes disposal transaction and verified the accuracy of the calculated gain on disposal.</p>



Key audit matter

Our audit work and observations

sale of the remaining ANH business would close and will be completed within one year. Therefore, the assets and liabilities are presented as held for sale. The 2025 results are presented as discontinued operations and the 2024 information is re-presented accordingly, as required by IFRS 5.

Based on the realized and expected proceeds from the transactions, a gain on disposal of EUR 676 million and an impairment of EUR 1.7 billion was recognized, respectively, in 2025. The accounting for the transaction and determination of the impairment involved several significant assumptions and complex calculations. These included, amongst others, the carve out of assets and liabilities, the allocation of results to the discontinued operations and the assumptions underlying the determination of the fair value less cost of disposal. Considering the significance and complexity of the transactions and the impact on the consolidated financial statements, the accounting for the ANH separation and related impairment has been identified as a key audit matter.

Please refer to Note 3 "Change in the scope of consolidation".

We assessed, with the support of our valuation experts, management's determination of the fair value of the remaining ANH business, based on management's assumptions and the elements of the SPA, and assessed the resulting impairment.

We tested the accuracy of the classification and presentation of the assets and liabilities held for sale of the disposal group.

We tested the accurate allocation and presentation of the results of the disposal group as discontinued operations, including the re-presentation of the 2024 financial information.

We assessed the reasonableness of the ANH separation's presentation and related disclosures in the consolidated financial statements.

Our procedures did not result in material findings.

Valuation of goodwill

As of 31 December 2025, the consolidated financial statements include goodwill amounting to EUR 1.8 billion (2024: EUR 3.1 billion). IAS 36 requires goodwill to be tested for impairment annually, and when indicators of impairment are identified. Goodwill of EUR 0.3 billion has been reclassified to assets held for sale and discontinued operations and goodwill of EUR 0.7 billion has been derecognized following the sale of the Feed Enzymes business.

Our audit procedures included, among others, an evaluation of the Group's internal controls, policies and procedures applied in the evaluation of impairment indicators and the annual impairment test of goodwill performed to identify any potential impairments of goodwill.

We tested the carrying amounts of the CGUs and reviewed supporting documentation for the CGU determination.

We evaluated the key assumptions used in management's value in use models by comparing them to external market data and underlying business plans.



Key audit matter	Our audit work and observations
<p>Management performed the impairment tests at year- end by determining the recoverable amount, which is then compared to the carrying amount. The cash generating units (CGUs) management identified in 2025 are Taste, Texture & Health (TTH) and Health, Nutrition & Care (HNC).</p> <p>In assessing whether the carrying amounts are recoverable, management generally applied the value in use method. This method requires significant management judgement in projecting future cash flows as well as in determining key assumptions, such as sales growth, discount rates, terminal value growth rates and the forecast period.</p> <p>Considering the magnitude of goodwill and the level of management judgement involved in assessing the recoverable amounts, the valuation of goodwill has been identified as a key audit matter.</p> <p>Please refer to Note 8 "Goodwill and intangible assets".</p>	<p>We assessed the methodological soundness, mathematical accuracy, and sensitivity of the impairment models.</p> <p>We performed our own sensitivity analyses, focusing primarily on terminal value growth rates and discount rates, which we consider the most sensitive assumptions.</p> <p>We assessed whether disclosures required by IAS 36 regarding the valuation of goodwill were appropriately included in the consolidated financial statements.</p> <p>Our procedures did not result in material findings.</p>

Compliance with the requirements of the Regulatory Technical Standard of SBR, including the XBRL mark up, not audited

The audit includes the verification that the prepared financial statements comply with the legal provisions in Part 9 of Book 2 of the Dutch Civil Code. Our audit opinion is issued on the prepared financial statements and will be included in the digitally filed annual report. The compliance with all requirements of the Regulatory Technical Standard of the SBR domain Trade Register, including the applied eXtensible Business Reporting Language (XBRL) mark ups, was not subject to our audit.

Report on the other information included in the Integrated annual report

The Integrated annual report contains other information. This includes all information in the Integrated annual report in addition to the financial statements and our auditor’s report thereon.

Based on the procedures performed as set out below, we conclude that the other information:



- is consistent with the financial statements and does not contain material misstatements; and
- contains all the information regarding the report by the Managing Board and the other information that is required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and the understanding obtained in our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing our procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of such procedures was substantially less than the scope of those procedures performed in our audit of the financial statements.

The Managing Board is responsible for the preparation of the other information, including the report by the Managing Board and the other information in accordance with Part 9 of Book 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements

Our appointment

We were appointed as auditors of DSM B.V. on 29 May 2024 by the Supervisory Board. This followed the passing of a resolution by the shareholders at the annual general meeting held on 29 May 2024. Our appointment now represents a total period of uninterrupted engagement of 1 year.

No prohibited non-audit services

To the best of our knowledge and belief, we have not provided prohibited non-audit services as referred to in article 5(1) of the European Regulation on specific requirements regarding statutory audit of public-interest entities.

Services rendered

The services, in addition to the audit, that we have provided to the Company or its controlled entities, for the period to which our statutory audit relates, are disclosed in note 29 to the financial statements.



Responsibilities for the financial statements and the audit

Responsibilities of the Managing Board and the Supervisory Board for the financial statements

The Managing Board is responsible for:

- the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as adopted by the EU and Part 9 of Book 2 of the Dutch Civil Code; and for
- such internal control as the Managing Board determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Managing Board is responsible for assessing the Company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the Managing Board should prepare the financial statements using the going-concern basis of accounting unless the Managing Board either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so. The Managing Board should disclose in the financial statements any event and circumstances that may cast significant doubt on the Company's ability to continue as a going concern.

The Supervisory Board is responsible for overseeing the Company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our responsibility is to plan and perform an audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence to provide a basis for our opinion. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high but not absolute level of assurance and is not a guarantee that an audit conducted in accordance with the Dutch Standards on Auditing will always detect a material misstatement when it exists. Misstatements may arise due to fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.



Materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the audit in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit consisted, among other things of the following:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or intentional override of internal control.
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Managing Board.
- Concluding on the appropriateness of the Managing Board's use of the going-concern basis of accounting, and based on the audit evidence obtained, concluding whether a material uncertainty exists related to events and/or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report and are made in the context of our opinion on the financial statements as a whole. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures, and evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



We are responsible for planning and performing the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements. We are also responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. In this respect, we also issue an additional report to the Supervisory Board in accordance with article 11 of the EU Regulation on specific requirements regarding statutory audit of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor's report.

We provide the Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Supervisory Board, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Amsterdam, 24 April 2026
PricewaterhouseCoopers Accountants N.V.

Original has been signed by:
E. van Eeden RA

