



# **DSM B.V.**

(a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of the Netherlands, with its statutory seat in Heerlen, the Netherlands)

**Convocation of and agenda with explanatory notes**  
**for the**  
**annual general meeting of shareholders of DSM B.V.**



# 1. Convocation and Agenda for the Annual General Meeting of Shareholders

DSM B.V. (DSM), a direct and for 98.5% owned subsidiary of dsm-firmenich AG, holding part of the dsm-firmenich group formerly being Koninklijke DSM N.V., announces its Annual General Meeting of Shareholders (the AGM), which will be held at Wilhelminasingel 39, Maastricht (The Netherlands), on Wednesday 29 May 2024 at 8.30 am CET. The meeting will be held in person.

## Agenda

The agenda for the AGM is as follows:

- |  |            |
|--|------------|
| 1. Opening   |            |
| 2. Annual report for 2023 by the Managing Board                      |            |
| 3. Financial Statements for 2023                                     | Resolution |
| 4. Release from liability of the members of the Managing Board       | Resolution |
| 5. Release from liability of the members of the Supervisory Board    | Resolution |
| 6. Reappointment of Thomas Leysen as member of the Supervisory Board | Resolution |
| 7. Appointment of the new External Auditor for 2025                  | Resolution |
| 8. Amendment of the Articles of Association of DSM B.V.              | Resolution |
| 9. Closure   |            |

This Convocation (including agenda, explanatory notes, the Integrated Annual Report (incl. Financial Statements) and other relevant documents) are published on DSM's website [www.dsm.com](http://www.dsm.com) and will be available for inspection at DSM's office address.

## Attendance and registration

DSM Shareholders are entitled to attend the meeting if:

- they are a holder of DSM shares, and
- they have notified their participation in the meeting no later than Friday 24 May 2024 5:00 pm CET as described under Notification below, and
- they have registered themselves on Wednesday 29 May 2024, the day of the meeting, at the registration desk (between 8.00 am CET and the commencement of the meeting at 8.30 am CET). Proof of identity by means of a valid identity document may be requested.

## Notification

- DSM Shareholders whose shares are registered in their name (*aandelen op naam*) at IQ-EQ who wish to participate should make this known to IQ-EQ by mail (PO Box 11063, 1001 GB Amsterdam) or e-mail ([registers@iqeq.com](mailto:registers@iqeq.com)) no later than Friday 24 May 2024, 5:00 pm CET. Form A can be used for notification. Holders of registered shares will then receive an admission receipt from IQ-EQ.
- Holders of deposit shares (*girale aandelen*) who wish to participate should make this known via their intermediary no later than Friday 24 May 2024, 5:00 pm CET. Intermediaries must, no later than 5:00 pm CET on Friday 24 May 2024, present to ABN AMRO Bank N.V., Equity Capital Markets / Corporate Broking & Issuer Services, Gustav Mahlerlaan 10, 1082 PP Amsterdam (tel. +31 (0)20 628 6070 / e-mail: [corporate.broking@nl.abnamro.com](mailto:corporate.broking@nl.abnamro.com)):



- i. a statement, identifying the number of shares presented for registration purposes, as well as full address details of the relevant shareholder(s); and
- ii. a certificate of deposit which evidences that the shares held by the shareholder in his/her/its securities account are blocked from trading until (and including) the date of the AGM.

Notification is also possible via [www.abnamro.com/evoting](http://www.abnamro.com/evoting). Holders of deposit shares will then receive a registration number from ABN AMRO.

## Voting

### *Proxy voting and voting instructions*

Without prejudice to the provisions above regarding notification and registration, DSM Shareholders who are authorized to attend the meeting may authorize others by means of a written proxy to participate in the meeting and vote on their behalf.

- Holders of registered shares should make this known to IQ-EQ. Form A may be used.
- Holders of deposit shares who wish to give a proxy in writing are requested to submit the written proxy via the intermediary where their shares are administered. Form B may be used.
- All DSM Shareholders may choose to grant a proxy in writing or electronically to notary J.J.C.A. Leemrijse in Amsterdam, with the right of substitution, which proxy includes a voting instruction (Form C).
- Proxies and voting instructions should be submitted no later than Friday 24 May 2024, 5:00 pm CET.

### *Live voting*

DSM Shareholders can vote during the meeting while attending the AGM in-person.

In case of any further questions you may contact DSM via:

tel. +31 (0) 639754568, e-mail: [corporate.governance@dsm-firmenich.com](mailto:corporate.governance@dsm-firmenich.com).



## 2. Explanatory notes to the Agenda for the AGM

### NOTES TO AGENDA ITEM 2

#### **Annual Report for 2023 by the Managing Board**

The Managing Board will comment on the Report by the Managing Board in DSM's Integrated Annual Report for 2023 (see pp. 3 to 31 of the Integrated Annual Report for 2023).

Subsequently, the opportunity will be given to ask questions or make remarks about the Report by the Managing Board for 2023 and the Report by the Supervisory Board (included in the Integrated Annual Report for 2023 on p. 30).

### NOTES TO AGENDA ITEM 3

#### **Financial Statements for 2023**

#### **Resolution**

On 14 May 2024, the Supervisory Board approved the Financial Statements for 2023 drawn up by the Managing Board. The Financial Statements were published on the website of DSM on 15 May 2024 and are now submitted for adoption by the General Meeting (see Article 22.7 of the Articles of Association).

### NOTES TO AGENDA ITEM 4

#### **Release from liability of the members of the Managing Board**

#### **Resolution**

It is proposed that the current and former members of the Managing Board be released from liability in respect of their managerial activities during 2023 (see Article 22.8 of the Articles of Association).

### NOTES TO AGENDA ITEM 5

#### **Release from liability of the members of the Supervisory Board**

#### **Resolution**

It is proposed that the current and former members of the Supervisory Board be released from liability in respect of their supervisory role during 2023 (see Article 22.8 of the Articles of Association).

### NOTES TO AGENDA ITEM 6

#### **Reappointment of Mr. Thomas Leysen as member of the Supervisory Board**

#### **Resolution**

The Supervisory Board nominates Mr. Thomas Leysen for reappointment as member of the Supervisory Board. In accordance with Article 16.2 of the Articles of Association, it is proposed that the General Meeting reappoints Mr. Thomas Leysen as a member of the Supervisory Board of DSM B.V. in accordance with the nomination of the Supervisory Board for a period of four years.



Mr. Thomas Leysen is nominated on the basis of his vast experience as chair of the Supervisory Board and member of (supervisory) boards within and outside the DSM-Firmenich group. Mr. Thomas Leysen has been chairman of the Board of Directors of DSM-Firmenich AG and member of its Compensation Committee since 2023. Furthermore, he currently is the chairman of the supervisory board of Umicore and the non-executive chair of the board of Mediahuis. In addition, Mr. Thomas Leysen is the chairman of the King Baudouin Foundation United States, the Flemish Heritage Council and of the board of trustees of the Mayer van den Bergh Museum.

Mr. Thomas Leysen was born in 1960. He 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 supervisory board. He has long been committed to the promotion of sustainability 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 between 2008 and 2011. Between 2011 and 2020, he was chairman of the Board of KBC Group, a banking and insurance group with activities mainly in Belgium, Central Europe and Ireland. He was Member of the Supervisory Board of Koninklijke DSM N.V. as of 2020 and served as its chairman from 2021 to 2023, until DSM and Firmenich merged.

Mr. Thomas Leysen does not hold any shares in the capital of DSM. Mr. Thomas Leysen is an independent member of the Supervisory Board within the meaning of the Dutch corporate governance code.

#### NOTES TO AGENDA ITEM 7

##### **Appointment of the new External Auditor for 2025**

##### **Resolution**

As KPMG Accountants N.V. reached the statutory limit for re-appointment, DSM initiated a tender process for the selection of a new external auditor for the financial year 2025. This tender process was executed by the Supervisory Board, with the assistance of a Selection Committee. A detailed description of the process is attached in Annex 1.

Based on the results of the selection process, the Supervisory Board proposes to appoint PricewaterhouseCoopers Accountants N.V. as external auditor of DSM for the financial year 2025.

#### NOTES TO AGENDA ITEM 8

##### **Amendment of the Articles of Association of DSM B.V.**

##### **Resolution**

With the approval of the Supervisory Board, the Managing Board proposes to amend the Articles of Association as set out below:

- 1) Articles 1, 4, 6, 7, 23, 33, 34 and 35: all previously issued preference shares A in the capital of DSM were cancelled in May 2023. As DSM's issued share capital does no longer consist of any preference shares A and as DSM does not intend to issue any preference shares A either, it is proposed to remove the references in the Articles of Association to preference shares A as a class of (to be) issued shares. As after the proposed amendment there will be only one class of shares, references to different classes of shares will be removed as well. After the amendment of the Articles of Association, all currently issued ordinary shares are referred to as "shares" (without further specification).



- 2) Article 2.2: it is proposed to change the statutory seat of DSM from Heerlen (the Netherlands) to Maastricht (the Netherlands) in connection with the recent move of DSM's office address from Heerlen to Maastricht in March 2024.
- 3) Article 22.5: it is proposed to remove Article 22.5 from the Articles of Association. Pursuant to Dutch law, the supervisory board of a Dutch private limited liability company, which is not subject to the Dutch Corporate Governance Code, is not required to prepare a separate report in addition to the report of the Managing Board.
- 4) Article 23.4: in order to regain flexibility in making interim distributions, it is proposed to add a new Article 23.4 whereby the Managing Board, with the approval of the Supervisory Board, will be given the authority to make interim distributions to shareholders of DSM.

The full text of the proposal for the amendment of the Articles of Association in Dutch (with an English office translation) is attached as Annex 2.

The proposed amendment of the Articles of Association also includes granting a power of attorney to each member of the Managing Board and each (deputy) civil-law notary and notarial assistant at Allen Overy Shearman Sterling LLP, Attorneys at Law, Civil-Law Notaries and Tax Consultants, in Amsterdam, to have the deed of amendment of the Articles of Association executed.



## ANNEX 1

### AUDITOR SELECTION PROCESS

#### **Proposal to appoint PricewaterhouseCoopers Accountants N.V. as statutory auditor for the Annual Accounts 2025**

#### **Appointment of statutory auditors – explanation of nomination and selection process**

##### **1. Introduction**

DSM B.V. (DSM) is a Dutch Public Interest Entity (PIE) with its statutory seat in Heerlen, the Netherlands, and is a directly held and controlled entity of DSM-Firmenich AG. KPMG Accountants N.V. has been DSM's auditor since the financial year 2015.

As a Dutch PIE, DSM falls under Section 17(1) of the EU Audit Regulation (Regulation (EU) No 537/2014) which provides that an audit firm engagement may not exceed a maximum duration of 10 years. As a result, DSM is required to appoint a new auditor, with the engagement taking effect as from the audit of the financial year 2025.

In the third quarter of 2023, an external auditor selection process was initiated in line with EU regulations and the recommendations of the Dutch authority for the financial markets (AFM).

##### **2. Scope**

The scope of the tender consisted of DSM and statutory audits of material underlying subsidiaries with effect from the financial year 2025.

##### **3. Governance**

The overall objective of the audit tender process was to select an audit firm that is best suited to execute the audit and serve the needs of DSM, investors, regulators, and other stakeholders, in a fair and transparent manner.

To ensure this objective was met, the following governance model was applied. The Supervisory Board held authority and overview over the audit tender process. To assist the Supervisory Board with the tender process, a Selection Committee was established, consisting of Mr. John Ramsay (member of the Supervisory Board) and the members of the Managing Board. In addition, a Tender Team in charge of the execution of the audit tender process was set up, consisting in the Head of Financial Compliance, two executives of the group purchasing team and the Head of EMEA (Europe Middle East & Africa) financial control and accounting within the dsm-firmenich group. The final decision on the selection and proposal to the general meeting of shareholders was taken by the Supervisory Board of DSM.

To avoid influencing or the perception of influencing the tender decision, a strict policy was agreed with the potential new audit firms:

- After the release of the request for proposal, all discussions related to the audit tender and all communications on the audit tender were channeled centrally through the Tender Team;



- Interactions between the audit firms and the Tender Team were furthermore aimed at establishing a level playing field, allowing the audit firms to have the same starting position to submit an informed, competitive bid for the audit.

#### **4. Market exploration and pre-selection**

The Selection Committee carried out a pre-selection process. The pre-selection process considered all audit firms marked as eligible audit firms by the AFM under Dutch law. In this process the Selection Committee decided which audit firms would be invited to participate in the tender process. The pre-selection phase consisted of the following steps:

- Desk research
- Informal initial communication with representatives of the potential audit firms
- Independence check

After completing the steps above and validating prerequisites, the Selection Committee concluded there are only a limited number of audit firms that were authorized and organized to audit DSM. One firm withdrew from the process and the invitation to tender for the audit due to an independence conflict. The preliminary conclusion was that two firms, Ernst & Young Accountants LLP (EY) and PricewaterhouseCoopers Accountants N.V. (PwC) were eligible to further participate in the audit tender process.

#### **5. Selection criteria**

A set of auditor selection criteria was validated, emphasizing first and foremost the requirements for independence. To further meet the objective of the audit tender process, quality criteria relating to the audit firm (weight 15%), the audit partners (weight 25%) and the audit team (weight 25%) were defined. The quality of the commercial offering and the firms' view on the transition approach were added as well (weight 35%).

The ability to provide financial & non-financial assurance, a global footprint, quality ratings, and an excellent professional knowledge network of IT, systems processes & controls were found to be important elements of quality.

#### **6. Request for proposal**

EY and PwC were selected by the Selection Committee to participate in the audit tender and received the Request for Proposal (RFP) on 1 December 2023. The RFP included details on the purpose of the RFP, the scope of the request, the key evaluation criteria, timelines, requirements around the form of the proposal and terms and conditions.

During December 2023, a secured electronic data room was available with relevant information on DSM, grouped in the following categories:

- financial information;
- organization/scope;
- risk/internal controls;
- governance and compliance;
- financial calendar and corporate planning.

During this period a structured Q&A process was in place where responses to questions and additional information requests were shared with both participating audit firms.





## **7. Engagement sessions**

To support the participants in developing their proposals, DSM arranged engagement sessions with certain key business leaders and group functions like sustainability, risk, internal audit, treasury and tax. These sessions provided the audit firms an opportunity to present themselves and confirm their understanding of dsm-firmenich's business and discuss certain subject matter areas in greater depth. It also gave management an opportunity to get to know the firms and their approach. Special engagement sessions (workshops) were held with the finance function with representation of the regions and group control and accounting.

In addition to the engagement sessions the participating audit firms met with members of the Supervisory Board and Managing Board members, as well as the current statutory auditor, KPMG. In December 2023, members of the Supervisory Board met with the proposed lead audit partners of both firms and provided feedback to the Selection Committee, thus ensuring its selection criteria were met.

## **8. Evaluation**

The final proposals submitted by EY and PwC were compliant with the minimum requirements set, and all bids qualified and were assessed for the evaluation against the selection criteria.

The Selection Committee considered the audit firm proposals, the proposal presentations and reviewed the evaluation conducted by the Tender Team and concluded that PwC was the preferred firm to become dsm-firmenich's new auditor starting from the financial year 2025. The main reasons for proposing PwC as the preferred candidate were the tailored approach, the strong and diverse proposed audit team, and the organizational and cultural fit with DSM's businesses.

In a meeting held on 13 February 2024, both audit firms presented their final proposal to the Supervisory Board. The Supervisory Board challenged the firms on their proposals, while validating them against the selection criteria. While both firms met the criteria, the company specific (team) set-up of the PwC proposal, with a clear view on the audit way forward from our integration process after the merger, confirmed the selection of PwC as the preferred candidate.

Therefore, based on the results of the audit tender process and the recommendation of the Selection Committee, as well as the evaluation of the outcome of its own procedures, the Supervisory Board consequently decided to recommend to the general meeting of DSM the election of PwC as statutory auditor starting from the financial year 2025.

The Supervisory Board is satisfied that appropriate safeguards are in place to both ensure the required independence of PwC and appropriately manages any potential conflicts of interest.



**ANNEX 2**

**PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF DSM B.V.**

***[attached separately]***