FrieslandCampina
nourishing by nature

# Doing Dairy Right

**Annual report 2025**
Royal FrieslandCampina N.V.

**300**

dairy cows

**3.1**

million kg of milk in 2025

**150**

hectares of land

## Farming smarter for tomorrow

Tom van de Breemer runs two dairy farms in the Netherlands together with his brother. As the fourth generation, they continue a long family history within FrieslandCampina and its predecessors.

Within the cooperative - where dairy farmers with very different types of farms work together - Tom chooses an approach that fits his own vision for the future. By producing his own roughage, including fresh grass from his own land, he invests in sustainability measures that are tailored to his farm.

Tom: “For me, Doing Dairy Right means continuously looking for ways to improve – making smart choices that work in practice. FrieslandCampina offers stability: my milk is always collected, at a good milk price. That certainty enables me to invest in the future of our family farm.”

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01

# Introduction


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**NOYNOY PowerBowl**
Authentic Greek Yoghurt combined with fruits, grains and cereals. Naturally rich in protein and delightfully tasty.

## In conversation with CEO Jan Derck van Karnebeek and Chair Sybren Attema

2025 was a year with sharp contrasts: a strong first half-year followed by a challenging second half. CEO Jan Derck van Karnebeek and Chairman of the Supervisory Board Sybren Attema reflect on the 2025 results and the priorities for the year ahead. The overarching theme: a consistent approach that proves effective in both tailwinds and headwinds.

Van Karnebeek: “2025 was not an easy year. Nevertheless – for the second year in a row – we achieved a good financial result. Two good years in a row, under very different circumstances, shows that we have a strong basis. I am proud of the entire team. The results confirm that our way of working helps us when things get tough.”

Attema: “The Supervisory Board recognises this stability. Within the company, there is clarity and calm, and the operating model proves its worth in changing market conditions. We also see that what we have asked of our people has not been in vain. And we see that employees recognise this too. We can be satisfied with the 2025 result. But that is not a reason to stand still; quite the contrary.”

“Our way of working proves itself.”

## Performing in a cyclical market

Van Karnebeek: “The dairy market is cyclical. Supply and demand can quickly become unbalanced, and that is reflected in the results. For the first half of 2025, we had the wind in our sails. There was a market with a great demand and good prices. The second half of the year shows how quickly conditions can change drastically. Due to favourable conditions, global milk supply increased. At the same time, demand grew at a slower pace. Under such conditions milk prices fall rapidly. That affects us in the market and our members in their wallets.

Under these conditions, everyone in the company has to do their part to maintain our result. At such times, it is especially important to make choices based on shared objectives. That was the real test of our way of working. The results show that our joint focus on milk valorisation is delivering. In a declining dairy market in Europe, we were able to gain market share through innovation, collaboration with retailers, and a focused approach across our strategic brands.”

“The merger with Milcobel strengthens our strategic direction.”

## Spreading risks deliberately

Attema: “The dynamics and uncertainty in our market remain. We see major geopolitical movements in the world affecting our markets, and closer to home there continues to be political uncertainty for member dairy farmers. Last year, we were faced with the risk of foot-and-mouth disease in Germany, lumpy skin disease in France, and aflatoxin feed contamination in the Netherlands. For FrieslandCampina, it is important to spread risks across different markets, products and regions. That spread helps us absorb shocks in a specific area. This does not mean that everything can or should be done everywhere. As Supervisory Board, we set clear frameworks with the company for growth, mergers, acquisitions and divestments. These frameworks provide direction and ensure that choices are not made incidentally or based in sentiment, but are aligned with the strategy and overall portfolio.”

Van Karnebeek: “This is reflected in specific decisions. With the acquisition of Wisconsin Whey Protein, we are strengthening our position in high-value ingredient markets, which have different dynamics from the commodity dairy markets. It is a strong addition in a segment in which we have been active for many years and where attractive growth opportunities exist. The merger with Milcobel is consistent with our conviction that scale and cooperation in Europe are needed to continue creating value in the longer term. At the same time, we made a conscious decision to divest our activities in Romania that did not sufficiently fit in with our valorisation model.”

Attema: “The combination of investing and divesting is essential. Having the courage to focus on what adds value and to stop what no longer contributes, creates a balanced foundation for the whole. Spreading risk only works if you are not afraid to focus and stop where an operation no longer contributes. It is precisely this discipline that makes the company resilient in a world that remains uncertain.”

## Cost reduction makes us resilient

Van Karnebeek: “Dairy is a low-margin game. It is therefore all about costs. In 2025, we more than met our cost control targets. The utilisation of our production resources (Overall Equipment Effectiveness) improved by about 2.5 percentage points. This makes a big difference in terms of cost, output and reliability. We have greatly simplified our product portfolio: fewer variants mean less changeover time, less downtime and less waste. But that only delivers results if you don’t lose your customers. The question is whether you can keep your customers happy with a simpler portfolio. In many markets, our sales people managed to achieve the same or even greater revenue with fewer different products in 2025.”

Attema: “For me, the way the company is now managing to reduce costs ranks high among the most impressive changes I have witnessed in my 30 years at FrieslandCampina. Costs have been reduced by saying goodbye to sites and people, but more importantly by working smarter together and taking complexity out of the system. Products that used to have no or limited commercial value are now making money. This makes FrieslandCampina more resilient. Even when times are tougher.”

## Committed employees and safety

Attema: “Our market demands committed employees. And employee engagement increased in 2025. We see this in rising engagement scores, but also concretely in our working visits. Product line managers speak with pride about their work. If there is a problem, teams resolve it collectively first, rather than escalating it directly to a higher level. People feel that they matter, and that they are partly responsible for success. That produces results and it helps retain good people.”

Van Karnebeek: “Our operating model works best when people enjoy their work at FrieslandCampina. We seek to create a working environment people want to part of and contribute to. Safety is also part of this. The first and most important responsibility for our company is that every employee gets home safely in the evening. On every dashboard in every plant, safety occupies a fixed, prominent position in the top-left corner, making it a standard and always-visible part of our way of working. We are managing the number of safety incidents and lost working days globally.

Nevertheless, over the past year, something went terribly wrong at our Borculo plant (the Netherlands). Due to a series of mistakes, an explosion occurred in which – miraculously – no one was injured. We need to learn from this. What do we need to do differently to ensure this does not happen again? We have learned these lessons and implemented them on a large scale. Not just in Borculo, but at all our plants worldwide. The incident in Borculo shows us all that safety is never finished.”

## Continue to reward sustainability

Van Karnebeek: “Sustainability also requires continued attention as an integral part of how we manage the company. We want to – and we must – provide good nutrition in balance with the planet. Over the past year, we made further progress towards achieving our 2030 targets. The share of nutritious and affordable consumer products has risen, and greenhouse gas emissions have declined once more. At the same time, we also updated our climate goals for 2030 in a revamped climate plan. Ultimately, sustainability is about how our contribution to food security relates to our impact on the planet.”

"In the world of dairy, our work is never finished."

Attema: "Together with our members, the remuneration mechanism within Foqus planet has been refined. We pay them for their contribution to our long-term goals. Furthermore, we will increase the reward for biodiversity as of 2026. This provides clarity, and for our members, clarity is essential. We are also raising the bar again: you have to score better to qualify for a premium. This way, we continue to drive continuous improvement and keep costs manageable."

## Member confidence

Attema: "2025 inspires confidence. And it is important to see that reflected within the cooperative. In 2025, we saw hardly any members leave for another milk processor. On the contrary, we were able to welcome new members from the Netherlands, Belgium and, above all, Germany. Together, these dairy farmers produce more than 411 million kilograms of milk, which they will supply to FrieslandCampina in the coming year or the year thereafter. Their decision to join our cooperative underlines the confidence they have in our shared future."

Van Karnebeek: "That influx is an important sign of confidence in the company and the cooperative. And that confidence is rewarded. The good 2025 result translates into a substantial supplementary cash payment for members. Over 2025, this is 1.31 euros per 100 kilograms of milk. For many members this supplementary cash payment is an added benefit of participating in a cooperative, especially when the guaranteed price is low."

## Building on last year's momentum

Van Karnebeek: "We know that the 2026 starting position is challenging. We are starting off with lower commodity dairy prices and a declining guaranteed price. The pressure remains intense. Nevertheless, we enter 2026 with the same foundation and priorities as the past year. The operating model is in place but is never finished. We see opportunities to achieve even more with customers and consumers than we did last year. With even greater focus, we will ensure that our operating companies in seven business groups all contribute to a single common result. We can be proud of the cost savings we achieved in 2025, and also in 2026, cost control will remain a focal point to continue improving ourselves."

Attema: "In 2026, we must build on last year's momentum. The merger with Milcobel is a fact, but the benefits of the merger do not come of their own accord. In 2026, we will have to achieve integration. The same applies to the acquisition of Wisconsin Whey Protein. In addition, we will update our cooperative strategy. The current course of the company and cooperative towards 2030 stands, but we also want to look further ahead and work on our 2035 horizon."

Van Karnebeek: "2025 shows that the way of working we established, works. Even when the going gets tough. It provides a solid foundation for the year ahead. 2026 calls for maintaining focus and discipline. We must not let our guard down just because things are going better now than a few years ago. We can confidently continue to build on the path we have taken. In the world of dairy, our work is never finished.

Finally, I would like to thank our employees for their dedication and commitment in a year that once again asked a great deal of all of us. And I would like to thank our member dairy farmers for their trust and their strong cooperation. Thanks to this joint effort – on the farm, in our production locations and in our offices – I look to the future with confidence."

**Jan Derck van Karnebeek**
CEO
Royal FrieslandCampina N.V.

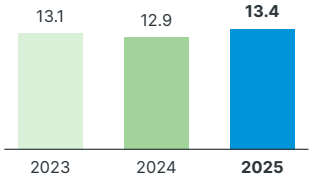
**Sybren Attema**
Chair of the Supervisory Board
of Royal FrieslandCampina N.V.

# Our results at a glance

For all figures and explanatory notes, see **2025 Key figures**

## 13.4 +3.6%

### Revenue
billion euros

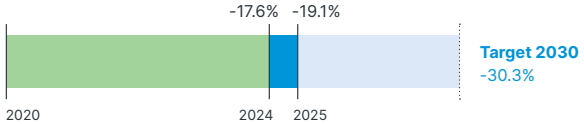



## 9.3 +2.4%

### Member milk volume
billion kg

## -19.1% vs. 2020 base year

### FLAG emissions

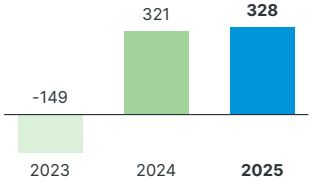



## -16.1% vs. 2020 base year

### Non-FLAG emissions

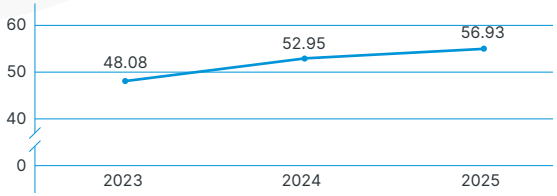
## 328 +2.2%

### Net result
million euros

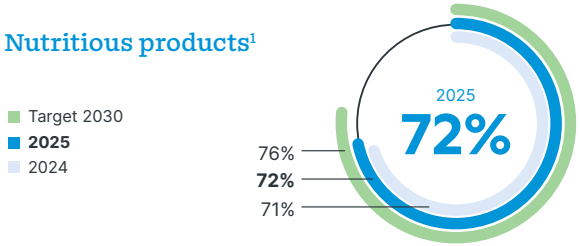



## 56.93 +7.5%

### Milk price
euros/100 kg




### Nutritious products[1]




[1] Share of sold volume of consumer products that contain proteins, calcium and/or other minerals and vitamins and that comply with the FrieslandCampina Nutrition Standards.

Our story

# Doing Dairy Right

FrieslandCampina is committed to making dairy the right way: with respect for people, animals and the planet. We combine craftsmanship and innovation to offer food that is good for everyone, today and tomorrow. We call it 'Doing Dairy Right'.

## Who we are

# Globally active, cooperatively rooted

**On 1 January 2026, we merged with Milcobel.** As a result, we have significantly expanded our cooperative presence in Belgium and extended our cooperative area of operations to France. Following the merger, we welcomed about 1,250 member dairy farmers and 950 employees in Belgium and France. These numbers are not included in the 2025 figures.

2025:
**13,972**
Member dairy farmers
2024: 14,183

2025:
**19,075**
Employees (FTEs)
2024: 19,576

In 1871, a group of dairy farmers thought: together we are stronger. That vision grew into the international dairy company we are today: Royal FrieslandCampina N.V. The company is wholly owned by about 14,000 member dairy farmers in the Netherlands, Belgium and Germany. The members are united in Zuivelcoöperatie FrieslandCampina U.A.

Our members form the basis of our company and products: from milk, yoghurt, cheese and infant nutrition for consumers to ingredients and semi-finished products for the food and pharmaceutical industries. With offices in 30 countries and products in more than 100 markets, we reach millions of consumers every day.

Our three core values are our compass: we act with respect, we aim higher, and we succeed together. These values reflect our cooperative strength: by working together, we create value for our members, consumers, customers and society.

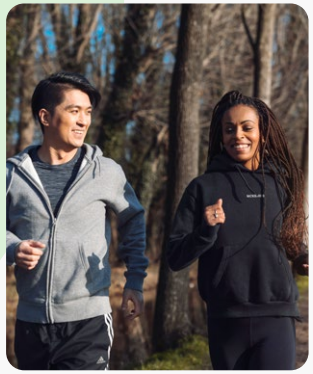
## Why we exist

# Nutrition for now and later

With population growth and rising prosperity, demand for affordable, healthy and reliable food is increasing. At the same time, a balanced diet does not come naturally to many people. This can lead to obesity, micronutrient deficiencies and malnutrition.

The farming population is ageing and urbanisation is increasing, which leaves fewer farmers to produce food. Moreover, scarcity of water, land, energy and other resources is increasing. This makes sustainable production of sufficient food more difficult.

As a major player in the dairy market, we consider it our mission and responsibility to produce food in future-proof ways. We want to have a positive impact on farmers, communities and the planet.



nourishing by nature

Our purpose – nourishing by nature – guides that ambition and comes to life in three pillars:

## Better nutrition for the world

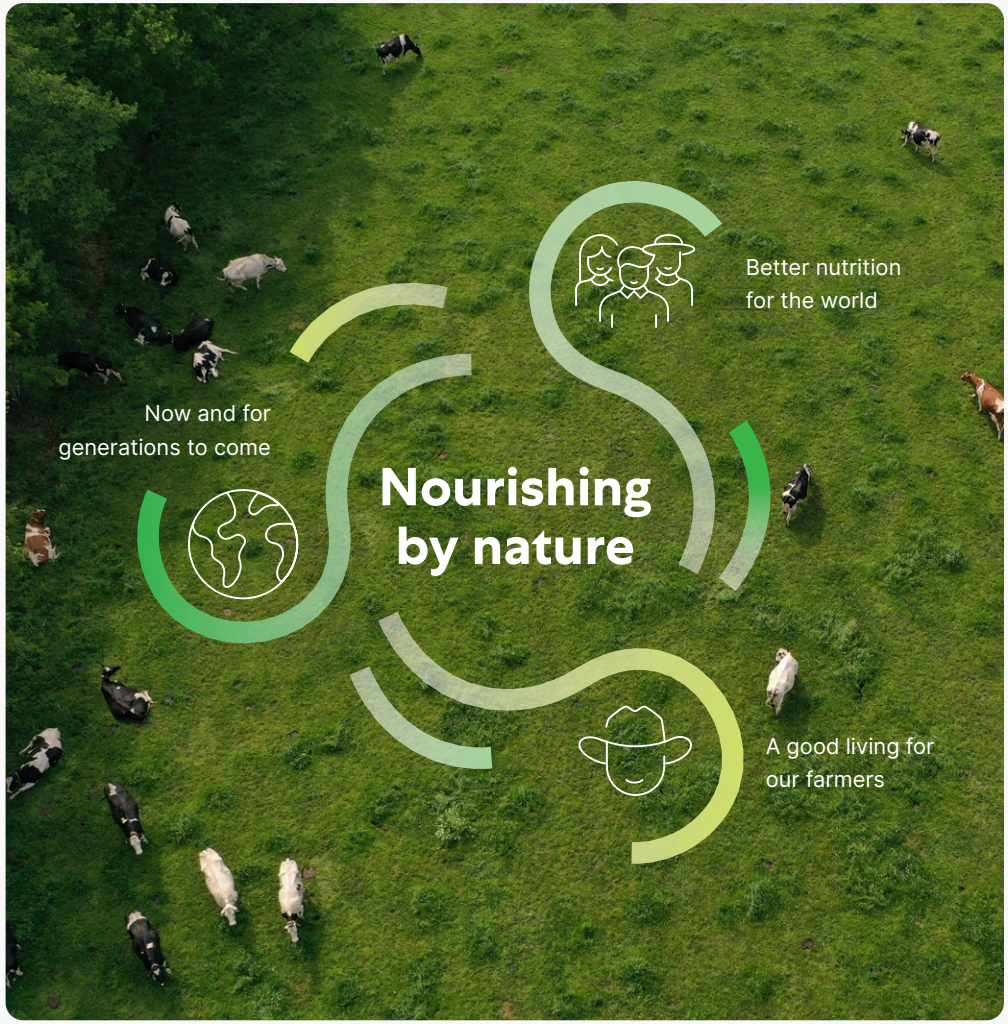
Milk provides essential nutrients such as proteins, calcium, and vitamins B2 and B12. Dairy is therefore part of a healthy diet. We make sure our products remain healthy, reliable and affordable.

## A good living for our farmers

We maximise the value of the milk supplied by our member dairy farmers so that we can offer them a leading milk price. We also support dairy farmers in Asia, Africa and Eastern Europe to strengthen their farms.

## Now and for generations to come

We improve access to nutrition and make the dairy chain more sustainable by reducing greenhouse gas emissions and strengthening biodiversity. At the same time, we ensure a financially sound company and cooperative so that we can continue to create value.



## What we aim to achieve

# Value for all

Our strategy is clear: to get the most out of milk. We aim to provide our members with a leading milk price, nutrition that is good for people and the planet, and a great place to work.

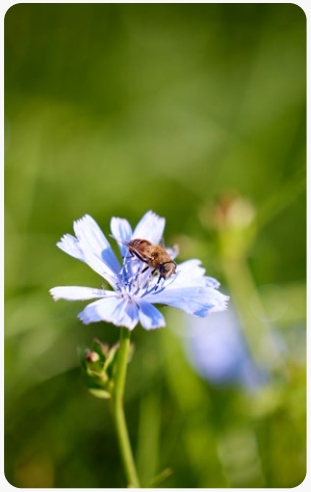
## 1 Leading milk price

Our first priority is to maximise the value of our member dairy farmers' milk. This enables us to offer a leading milk price – income needed to continue investing in the sustainable future of member dairy farms.

We achieve this through market growth, margin improvement driven by innovation, differentiation and investments in our strong brands. We also create a solid financial foundation through healthy cash flow and operational efficiency.

**Nutri Whey™ ProHeat Drinkable Yoghurt**
For dairy drinks with 25 grams of protein, great drinkability and excellent flavour.

**Alaska Fortified Powdered Milk Drink**
Fortified with vitamins and minerals, available in the Philippines.



2

## Nutrition in balance with the planet

Sustainability is not only essential for our long-term operations, but also a way to strengthen our position as a reliable and attractive partner in the market. Sustainability is therefore an integral part of our operations. All seven business groups, the supply chain, Procurement, Human Resources and other departments have embedded our sustainability strategy in their plans. Our sustainability strategy focuses on three pillars:

**Nutrition** – Good access to nutrition by improving the nutritional value and increasing the affordability of our consumer products.

**People** – Resilient communities and a fair and inclusive workplace across the entire value chain.

**Planet** – A minimal ecological footprint, contribution to nature restoration and circular packaging and operations.

The three pillars rest on a solid foundation of activities and commitments to create a responsible way of working.

3

## A great place to work

FrieslandCampina aims to be an employer where people enjoy working and are able to develop and feel connected. We invest in an inclusive and safe working environment, with a strong focus on leadership and growth. We encourage a culture of collaboration and trust, where people take responsibility and are empowered. Our cooperative values underpin our choices and ambitions as an employer. As our people grow, FrieslandCampina grows – and together we create a workplace we can all be proud of.

## How we achieve our goals

# Together strong in the organisation and market

FrieslandCampina works with seven different business groups, each with its own customers, products, brands and markets. The diversity of our activities is our great strength. By working together, the business groups ensure the best possible value from member milk, as well as value creation in markets worldwide. They also contribute to achieving our shared sustainability goals.

**Rainbow**
**Evaporated Milk Original**
A wholesome addition to your tea, coffee and favourite recipes since 1955.

# Our seven market-oriented business groups

Our business groups each focus on specific customers, products, brands and markets.

Has a broad portfolio of consumer brands with strong positions in its home markets, the Netherlands and Belgium, but also in countries such as Greece, Hungary and the United Kingdom.

**Europe**

Supplies cheese and other dairy products to retailers in Germany, France, Italy, Spain,and North and South America, among others. It does so under private labels and in-house brands, and through partnerships with retailers, discounters and our cheese merchant Velder.

**Retail & Americas**

Targets consumer markets in the Gulf region, Pakistan, Nigeria and Ivory Coast, among others, with partly locally produced dairy products.

**Middle East, Pakistan & Africa**

Sells a wide range of branded products – generally produced locally – in consumer markets in countries such as Indonesia, the Philippines, Malaysia, Thailand and Vietnam.

**Asia**

Primarily focuses on specialised functional ingredients for infant, sports, active lifestyle and medical nutrition.

**Ingredients**

Sells infant nutrition under the brand name Friso in consumer markets in mainland China, Hong Kong, Vietnam, Malaysia, Greece and Mexico.

**Specialised Nutrition**

Focuses on dairy products and solutions for professionals in the food industry, such as restaurants, fast-food chains, bakers, confectioners and pastry chefs. It also focuses on buying and selling commodity dairy products for industrial customers.

**Professional**

By working together, the business groups ensure the best possible valorisation of the milk.

# One way of working – successful together

One way of working links all our functions – from Supply Chain, IT and R&D to Human Resources and Finance. This is how we harmonise processes, share knowledge, and strengthen our organisation globally.

## Performance

Our global supply chain leverages scale, technology and expertise. We continuously improve cost efficiency and quality. Our Performance+ programme helps us improve our processes and reduce costs in our production chain. We reduce complexity, standardise systems, source smarter, distribute work more efficiently and make optimal use of production lines, storage and transport.

## Where we invest

# Targeted choices for growth and stability

We only invest in markets where we can make a difference – where our knowledge, brands and supply chain position are distinctive, where there is growth potential and we are able to achieve good margins, such as in the sports and infant nutrition segment, and in brands in emerging markets. At the same time, we give a lot of attention and support to activities that contribute to a good living for our farmers. It's all about balance. By operating in various markets, we exploit opportunities and spread risks. This provides stability as well as agility.

As milk volume is expected to decline in the future due to a reduction in the number of dairy farms – driven by an ageing population and government policies – there is added focus on maintaining scale and value creation. We are open to welcoming new members in the Netherlands, Belgium, Germany and France. Partnerships and mergers remain among the possibilities, where this makes strategic sense. After all, a strong foundation of both the cooperative and the company is crucial to our joint success.

FrieslandCampina strengthens its global position in proteins with the acquisition of Wisconsin Whey Protein in the United States.

# We bring Doing Dairy Right to life and build a company and cooperative that are relevant today and also make a difference tomorrow – for farmers, consumers and the world around us.

# FrieslandCampina worldwide

**30**
Countries of operation

**>100**
Countries with products on the market

**19,075**
Employees

## Europe

Strong local brands, private labels and food service

**7,549**
Revenue
in millions of euros

**10,963**
Employees
average number of FTEs

## Asia and Oceania

Growing market for high-quality dairy products

**4,156**
Revenue
in millions of euros

**7,080**
Employees
average number of FTEs

## North and South America

Growing market for high-quality Dutch cheeses

**527**
Revenue
in millions of euros

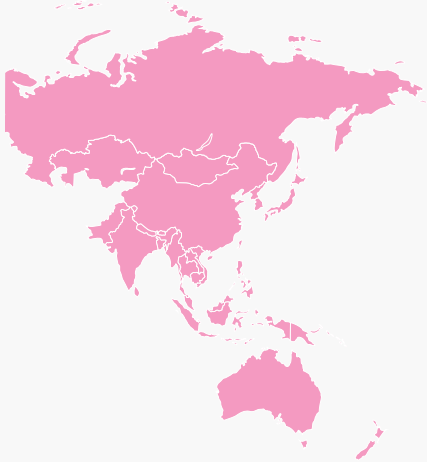
**172**
Employees
average number of FTEs

## Africa and the Middle East

Increasing demand for affordable dairy products

**1,161**
Revenue
in millions of euros

**860**
Employees
average number of FTEs



**North Holland Gouda**
Naturally matured Gouda cheese from meadow milk, known for its creamy flavour.

02

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# 2025 Key figures

| In millions of euros, unless stated otherwise | 2025 | 2024 | Δ% |
|---|---|---|---|
| **Results** | | | |
| Revenue | 13,393 | 12,923 | 3.6 |
| Revenue before currency translation effects | 13,585 | 12,923 | 5.1 |
| Operating profit | 507 | 527 | -3.8 |
| Net result | 328 | 321 | 2.2 |
| Operating profit (as a percentage of revenue) | 3.8 | 4.1 | |
| **Balance sheet** | | | |
| Balance sheet total | 9,167 | 9,793 | -6.4 |
| Equity directly attributable to capital providers | 3,486 | 3,492 | -0.2 |
| Equity (as a percentage of balance sheet total) | 38.0 | 35.7 | |
| Buffer capital[1] (as a percentage of balance sheet total) | 23.0 | 20.8 | |
| Net debt[2] | 316 | 270 | 17.0 |
| **Cash flow** | | | |
| Net cash flow from operating activities | 615 | 900 | |
| Net cash flow from investment activities | -311 | -446 | |
| Net cash flow from financing activities | -480 | 34 | |
| **Investments** | 380 | 459 | -17.2 |
| **Value creation for member dairy farmers[3]** | | | |
| Guaranteed price | 53.77 | 49.48 | 8.7 |
| Supplementary cash payment | 1.31 | 1.21 | |
| Foqus planet premium[4] | 1.30 | 1.44 | |
| Foqus planet premium adjustment for previous financial year[5] | -0.14 | 0.21 | |
| Special supplements[6] | 0.62 | 0.61 | |
| Quantity bonus[7] | 0.07 | | |
| Milk price | 56.93 | 52.95 | 7.5 |
| Interest on member bonds | 0.55 | 0.70 | |
| Addition to retained earnings | 1.96 | 1.82 | |
| Performance price | 59.44 | 55.47 | 7.2 |

[1] Buffer capital is the equity and non-controlling interests attributable to the shareholder.
[2] The net debt shown here is in accordance with the covenant's guidelines and concerns current and non-current interest-bearing borrowings (excluding lease commitments), receivables from and payables to Zuivelcoöperatie FrieslandCampina U.A., less the cash and cash equivalents at the company's free disposal.
[3] Euros per 100 kilograms of milk exclusive of VAT, at 3.58% protein and 4.45% fat.
[4] Member dairy farmers receive a variable Foqus planet premium for Sustainable Development, including outdoor grazing, of a maximum of 3.50 euros per 100 kilos of milk. The average supplement in 2025 is 1.30 euros per 100 kilograms of milk. This amount consists of an estimate of 1.90 euros and a cooperative deduction of 0.60 euros per 100 kilograms of milk. Dairy farms supplying On the way to PlanetProof milk do not receive a Foqus planet premium. The average supplement in 2024 was 1.44 euros per 100 kilograms. This amount consisted of an estimate of 2.04 euros and a cooperative deduction of 0.60 euros per 100 kilograms of milk for 2024.

| | 2025 | 2024 | Δ% |
|---|---|---|---|
| **Member dairy farmers** | | | |
| Number of member dairy farms at year-end | 8,781 | 9,001 | -2.4 |
| Number of member dairy farmers at year-end | 13,972 | 14,183 | -1.5 |
| Milk supplied by member dairy farmers (in million kilograms) | 9,268 | 9,050 | 2.4 |
| Total compensation of member dairy farmers | 5,323 | 4,769 | 11.6 |
| **Nutrition** | | | |
| Nutritious products[8] (as a percentage of total volume of consumer products sold) | 72 | 71 | |
| Affordable nutrition[9] (as a percentage of total volume of consumer products sold focused on affordable nutrition) | 19 | 14 | |
| Product quality and product safety (ratio of consumer complaints to production volume) | 0.68 | 0.76 | |
| **People** | | | |
| Number of local dairy farmers trained in Dairy Development countries | 62,617 | 63,126 | |
| Women in senior management (percent) | 32 | 29 | |
| Proportion of nationalities in senior management (percent non-Dutch) | 38 | 39 | |
| Safety (accident rate per 200,000 hours worked) | 0.49 | 0.47 | |
| **Planet** | | | |
| FLAG emissions (reduction percentage vs. 2020 base year) | -19.1 | -17.6 | |
| Non-FLAG emissions (reduction percentage vs. 2020 base year) | -16.1 | -15.9 | |
| Water consumption intensity (in $m^3$/tonne finished product) | 4.7 | 4.9 | |
| Recyclable packaging (percent) | 93 | 92 | |
| Cow health and welfare (lifespan) | 6 years, 1 month and 2 days | 6 years, 1 month and 15 days | |
| Outdoor grazing[10] (percentage of member dairy farms) | 78.4 | 80.0 | |

[5] The difference between the estimate for the Foqus planet premium and the actual supplement paid in the following year is shown separately. In 2025, this adjustment is -0.14 euros per 100 kilograms of milk for an overestimate over 2024. In 2024, the adjustment was 0.21 euros per 100 kilograms of milk for an underestimate over 2023.
[6] Special milk streams concern the total amount of payments per 100 kilograms of milk for VLOG [non-GMO] and the On the way to PlanetProof of 0.49 euros per 100 kilograms of milk, and the difference between the guaranteed price paid for organic milk (66.26 euros) and regular milk (53.77 euros). On average, on all FrieslandCampina member milk, this amounts to 0.13 euros per 100 kilograms of milk.
[7] Starting at 1.5 million kilograms of milk supplied per year.
[8] Share of sold volume of consumer products that contain proteins, calcium and/or other minerals and vitamins and that comply with the FrieslandCampina Nutrition Standards.
[9] Proportion of products sold intended for affordable nutrition, measured by volume.
[10] All eligible lactating cows on a dairy farm that graze for at least 120 days per calendar year, at least six hours per day (or at least 720 hours per calendar year), allowing them to continue their natural grazing behaviour.

**Together we are strong**
On 16 December 2025, a large majority of the Members' Council of Zuivelcoöperatie FrieslandCampina U.A. voted in favour of the merger with Milcobel. As of 1 January 2026, we have continued as one single organisation.

# Key developments

## FrieslandCampina reports good 2025 results

Over the full year, despite challenging market conditions and a sharp fall in commodity dairy prices in the second half of the year, FrieslandCampina delivered good results. The developments outlined below contributed to our ambition to pay out a leading milk price, provide good nutrition in balance with the planet and be a great place to work for our employees.

### Green light for merger with Milcobel

On 16 December 2025, the Members' Council of Zuivelcoöperatie FrieslandCampina U.A. and the Extraordinary General Meeting of Milcobel CV approved the merger of the two dairy cooperatives. As of 1 January 2026, Milcobel dairy farmers are full cooperative members of FrieslandCampina. The merger is a logical step and marks a new phase in the development of our cooperative. The strengthened presence in Belgium and the extension of the cooperative operating area to France create a more European cooperative. We are joining forces, increasing our scale and strengthening our market positions. Together, we continue building a future-proof organisation.

### Acquisition of Wisconsin Whey Protein

The acquisition of Wisconsin Whey Protein in the United States, completed on 2 January 2026, significantly increases our whey protein capacity and enables FrieslandCampina Ingredients to expand its strong position in Europe and Asia into North America. The acquisition supports FrieslandCampina's ambition to become a global leader in sports and active nutrition in addition to its existing leading position in infant nutrition and medical nutrition, and aligns with its long-term strategy to meet the growing global demand for high-quality protein solutions.

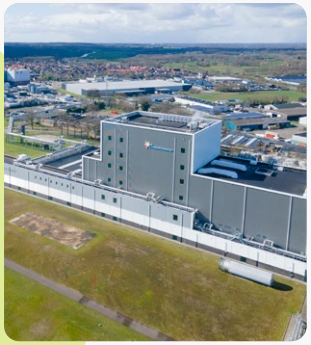
### Proposed sale of operations in Romania

FrieslandCampina has reached agreement to sell its operations in Romania to Bonafarm Group, including the local Napolact brand and production facilities in Cluj-Napoca and Târgu Mureș. This decision follows a strategic review and is in line with the course set by the Europe business group to optimise its brand portfolio. The proposed sale is subject to regulatory approvals and is expected to be completed in 2026.

### Strong membership recruitment

As a cooperative, we remain committed to maintaining our scale and a strong member base. Attracting new members is essential to achieving this. In 2025, we attracted a large number of new members. An additional 411 million kilograms of milk was contracted by member dairy farmers who will mostly start delivering milk

**First milk collected from the Vromans family**
Jan and Christine Vromans from Zeewolde (the Netherlands) have started supplying milk to FrieslandCampina since September 2025. Their choice: a leading milk price, scale and global presence. In other words: a choice for stability and security towards the future.



**Open house at Borculo site for local residents**
On 25 October, after a period of concern and uncertainty, over 650 residents living near the production facility in Borculo were able to see for themselves the improvements that have been made.

to FrieslandCampina in 2026. This underlines the confidence in our cooperative and the strength of our company: value creation for member dairy farmers, guaranteed milk collection, a transparent milk price and a strong, globally active company that provides stability and security in both the short and long-term.

## Nutritional and affordable consumer products

We continuously work to improve the nutritional value of our dairy products. In 2025, the share of nutritional products in our consumer sales volume increased by one percentage point compared to 2024, from 71 percent to 72 percent, by launching products with less added sugars and salt.

## Diversity and engaged employees

We have several goals to improve gender equality, diversity and equal opportunities. The proportion of women in senior positions rose from 29 percent in 2024 to 32 percent in 2025. International representation in senior management declined slightly from 39 percent non-Dutch managers in 2024 to 38 percent in 2025. Further steps and targeted actions remain necessary to achieve our inclusivity goals. Employee engagement, measured through the annual Over2You survey, continued to increase in 2025.

## Strong rise in milk supply in second half of 2025

For the first time in eight years, the supply of member milk increased in 2025. This marks a clear break in the trend after a period of annual declines starting back in 2017. The member milk supply increased by 2.4 percent, partly due to the major increase in the second half of 2025. This increase posed challenges for our production sites, but thanks to the flexibility and commitment of our teams, we managed to handle the higher milk supply successfully.
The relatively high milk supply in the second half of 2025 was partly caused by favourable weather conditions, good nutritional values of roughage, low concentrate feed prices, and high milk prices. In addition, a shift in the calving period due to the bluetongue virus affected milk supply.

## Incident at production facility in Borculo

On 4 July 2025, an incident involving an explosion took place at our production facility in Borculo (the Netherlands). Fortunately, there were no injuries.
We thoroughly assessed the incident and took additional measures at all production facilities worldwide, such as the six-eye principle when unloading chemicals, stricter procedures and additional employee training.

Safety remains our top priority and has our constant attention. Production in Borculo was restarted in phases in the autumn of 2025, under strict supervision. We remain transparent about incidents and lessons learned so that we can continue to learn and improve as an organisation.

## Fire in Ivory Coast

In December, a fire occurred in our warehouse in Abidjan, Ivory Coast. Thanks to the quick response of the local team and the fire department, no one was injured. The fire was confined to the warehouse and did not spread to the adjacent production facility and office spaces. Production was able to resume within 48 hours. The investigation into the cause of the fire is ongoing.

**New modern distribution centre in Malaysia operational**
The new distribution centre in Negeri Sembilan (Malaysia) strengthens DLMI's efficient supply chain, sustainable chain development and the region's economic growth.

## Updated climate plan

In 2025, we published an updated climate plan, in line with the tightened climate targets that were validated by the Science Based Targets initiative (SBTi) in late 2024. The emission targets for 2030 have been divided into FLAG emissions (forestry, land use and agriculture) and non-FLAG emissions (energy and industry). The base year has been adjusted from 2015 to 2020. The plan shows that towards 2030, we are well on the way to achieving our climate goals, but that there are still steps to be taken. By working together across the entire chain, we can provide nutrition, with a good living for farmers and care for people and planet. Following the merger with Milcobel and the acquisition of Wisconsin Whey Protein, the climate plan will be updated again in 2026, and the long-term targets will be further detailed.

In 2025, we made progress toward delivering on our updated climate plan. Compared to 2020, FLAG emissions decreased by 19.1 percent (2030 target: 30.30 percent) and non-FLAG emissions by 16.1 percent (2030 target: 42.13 percent).

## Investments in our supply chain

In 2025, we made additional investments in modernising and making our global supply chain more sustainable. Renovating and making the butter factory in Lochem more sustainable, and the opening of a modern distribution centre in Bandar Enstek (Malaysia) are examples of how we combine efficiency, innovation and sustainability. In 2025, the production facility in Bedum (the Netherlands) invested to remain compliant with stricter standards for residual water. The cheese production facility in Gerkesklooster (the Netherlands) invested in innovative water conservation solutions. In addition, in 2025 we decided to accelerate compliance with the future emission standard for ammonia at our ingredients production facility in Veghel (the Netherlands). To this end, FrieslandCampina will install state-of-the-art gas scrubbers at this production facility. We also expanded our production facility in Borculo (the Netherlands), doubling the production capacity for whey protein isolate and milk fat globule membrane. Commercial production will start in the second quarter of 2026.

## Expansion of the Singapore R&D centre

In September 2025, FrieslandCampina Ingredients opened its modern Application Centre in Singapore, supported by the Singapore Economic Development Board (EDB). This is an important step to strengthen innovation and research and development capabilities in the Asia-Pacific (APAC) region. The expansion enables faster delivery of tailor-made ingredient solutions to meet the diverse and growing nutritional needs of the region.

## Personal union in Supervisory Board restored

With effect from 16 December 2025, all Board members of Zuivelcoöperatie FrieslandCampina U.A. are also members of the Supervisory Board of Royal FrieslandCampina N.V. As a result of the merger with Milcobel, the former Chair of Milcobel's Board of Directors joined the Board of Zuivelcoöperatie FrieslandCampina U.A. on 1 January 2026 and was also appointed as a Supervisory Board member of Royal FrieslandCampina N.V. This expanded the Supervisory Board to 12 members, including four independent Supervisory Board members. This change once again creates a personal union between the cooperative and the company, thus strengthening the strategic connection between the two.

# The dairy market

## Global supply and demand trends

During 2025, the global milk supply increased in almost all exporting regions. In Europe, milk production had a slow start, also due to uncertainties surrounding a foot-and-mouth disease outbreak in the German state of Brandenburg. In the second quarter, milk supply picked up. In the second half of the year, growth accelerated, and the seasonal decline remained limited. This resulted in a more than 4 percent higher milk supply for the second half of the year compared to the same period in 2024. For the full year, European milk supply grew by more than 2.5 percent, thanks to favourable weather conditions, good nutritional values of roughage, low concentrate feed prices, and high milk prices. In addition, a shift in the calving period due to the bluetongue virus affected milk supply. In 2024, this virus led to a drop in milk production.

The global demand for dairy products was high in early 2025, but fell in the second and third quarters due to price increases and economic uncertainty. In the fourth quarter, a drop in international dairy prices caused a slight rebound in demand on export markets. In China, the recovery in consumption lagged, despite falling domestic milk production, leading to a limited increase in imports. In Europe and the US, retail markets outperformed the hospitality sector, especially in relation to cheese, yoghurt and high-protein sports nutrition. The strong increase in supply outpaced the limited growth in demand, leading to higher stock levels during 2025.

## Commodity dairy products price trends

Strong growth in milk production caused global dairy prices to fall significantly in 2025. In Europe, the drop in prices was especially evident in the second half of the year, as demand did not grow in line with supply. In particular, products high in fat became cheaper: butter became 40 percent cheaper, cheese 35 percent and skimmed milk powder 25 percent. By the end of 2025, prices were well below the five-year average.

**Guaranteed price**
The guaranteed price is the price FrieslandCampina guarantees it will pay member dairy farmers for the raw milk they supply. This price corresponds to the average prices for regular milk from a number of dairy companies in Northwest Europe, including supplementary payments, registered reservations, seasonal supplements, quantity supplements, maximum quality supplements, and cooperative supplements or charges.

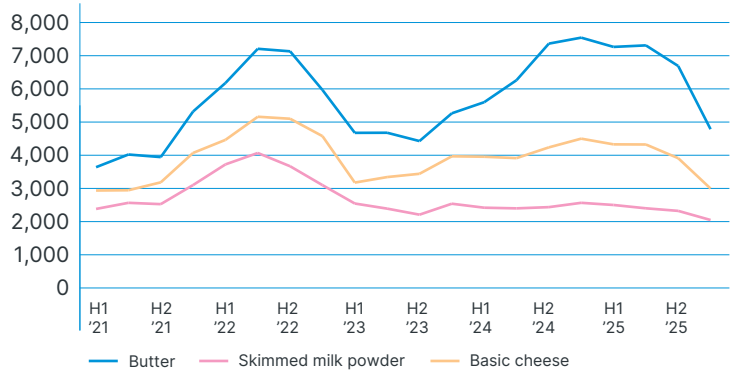
## Raw milk prices

With the significant drop in market prices, raw milk prices in Europe also dropped significantly. In 2025, the guaranteed price fell by almost 14 euros per 100 kilograms. Despite this, the annual average guaranteed price in 2025 was about 4 euros per 100 kilograms higher than in 2024. This can be attributed to the fact that the guaranteed price remained relatively stable at a historically high level in the first half of 2025, while it was still at a low point in the first months of 2024.

Due to the high milk supply, market values for commodity dairy products (basic cheese, butter and skimmed milk powder) fell, slowly followed by falling milk prices. In the second half of the year, milk prices were still above the market value of commodity dairy products, leading to negative financial results for commodity dairy. In the second half of 2024, this was reversed: higher market values had a positive impact on results.

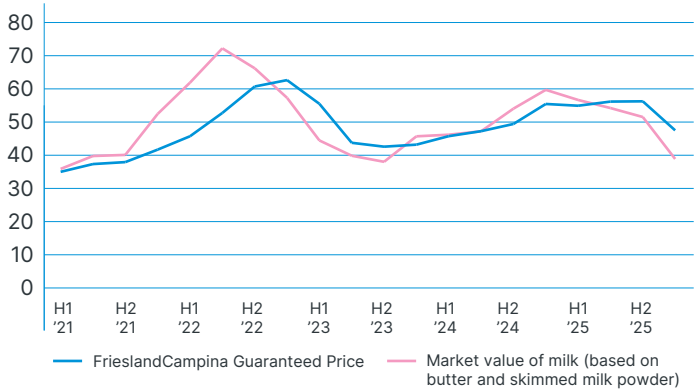
### Average commodity dairy prices

in euros per tonne product




### Guaranteed price in relation to market value of milk

in euros per 100 kilograms



# Financial notes

## Strong operating performance in a challenging market

The year 2025 was marked by difficult choices and ongoing market dynamics. At the start of 2025, we identified six strategic priorities: growth, margin improvement, cost reduction, member recruitment and retention, talent development and mergers and acquisitions. During the year, we made clear progress on four of these six priorities. However, growth and margin improvement remained challenging, partly due to the steep drop in commodity dairy prices in the second half of the year. This particularly affected the profitability of the Professional business group. By contrast, the Europe and Retail & Americas business groups benefited from volume growth and market share gains. In Asia and the Middle East, Pakistan and Africa (MEPA), volumes fell, partly due to challenging market conditions in Southeast Asia and tax measures in Pakistan.

In 2025, revenue increased to 13.4 billion euros (2024: 12.9 billion euros), the operating profit amounted to 507 million euros (2024: 527 million euros) and the net result was 328 million euros (2024: 321 million euros).

Gross profit remained stable, while margin was slightly under pressure. Within our business groups, Specialised Nutrition and Ingredients showed strong growth, driven by successful operations in China and through online sales activities, among others, as well as a strong demand for high-quality protein ingredients. Retail & Americas showed solid revenue growth, albeit with lower profit margins.

Through targeted cost control, the global Supply Chain programme Performance+, excellent cooperation between the business groups and the supply chain, and a strong focus on margin improvement, we were able to direct the organisation effectively and achieve a good result, despite the macroeconomic headwinds.

## Cash flow and working capital

In 2025, the net cash flow from operating activities was 615 million euros (2024: 900 million euros). The net cash flow lagged last year's level, primarily due to the higher working capital in comparison to the exceptionally low level as at 31 December 2024. Working capital as a percentage of revenue in 2025 was 4.3 percent.

The net cash outflow from investments was -311 million euros in 2025 (2024: -446 million euros). The level of investment was lower in 2025 than in 2024. Assets were sold in Rotterdam, Dronrijp and Den Bosch (the Netherlands) in 2025.

The cash flow from financing activities came to -480 million euros in 2025, compared to 34 million euros in 2024. We redeemed the remainder of a perpetual bond in 2025, whereas a positive cash flow was obtained from the issue of a new perpetual loan in 2024, among other things. Maintaining and strengthening our financial strength remains a priority.

Cash and current account balances with banks decreased from 1,034 million euros at the end of 2024 to 831 million euros at the end of 2025.

**13.4**

**Revenue**
billion euros | **2024: 12.9**

Despite major pressure on commodity dairy prices in second half of 2025.

**507**

**Operating profit**
million euros | **2024: 527**

Slightly lower due to costs for IT, among others, largely offset by cost savings.

**328**

**Net result**
million euros | **2024: 321**

## Financial position

At 31 December 2025, net debt stood at 316 million euros, an increase of 46 million euros from the low level at the end of 2024.

The buffer capital increased in 2025 due to the positive result, partly offset by negative exchange rate differences in the valuation of foreign subsidiaries, and stood at 2,106 million euros, up from 2,041 million euros in 2024. The buffer capital as a percentage of the balance sheet total increased from 20.8 percent in 2024 to 23.0 percent in 2025.

In 2025, equity directly attributable to capital providers was 3.5 billion euros, virtually the same as in 2024. Solvency, defined as the equity directly attributable to the capital providers as a percentage of the balance sheet total, increased from 35.7 percent in 2024 to 38.0 percent in 2025. This was due to the unchanged equity at a lower balance sheet total.

Total equity, including non-controlling interests, remained unchanged at 3.8 billion euros at the end of December 2025 compared to the end of December 2024. The return on invested capital (operating profit divided by average invested capital, including goodwill) also remained stable at 13.5 percent, compared to 2024.

As interest expenses fell more than operating profit adjusted for depreciation, the interest coverage ratio improved significantly, well in accordance with guidelines. The net debt ratio also remains well in accordance with guidelines, despite slightly higher net debt and slightly lower operating profit.

## Profit appropriation and reserve policy

The 328-million-euro consolidated profit in 2025 is appropriated as follows:

- 51 million euros is reserved for the interest payment to holders of member bonds (2024: 64 million euros).
- 16 million euros is allocated for perpetual bond holders (2024: 10 million euros).
- 8 million euros is allocated to the cooperative loan provider (2024: 10 million euros).
- 71 million euros is allocated to non-controlling interests (2024: 73 million euros).

The reserve policy is unchanged: 60 percent of the available profit will be added to the retained earnings, 40 percent can be distributed as a supplementary cash payment to member dairy farmers.

The Executive Board proposes to add the remaining profit of 182 million euros (including the non-controlling interest directly attributable to the shareholder (Zuivelcoöperatie FrieslandCampina U.A.) to the retained earnings (2024: 164 million euros). In addition, our member dairy farmers will receive a supplementary cash payment totalling 121 million euros (2024: 109 million euros). The supplementary cash payment amounts to 1.31 euros per 100 kilograms of milk (2024: 1.21 euros).

The distribution to member dairy farmers is further specified in the section ‘Value creation for members’.

The Members’ Council of Zuivelcoöperatie FrieslandCampina U.A. has been asked to approve the resolution to adopt the 2025 financial statements of Royal FrieslandCampina N.V. This decision is taken by the Board of the Cooperative, which exercises the Cooperative’s shareholders’ rights and, in this capacity, functions as the General Meeting of Shareholders of the Company.

# Results by business group

With seven business groups, FrieslandCampina serves various markets and customers worldwide. This spread provides stability as well as agility, allowing us to seize opportunities and create value.

Professional

Specialised Nutrition

Ingredients

Asia

Middle East, Pakistan & Africa

Retail & Americas

Europe

## Europe

The Europe business group achieved volume and market share growth in 2025, despite a declining European dairy market. A focused innovation strategy, responding to health trends, supported by award-winning product launches, contributed to growth in a number of strategic consumer brands, including Campina, Optimel, Chocomel and Yazoo. By rolling out innovations in several countries simultaneously and strengthening partnerships with major retailers, overall volumes also increased. Furthermore, priority brands gained market share in nine out of ten key markets.

Revenue increased by 3.6 percent to 1,696 million euros in 2025 (2024: 1,637 million euros). Operating profit increased significantly from 22 million euros in 2024 to 56 million euros in 2025 due to the achieved growth and the persistent focus on portfolio simplification, as well as the further implementation of the Performance+ cost reduction programme. In addition, this business group includes the transaction result on the sale of assets in Rotterdam.

In 2025, the number of retail partners contributing to the remuneration of member dairy farmers for making their milk production more sustainable grew. An important step was also taken in the further development of On the way to PlanetProof as an integrated sustainability label, in which 800 member dairy farms in the Netherlands participate. In 2025, the supervisory body Stichting Milieukeur announced a pilot with the *Dierenbescherming*, the Dutch Society for the Protection of Animals, in which about thirty member dairy farmers will participate. The aim is to investigate what they need in order to take steps towards achieving the 1-star Dierenbescherming quality mark.

**1,696** +3.6%

Third-party revenue
2024: 1.637

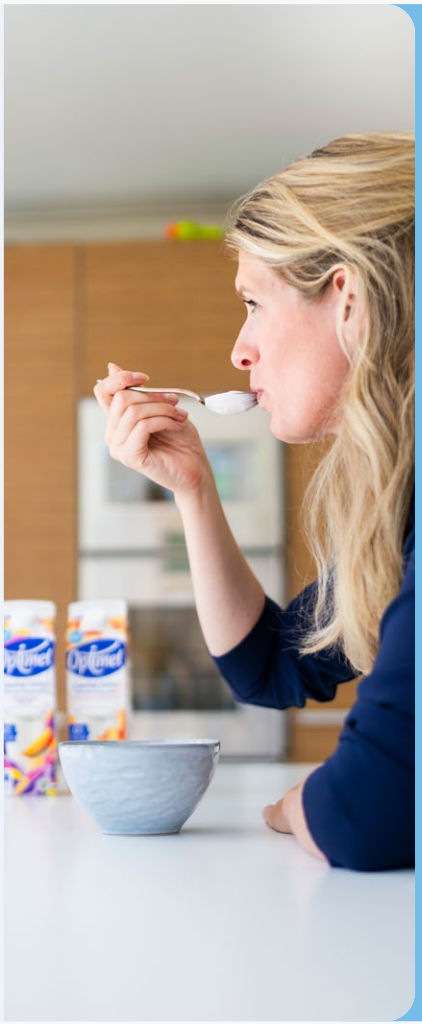
**56** +154.5%

Operating profit
2024: 22

**3.3%**

Operating profit as a percentage of third-party revenue

In millions of euros, unless stated otherwise




Europe

## Retail & Americas

To further increase the profitability of cheese sales, longer-term strategic partnerships with retailers were established. Besides natural cheese within the 'premium private label' segment, the focus is on more sustainable products. In 2025, we strengthened our position on the Southwest European retail market and cheese merchant Velder achieved further growth.

Revenue increased by 8.9 percent from 1,872 million euros in 2024 to 2,038 million euros in 2025. This increase was mainly due to a higher volume of private labels and increased milk prices that were partly passed on in market prices. Operating profit improved significantly from 6 million euros in 2024 to 18 million euros in 2025, due to higher volumes and cost reduction.

An increasing number of customers of the Retail and Americas business group are contributing to the remuneration of and programmes for member dairy farmers to reduce greenhouse gas emissions. In addition, with financial support from supermarket chain Lidl, the number of member dairy farms participating in the regenerative agriculture study group has grown to 60. The group examines how regenerative agriculture can contribute to soil restoration and biodiversity, as well as a robust earnings model for dairy farmers. Lidl is the first supermarket chain to take and support this initiative.

We are experiencing renewed growth in natural cheese – an important step in strengthening our profitability in this category. The Netherlands leads the world in natural cheese production, and FrieslandCampina is proud to be the market leader.

**2,038** +8.9%

Third-party revenue
2024: 1,872

**18** +200.0%

Operating profit
2024: 6

**0.9%**

Operating profit as a percentage of third-party revenue

In millions of euros, unless stated otherwise

Retail & Americas

## Middle East, Pakistan & Africa

In 2025, the volume of strategic brands, including Peak and Rainbow, increased in specific markets. This growth in the brand portfolio was partly offset by a decline in the Olper's brand in Pakistan. Revenue increased by 1.0 percent from 1,347 million euros in 2024 to 1,360 million euros in 2025. Operating profit increased significantly from 14 million euros in 2024 to 42 million euros in 2025. In 2024, restructuring costs were included in allocated production locations. In 2025, costs resulting from a warehouse fire in Ivory Coast and lower results in the Middle East and North Africa were largely offset by improved results in Nigeria and Pakistan.

Focus is on increasing access to food in low- and middle-income countries with affordable propositions such as small packs and accessible recipes. In parts of Africa, we introduced commodity food solutions and successfully scaled up smaller pack sizes to improve distribution and affordability. In Pakistan, our school milk programmes continue to play an important role, reaching a large number of children in the 2025-2026 school year.

**1,360** +1.0%

Third-party revenue
2024: 1,347

**42** +200.0%

Operating profit
2024: 14

**3.1%**

Operating profit as a percentage of third-party revenue

In millions of euros, unless stated otherwise

**Olper's Full Cream Milk Pouch**
An affordable, convenient pouch format, developed for lower- and middle-income consumers in Pakistan.

Middle East, Pakistan & Africa

## Asia

2025 was marked by challenging market conditions in Southeast Asia. Geopolitical unrest, economic uncertainty and natural disasters in various countries caused a decline in the dairy market in the region. As a result, the Asia business group's volumes declined. Revenue fell by 6.7 percent from 1,618 million euros in 2024 to 1,510 million euros in 2025. This decline was caused by lower volumes and negative currency translation effects.

Operating profit increased by 6.7 percent from 75 million euros in 2024 to 80 million euros in 2025. Lower transition costs for the production facilities opened in Indonesia and Malaysia in 2024, lower marketing costs and careful management of indirect expenses contributed to the improved result.

In mid-2025, the production facility in Bandar Enstek, Malaysia – commissioned a year earlier – was expanded with a state-of-the-art distribution centre. This facility plays a key role in expected future growth.

Continued commitment to access to nutrition remains a key focus. We are committed to making good nutrition affordable and strengthened our school milk programmes to improve access to nutrition and nutritional education. These programmes help address persistent nutritional deficits, as demonstrated by the SEANUTS II study.

**Frisian Flag Nutribrain**
Milk drink enriched with Omega 3&6 on top of 9 Vitamins and 4 minerals, for children in Indonesia.

**1,510** -6.7%

Third-party revenue
2024: 1,618

**80** +6.7%

Operating profit
2024: 75

**5.3%**

Operating profit as a percentage of third-party revenue

In millions of euros, unless stated otherwise

Asia

## Ingredients

To meet the growing demand for ingredients for active lifestyle nutrition, infant nutrition and medical applications, Ingredients is investing in doubling its whey protein isolate and milk fat globule membrane production capacity, expanding its whey protein concentrate (WPC) production capacity, and expanding and strengthening product application opportunities. The acquisition of Wisconsin Whey Protein on 2 January 2026 significantly increases our whey protein capacity, expands our strong position in Europe, Asia and North America, and contributes to our goal of becoming a global market leader in sports and active nutrition.

In 2025, Ingredients benefited from a strong global demand for high-quality whey protein applications. Revenue increased by 2.3 percent from 1,452 million euros in 2024 to 1,486 million euros in 2025. The commercial contribution to operating profit improved significantly, but higher cost allocation for supply chain, in part due to the production disruptions in Borculo, reduced operating profit by 2.3 percent to 212 million euros (2024: 217 million euros). Partnerships with Danone and Nestlé focused on accelerating greenhouse gas emission reductions continued. These partnerships contribute to programmes and remuneration for member dairy farmers for making milk production more sustainable.

**1,486** +2.3%

Third-party revenue
2024: 1,452

**212** -2.3%

Operating profit
2024: 217

**14.3%**

Operating profit as a percentage of third-party revenue

In millions of euros, unless stated otherwise

Ingredients

## Specialised Nutrition

The Friso infant nutrition brand's market share grew in most priority markets in 2025, mainly due to the expansion of outlets in emerging cities in China, further premiumisation of the offering, strengthening sales through e-commerce channels and new product launches.

In 2025, the commitment to better nutrition continued to be a core priority. For instance, the percentage of milk fat in Friso Gold's recipe was increased to 20 percent for a global rollout. In addition, Friso Prestige Pura (organic) was introduced in China. By initiating can recycling programmes in collaboration with local retailers in Hong Kong, our position as a premium and more sustainable early-life nutrition brand was further strengthened.

As a result of higher volumes, revenue increased by 10.8 percent, from 1,218 million euros in 2024 to 1,349 million euros in 2025, despite currency headwinds. The operating profit increased significantly to 337 million euros (2024: 229 million euros). This was mainly due to strong growth in mainland China and Hong Kong.

**1,349** +10.8%

**Third-party revenue**
2024: 1,218

**337** +47.2%

**Operating profit**
2024: 229

**25.0%**

**Operating profit as a percentage of third-party revenue**

In millions of euros, unless stated otherwise

**Friso Gold**
In 2025, we introduced a new 360° packaging design that brings the story of our early-life nutrition products to life – from the cows on the farm to the improved nutritional composition.

Specialised Nutrition

## Professional

Revenue increased by 4.9 percent, from 3,739 million euros in 2024 to 3,924 million euros in 2025. The focus on the global customer base in the catering and bakery segment contributed to this. Just as they did in prior years, brands such as Debic, Lattiz, as well as local brands in Asia, including Alaska and Dutch Lady reported growth in revenue. Revenue increased in key markets including France, Italy, the Netherlands, Belgium, Spain and Malaysia. The focus is now on further accelerating growth by offering appropriate customer solutions and further enlarging the customer base.

The margins of commodity dairy products, as well as those of the broader business product range, were under pressure in the second half of 2025 due to decreasing commodity dairy prices combined with increased milk production. Demand lagged supply, putting pressure on the market prices of cheese, butter and milk powder. Selling prices declined faster than the associated cost prices. As a result, operating profit fell significantly in the second half of the year. Operating profit in 2025 amounted to -70 million euros, down from 107 million euros in 2024.

FrieslandCampina Professional's partnerships with catering and bakery customers, and buyers, such as Mars, Mondelēz and McDonald's, are essential in reducing greenhouse gas emissions within the chain. By supporting and rewarding initiatives and innovations on dairy farms, these partnerships contribute to reducing greenhouse gas emissions.

**3,924** +4.9%

Third-party revenue
2024: 3,739

**-70** -165.4%

Operating profit
2024: 107

**-1.8%**

Operating profit as a percentage of third-party revenue

In millions of euros, unless stated otherwise

Professional

# Value creation for members

## Higher compensation for members

Total compensation for member dairy farmers for the milk they supplied increased by 11.6 percent to 5,323 million euros (2024: 4,769 million euros). This increase is the result of both a higher supply of member milk and an increase in the milk price per 100 kilograms of milk.

For the first time in eight years, the supply of member milk increased in 2025. This marks a clear break in the trend after a period of annual declines starting back in 2017. The member milk supply increased by 2.4 percent, partly due to the strong increase in the second half of the year. In 2025, the volume of member milk supplied was 9,268 million kilograms (2024: 9,050 million kilograms).

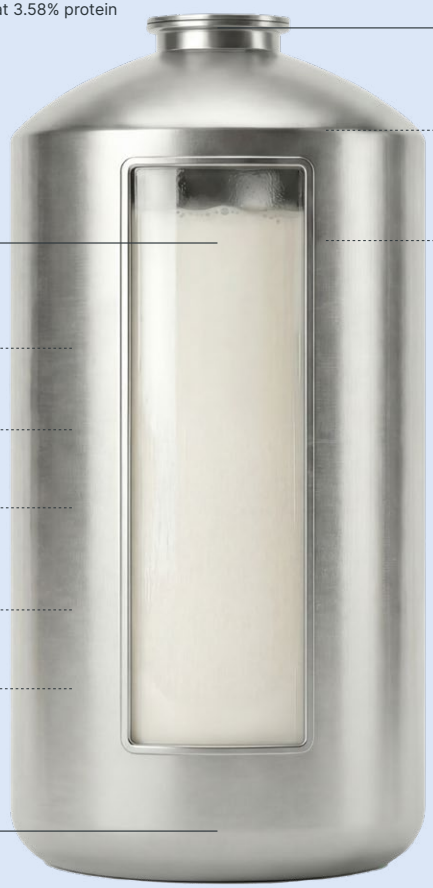
## Guaranteed price

The guaranteed price for regular milk rose by 8.7 percent to 53.77 euros in 2025 (2024: 49.48 euros). The increase in the guaranteed price was due to higher milk prices from reference companies. The trends underlying milk prices are described on page 27.

In 2025, the guaranteed price for organic milk increased fractionally by 13.2 percent, from 58.54 in 2024 to 66.26 in line with the prices paid by reference companies for organic raw milk.

### Milk price and performance price

In euros per 100 kilograms of milk for 925,000 kg of milk per year (exclusive of VAT, at 3.58% protein and 4.45% fat).



**59.44**
Performance price
2024: 55.47

**1.96** 2024: 1.82
Addition to retained earnings

**0.55** 2024: 0.70
Interest on member bonds

**56.93**
Milk price
2024: 52.95

**1.31** 2024: 1.21
Supplementary cash payment

**1.30**[1] 2024: 1.44
Foqus planet premium

**-0.14** 2024: 0.21
Foqus planet premium adjustment for previous financial year

**0.62** 2024: 0.61
Special supplements

**0.07**
Quantity bonus

**53.77**
Guaranteed price
2024: 49.48

[1] The disbursed Foqus planet premium for 2024 is 1.30 euros per 100 kilograms of milk compared to a reservation of 1.44 euros in 2024. In 2025, 1.30 euros per 100 kilograms of milk was reserved (to be paid out in 2026) including a release of 0.14 euros per 100 kilograms of milk over 2025.

## Milk price

The milk price rose by 7.5 percent in 2025, to 56.93 euros (2024: 52.95 euros). This increase is primarily due to a higher guaranteed price in the first half of the year and a supplementary cash payment of 1.31 euros (2024: 1.21 euros). The milk price consists of the guaranteed price, the Foqus planet premium (including meadow milk), supplements for special milk streams, the supplementary cash payment and a quantity bonus.

### Supplementary cash payment

The supplementary cash payment for 2025 is 1.31 euros per 100 kilograms of milk (2024: 1.21 euros per 100 kilograms of milk), in line with our reserve policy whereby 40 percent of available profits is distributed to members.

### Foqus planet premium

In the first half year of 2025, member dairy farmers received 173 million euros through means of the Foqus planet Sustainable development remuneration methodology, for their sustainability results in 2024. The accrued reserve for the Foqus planet premium averaged 1.30 euros per 100 kilograms of milk. In addition, an adjustment of -0.14 euros per 100 kilograms of milk was incorporated for an overestimate for 2024.

## Performance price

The performance price rose 7.2 percent in 2025, to 59.44 euros (2024: 55.47 euros).
The addition to the retained earnings was 1.96 euros (2024: 1.82 euros) and the average interest paid on member bonds was 0.55 euros (2024: 0.70 euros). The performance price consists of the milk price, the interest on member bonds, and additions to and/or withdrawals from the retained earnings.

### Member bonds

Total interest allocated to member bonds fell to 51 million euros in 2025 (2024: 64 million euros). Interest rates are based on a market rate (6-month Euribor), which is reset every six months with a 3.25 percent mark-up.

**Higher remuneration for biodiversity**
In 2025, the cooperative has approved adjustments to Foqus planet, the quality and sustainability programme for member dairy farmers. As of 1 January 2026, the maximum remuneration for biodiversity has been increased, making it more attractive for member dairy farmers to focus on this. This is in line with the growing market and society's focus on biodiversity and helps the company achieve nature-related objectives. To strengthen biodiversity, FrieslandCampina encourages the use of more protein from a dairy farmer's own land, a better nitrogen balance at the operating level and extra efforts in nature and landscape management. The total maximum Foqus planet premium increases by 0.50 euros to 4.00 euros per 100 kilograms of milk.

## Milk pricing methodology

FrieslandCampina aims to pay a leading milk price to its member dairy farmers. Milk is paid based on the value of kilograms of protein, fat and lactose supplied in a ratio of 6:4:0. The guaranteed price forms the basis for the milk price. FrieslandCampina has two guaranteed prices: a guaranteed price for regular milk and a guaranteed price for organic milk.
The guaranteed price is calculated as the weighted average of the annual prices of a selected group of reference companies in Northwest Europe. These annual prices are inclusive of a supplementary cash payment, registered reservations, seasonal supplements, quantity supplements, maximum quality supplements, and cooperative supplements or charges.

### Milk price regulations amended

Following the triennial review of the Milk Price Regulations, FrieslandCampina is adjusting the ratio of protein to fat in the milk price as of 1 January 2026 from 6:4 to 5:4. This change better reflects the current market value of both components.

The reserve policy has not been adjusted as of 1 January 2026. Of the company's profit based on the guaranteed price, insofar as it accrues directly or indirectly to the company's shareholder, 40 percent remains for the member dairy farmers as a supplementary cash payment and 60 percent is added to the company's retained earnings.

In 2022-2025, it was possible to distribute an interim payment based on the company's results and the quantity of milk supplied. The interim payment was 75 percent of the pro forma supplementary cash payment for the first half of the year. In 2025, it was decided not to pay the interim payment as an advance on the final supplementary cash payment in 2026. This means that members are paid the total supplementary cash payment in one lump sum after the end of the year.

# Sustainability report

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**Three Crowns Smallie Pack**
Affordable evaporated milk in a convenient single-serve format for the Nigerian market, easy to use.

# General

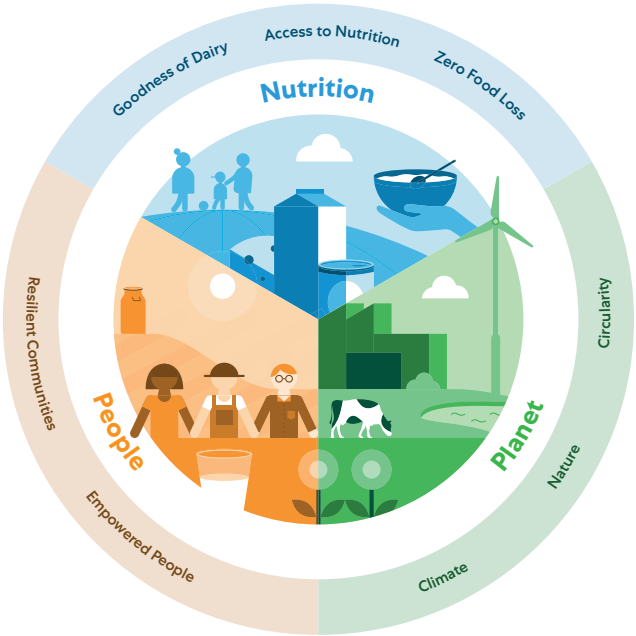
## Strategy

At FrieslandCampina, we aim to create a positive impact for our farmers, our communities and the planet. Our sustainability strategy is built around three pillars: Nutrition, People and Planet. By focusing and working with the entire value chain, we can make a lasting difference and long-term impact where it matters most.

For each pillar, we have defined priorities and action plans, focusing on the areas where we can have the biggest impact and create the most value.

You can find more information on how sustainability is integrated in our company strategy on page 15.

## The sustainability framework




### S Nutrition

We enhance the nutritional values of our consumer products and increase access to our products.

### S People

We contribute to resilient communities and set high standards for a fair and inclusive workplace throughout the value chain.

### E Planet

We reduce our environmental footprint, contribute to nature restoration and make our packaging and operations circular.

### G Foundation

The three pillars of Nutrition, People and Planet are built on a solid foundation. This foundation consists of activities and commitments that form the basis of doing business responsibly.

## Sustainable Development Goals

FrieslandCampina links its policies and business operations to the United Nation's Sustainable Development Goals (SDGs). As an organisation, we focus on the eight SDGs where we have the most impact:

## Supporting member dairy farmers

FrieslandCampina is one of the largest dairy cooperatives in the world. Member dairy farmers own the business through the cooperative. As a cooperative, we know that together we achieve more than alone. Collaborating for the common good is deeply ingrained in our DNA. We believe in joining forces, sharing knowledge, and learning from others who can help us move forward. This applies not only to the dairy sector, but also to collaborations with customers, suppliers, NGOs, governments, and the scientific community. With a collective effort, we are building a future-proof FrieslandCampina. FrieslandCampina is working to reduce its environmental impact throughout the entire value chain. Part of this is taking place on member dairy farms. Together with our members, we are working to reduce greenhouse gas emissions, enhance biodiversity, ensure responsible use of water and energy, and improve animal welfare. This is how we build a sustainable future for future generations. A good living and other support for dairy farmers are essential in this regard.

## Foqus planet

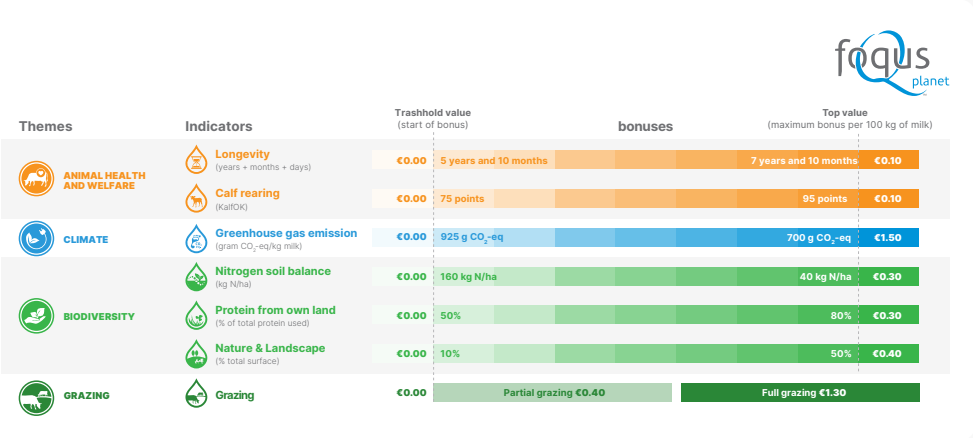
Foqus planet is the quality and sustainability programme with which we ensure that milk on member dairy farmers is produced under the best possible conditions. The programme consists of mandatory basic requirements for hygiene, quality, food safety and animal health and welfare, and these apply to all member dairy farms.

In addition, we have the Foqus planet Sustainable development programme. This encourages member dairy farmers to take the initiative in making their farms more sustainable in the way they consider most effective. Member dairy farmers are encouraged with financial premiums for results in four themes: climate, biodiversity, animal health and welfare, and outdoor grazing. To ensure continuous improvement, the threshold and top values for the premiums on an indicator are evaluated every three years. In addition, we develop various tools and resources to provide members with more insight and support. The results are measured, and members receive a financial reward depending on their results. This premium is partly funded by a cooperative deduction and partly by FrieslandCampina.

Through this, we encourage members to make their farms more sustainable, step by step and in their own way. In 2025 a new Foqus planet table was developed and approved by the cooperative, with a greater focus on biodiversity. The maximum reward for biodiversity has been increased, making it more attractive for member dairy farmers to commit to this, while preventing negative effects on animal health & welfare, outdoor grazing and climate. This is in line with growing attention from the market and society and helps us to achieve our nature-related objectives. The new table will be implemented as per 2026.

To strengthen biodiversity, FrieslandCampina encourages the use of more protein from its own land, a better nitrogen balance and extra efforts in the area of nature and landscape management. The maximum Foqus planet premium will increase in 2026 by 0.50 euro to 4.00 euro per 100 kilograms of milk.

## Table of points for Foqus planet Sustainable development 2026




The table shown applies to member dairy farms in the Netherlands. Similar tables, tailored to local circumstances, are available for Belgium and Germany. The table in all three countries consists of four themes: climate, biodiversity, animal health and welfare and outdoor grazing. Efforts made by member dairy farmers on the farm are measured using various indicators. Each indicator has its own premium. This way, members can see in advance what sustainability results yield in euros. For more information, see our website.

**Rewarding sustainability performance**
In the first half of 2025, member dairy farmers received 173 million euros through the 'Foqus planet Sustainable development' reward system for their sustainability results in 2024. Together with the 55 million euro surcharge paid out in 2024 for special milk flows – organic, On the way to PlanetProof and VLOG – the total amount for sustainability performance that members received in 2025 amounted to 228 million euros.

## On the way to PlanetProof

Since 2018, FrieslandCampina has been supplying dairy products that meet the requirements of the independent On the way to PlanetProof quality mark. This quality mark, developed and managed by the foundation *Stichting Milieukeur* (SMK), is known for its integrated sustainability approach. FrieslandCampina's approximately 800 member dairy farmers who supply On the way to PlanetProof milk are making additional efforts to address the themes of nature, climate, and animal welfare. The criteria that On the way to PlanetProof participants must meet are laid down in the SMK On the way to PlanetProof Milk certification scheme. These criteria are in addition to the Foqus planet requirements. Participants receive a premium of 5 eurocents per 100 kilogram of milk for this, instead of receiving a Foqus planet premium. This premium is financed by the market.

These criteria for participation in the On the way to PlanetProof quality mark are regularly reviewed and further refined. Since 2025, for example, additional requirements regarding animal welfare are applicable. SMK has also announced that it will launch a pilot programme with the *Dierenbescherming*, the Dutch Society for the Protection of Animals, in 2025, in which approximately 30 FrieslandCampina dairy farmers will participate. The pilot programme offers participating dairy farmers the opportunity to accelerate further progress in animal welfare. Read more about this on page 80.

## Collaborating within the value chain

In supporting and rewarding member dairy farmers, we also collaborate with customers. In 2025, we continued our collaborations with international buyers such as Danone, Nestlé, McDonald's, Mars, and Mondelēz. The goal of these collaborations is to accelerate the reduction of greenhouse gas emissions in the production of milk for dairy products supplied to these customers. In the past year, we also expanded the regenerative agriculture pilot by doubling

the number of participating farms, thanks to a strengthened partnership with supermarket Lidl and support from the Dutch National Growth Fund programme ReGeNL. These study groups research and test regenerative practices, focusing on practical knowledge, ecological impact, and economic feasibility. To accelerate the adoption of regenerative agricultural practices, FrieslandCampina and its partners Danone, Arla Foods, Rabobank, and DSM-Firmenich further scaled up the Future Fit Dairy Initiative (FFDI) in 2025.

## Unlocking innovations

We work with various parties to unlock innovations that reduce the impact on the climate and nature when deployed on a large scale. We are conducting various pilots on member dairy farms with innovations that can contribute to the reduction of emissions. The aim of the pilots is, among other things, to investigate the extent to which innovations can be incorporated into the farm operations of member dairy farmers. For example, the costs, the reduction achieved and the possible impact on animal health and milk quality are also examined. Examples of this are the pilots that ran in 2025 to reduce methane emissions from cows and from manure storage.

# Basis for preparation

## Reporting standards

The sustainability statements are prepared in accordance with the Global Reporting Initiative (GRI) and include our disclosures on Environmental, Social and Governance (ESG) topics. You can find a detailed overview of all the GRI disclosure requirements covered in these sustainability statements in appendix 271.

Over the last few years, we have taken steps to report in accordance with the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS), which were expected to become mandatory from the year 2025. However, following the European Commission's Omnibus proposal to postpone the CSRD and simplify the ESRS, we will continue to report in accordance with the GRI Standards until the CSRD will be mandatory. We will use the ESRS disclosures already prepared and monitor further regulatory developments.

Subsidiaries of FrieslandCampina located in the European Union will use the exemption for statutory compliance with CSRD. For ESG-disclosures they will refer to the consolidated annual report of FrieslandCampina. Where necessary, our subsidiaries outside the European Union will report ESG-related information in statutory annual reports, compliant with local regulations.

## Reporting scope

The entities included in the sustainability statements are the same as the entities included in the consolidated financial statements. For certain metrics, the scope has been extended to elements of FrieslandCampina's value chain, from suppliers to customers. This extension is based on the results of the double materiality assessment. The part of our value chain represented by each material topic is included in the Impacts, Risks and Opportunities table on page 53.

FrieslandCampina is primarily active in the Food & Beverages sector. This sector has a high impact on climate. We therefore do not include disaggregation by other sectors in our disclosures.

## Uncertainties and estimates

We prioritise the use of primary measured data in our reporting and use actual data wherever we can. In a few cases, where the necessary information was unavailable or incomplete, we use assumptions and estimates. Where applicable and significant, these assumptions are disclosed in the Methody and definitions section of the respective topic.

## Restatements

Restatements can occur because of data errors, calculation mistakes or methodology updates, such as changes in emission factor sources or improved methods to measure metrics. In our restatement policy, we set thresholds per metric to assess whether a restatement is needed. These thresholds support to assessment whether a restatement of comparative figures, and the base year if relevant, is needed to maintain comparability. The thresholds involved may be lowered if the restatement impacts the achievement of targets or commitments, to ensure a fair presentation.

This year, the comparative figures of the following metrics are restated:

- Greenhouse gas emissions, due to changes in assumptions and methodology. See page 60.
- Traceability to source, due to a change in scope. See page 75.
- Nutritious products and access to nutrition, due to a refinement of the classification. See page 88 and 90.
- The accident ratio, due to a change in definition. See page 103.
- Compass-related cases, due to a change in definition. See page 116.

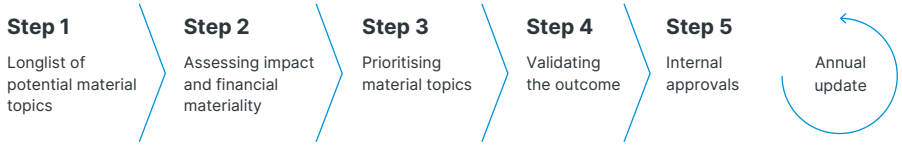
# Materiality assessment

FrieslandCampina conducted a double materiality assessment in 2023 to determine which topics and related impacts, risks and opportunities are material to us. We update this assessment annually if needed. The process we followed was in line with ESRS requirements, as published in July 2024, and it has been further used as a basis for reporting according to GRI in these sustainability statements. The application of double materiality did not result in other material topics compared with the materiality assessment based on GRI-standards.

Double materiality is a key theme within CSRD. We update this materiality assessment every year, if needed, to reflect both internal and external developments. Under consideration are the impact of FrieslandCampina's activities on people and the environment (impact materiality), plus the financial impact, positive or negative, of these topics on the company (financial materiality).

The process behind our double materiality assessment looks as follows:

## Steps in our double materiality assessment




**Process of double materiality assessment**

**Step 1: List of potential material topics**
The list of potential material topics and related impacts, risks and opportunities is created from input from discussions with stakeholders, contributions from experts, and consideration of the topics covered in the ESRS. This includes a review of internal and external factors based on sector and media analyses. We also incorporate the 11 criteria of the Dairy Sustainability Framework (see Criteria – Dairy Sustainability Framework) and the United Nations Sustainable Development Goals (SDGs, see UN SDGs).

Potential impacts, risks and opportunities are categorised into our supply chain (upstream), own operations and customers and consumers (downstream), as parts of our value chain.

**Step 2: Assessing impact and financial materiality**
Relevant internal stakeholders – employees responsible for our business units and functional departments – provided input on impact materiality (scale, size, irremediable character and likelihood) and financial materiality (financial size and likelihood).

**Step 3: Prioritising material topics**
We next assessed impact and financial materiality on a five-point scale. We determined the threshold values on an average impact score of four or higher, combined with a likelihood score of three or higher.

Based on this assessment, we prioritised impacts, risks and opportunities to determine a list of material and non-material topics.

**Step 4: Validating the outcome**
In validation sessions with internal and external stakeholders the list of material and non-material topics was then validated. With this we ensured that the relevant stakeholder groups, their interests and insights were well represented. For an overview of the external stakeholder groups involved, see the section 'In dialogue with stakeholders' on page 49.

The result of the materiality assessment was taken into account in determining the topics FrieslandCampina focuses on and forms the basis for our sustainability strategy. The Executive Team is involved in developing and defining this strategy.

**Step 5: Internal approvals and governance**
The results of the double materiality assessment were presented to the Executive Board for validation. Annually, the results of the updated double materiality assessment are discussed with the Supervisory Board's ESG committee and the Supervisory Board.

**Annual update**
We conduct an annual assessment to ensure that the list of material topics and related impacts, risks and opportunities is still up to date and complete. If needed the list is adjusted. In 2025, we updated the material topics to address internal and external developments and emerging best practices and CSRD interpretations. Most important changes compared to 2024 are impacts and risks with respect to data security and privacy which are no longer considered material, and a risk we added with respect to water discharges.

## In dialogue with stakeholders

Our history as a cooperative shows we achieve more when we stand together than when we operate alone. We therefore maintain active contact with various parties within and beyond the dairy chain. Where possible, we involve stakeholders in the development of policies, for example with respect to in sustainability and nutritious products, and we consult with them when determining the topics to be reported on each year. We identify stakeholders based on their influence on FrieslandCampina and the extent to which our actions affect them.

Our most important stakeholders are:

- Member dairy farmers and the cooperative
- Employees
- Consumers and customers
- Suppliers
- Banks and other financial institutions
- Government bodies and local authorities
- Non-governmental organisations (NGOs) and other interest groups
- Nutrition and health experts
- Academic and research institutions

Through continuous dialogue, we strive to understand stakeholders' views, concerns and expectations. This interaction informs our sustainability efforts, projects and processes. It allows us to align policies, goals and approaches with the interests and views of our stakeholders. We include the insights we gain from these dialogues in our due diligence processes and the double materiality assessment.

We use various mechanisms and channels to engage with our stakeholders. Examples are:

- **Cooperative meetings:** Our cooperative structure enables regular dialogue with member dairy farmers and district council members through, for example, regional member meetings, cluster meetings, and central district council meetings.

- **Public affairs and policy dialogue:** Regular interaction with government ministries and local authorities on sustainability, food security, and climate policy.

- **Societal council:** The Societal Council is an independent advisory body composed of experts and stakeholders from diverse societal domains, including Dutch organisations such as Nationale Denktank, Naturalis, Dierenbescherming, and Landschap Noord-Holland. The Societal Council translates societal trends, expectations, and concerns into strategic insights for the company.

- **Expert meetings and roundtables:** In 2025, for example, we organised a session on the future of organic dairy farming, bringing together farmers, sustainability experts, and market specialists.

- **Collaboration with academic institutions:** We work with Wageningen University & Research (WUR) on research into climate impact, animal welfare, and nutrition.

- **Sector engagement:** We actively participate in platforms such as the Dutch Dairy Organisation, ZuivelNL, Stichting Weidegang, VNO-NCW, FNLI, as well as international networks like the Global Dairy Platform, International Dairy Federation (IDF), and the Sustainable Agriculture Initiative (SAI).

- **Dialogues with NGOs:** We regularly engage with organisations such as Milieudefensie, MOB (Stichting Mobilisation for the Environment for the Environment) and the *Dierenbescherming*, the Dutch Society for the Protection of Animals.

- **Engagement with international organisations:** We are active within One Planet Business for Biodiversity (OP2B) of the World Business Council for Sustainable Development (WBCSD) and engage with international stakeholders at sustainability events such as London Climate Action Week. A highlight in 2025 was our strategic collaboration via the Global Dairy Platform with the EAT-Lancet Commission on the shared goal of ensuring a healthy, sustainable global food system to nourish a growing world population. This collaboration reflects our commitment to science-based dialogue on nutrition and planetary boundaries.

## Why dialogue is important to us

Stakeholder engagement helps us anticipate societal trends, regulatory developments, and consumer expectations. It strengthens trust and transparency and contributes to shared value creation for people, planet, and profit.

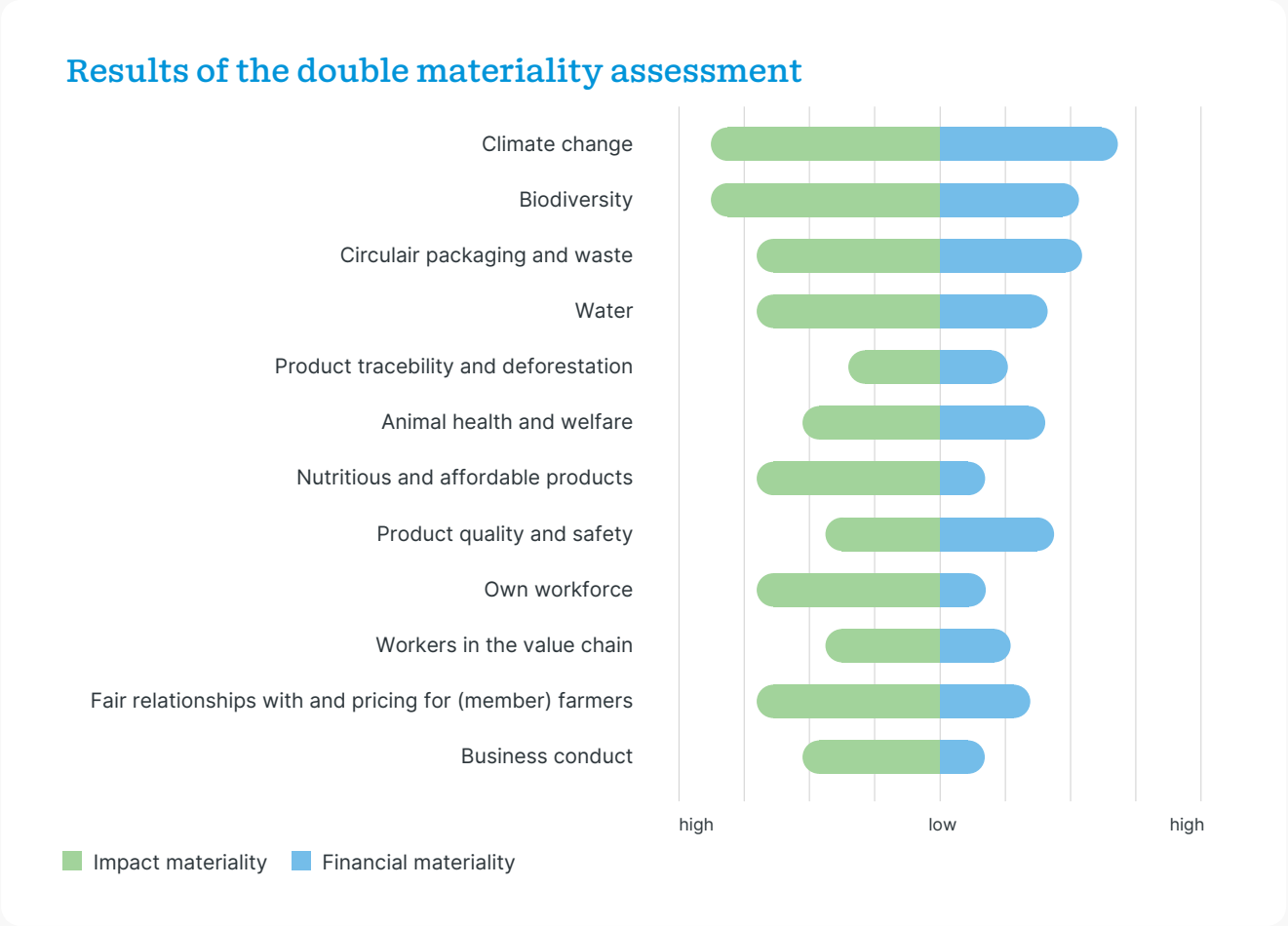
## Results of the double materiality assessment

The double materiality assessment resulted in 12 material topics, listed on the right side.

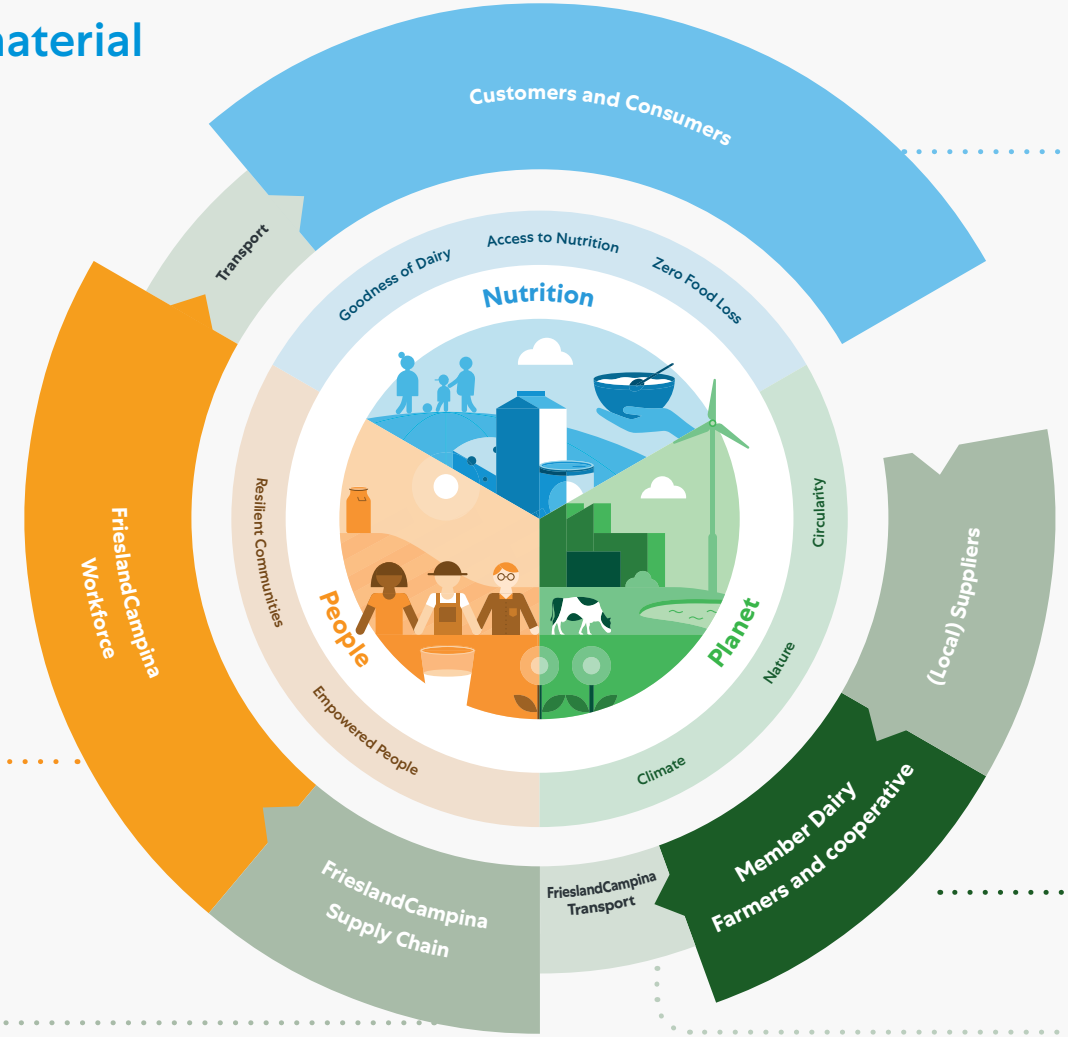
All topics are material from an impact-materiality perspective, and for some we identified material risks. For more information, see the table of material impacts, risks and opportunities on page 53.

The material topics form the basis of both FrieslandCampina's integrated strategy and the topics we cover in these sustainability statements. Where we were unable to include explanatory notes, for example due to a lack of data, we explain this in the GRI table on page 271.

The following figure shows where the material topics are located in the value chain and how these are addressed in the sustainability strategy.



# Our value chain and material topics linked to the sustainability strategy




- Product quality and safety
  Foundation under Nutrition
- Healthy and affordable products
  Access to Nutrition | Goodness of Dairy

- Climate change
  Climate
- Product traceability and deforestation
  Foundation under Planet
- Fair relationship and pricing with (member) dairy farmers
  Resilient communities
- Employees in the value chain
  Empowered people

- Climate change
  Climate
- Biodiversity
  Nature
- Animal health and welfare
  Foundation under Planet
- Fair relationship and pricing with (member) dairy farmers
  Resilient communities

- Climate change
  Climate

- Own employees
  Empowered people
- Business ethics and integrity
  Foundation under Nutrition, People and Planet

- Climate change
  Climate
- Circular packaging and waste
  Circularity | Zero Food Loss
- Water
  Nature

The material impacts, risks and opportunities related to the material topics are illustrated below. How FrieslandCampina addresses these material impacts, risks and opportunities is explained in the respective paragraphs.

## Environment

| Material topic | Impact, Risk, Opportunity | Material Impacts, Risks and Opportunities | Value chain | Time Horizon | Paragraph |
|---|---|---|---|---|---|
| **Climate change** | Actual negative impact | Scope 3 Greenhouse gas emissions | Supply chain | S, M, L | Climate |
| | Actual negative impact | Scope 1 and 2 Greenhouse gas emissions | Own operations | S, M, L | Climate |
| | Risk | Changing regulation | Supply chain, Own operations | S, M, L | Climate |
| | Risk | Climate change brings physical risks | Supply chain, Own operations | S, M, L | Climate |
| | Risk | Climate change brings transitional risks | Own operations | S, M, L | Climate |
| **Water** | Actual negative impact | Water withdrawals in production | Own operations | S, M, L | Water withdrawals |
| | Risk | Reputational risk related to water discharges | Own operations | S, M, L | Water withdrawals |
| **Biodiversity** | Actual negative impact | Impact of dairy farming on emissions | Supply chain | S, M, L | Nature at the farm |
| | Actual negative impact | Impact of dairy farming on ecosystems and species | Supply chain | S, M, L | Nature at the farm |
| | Risk | Changing regulation | Supply chain | S, M, L | Nature at the farm |
| | Risk | Physical risks due to reduced ecosystem services | Supply chain | S, M, L | Nature at the farm |
| **Product traceability and deforestation** | Actual negative impact | Deforestation due to cultivation of non-dairy raw materials | Supply chain | S, M, L | Land use and conversion |
| | Actual negative impact | Impact of dairy farming on land use and conversion | Supply chain | S, M, L | Land use and conversion |
| **Animal health and welfare** | Potential negative impact | Animal health and welfare of cows and calves of member farmers | Supply chain | S, M, L | Animal health and welfare |
| | Risk | Consumer trust and brand reputation. | Own operations | S, M, L | Animal health and welfare |
| **Circular economy, packaging and waste** | Actual negative impact | Use of virgin (fossil-based) materials in packaging of our products | Own operations | S, M, L | Packaging |
| | Actual negative impact | Non-recyclable packaging of our products | Own operations | S, M, L | Packaging |
| | Risk | Investments needed to comply with changing legislation | Own operations | S, M, L | Packaging |
| | Actual negative impact | Waste from our production process, including food waste | Own operations | S, M, L | Zero food loss |

Actual negative impact | Actual positive impact | Potential negative impact | Risk | Supply chain | Own operations | Customers and consumers | S Short term, <1 year M Medium term, 1-5 years L Long term, >5 years

## Social

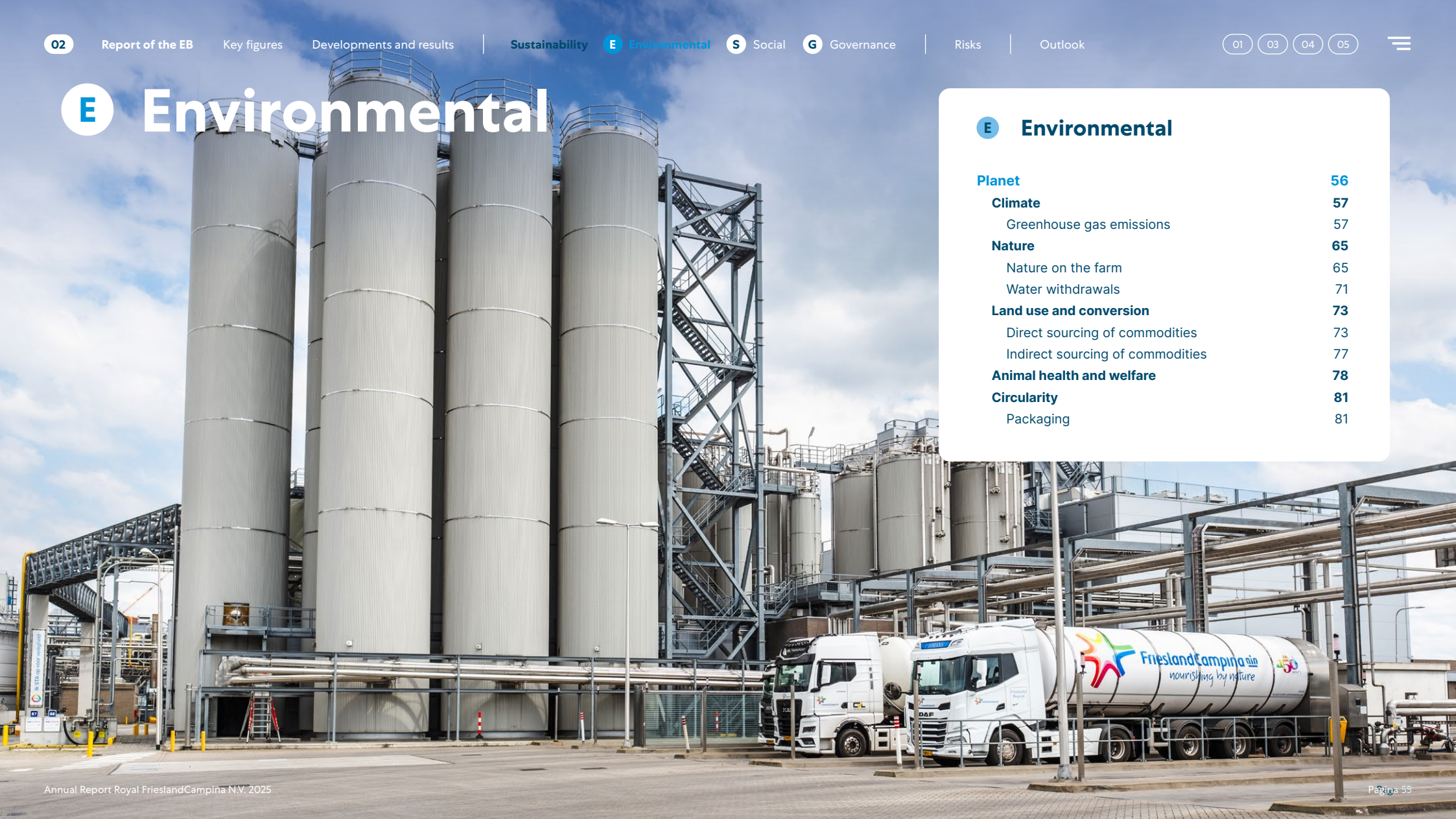
| Material topic | Impact, Risk, Opportunity | Material Impacts, Risks and Opportunities | Value chain | Time Horizon | Paragraph |
|---|---|---|---|---|---|
| **Own workforce** | Actual positive impact | Ensure adequate wages and respect workers' rights | Own operations | S, M, L | Employees |
| | Potential negative impact | Ensure working conditions for contingent workers (non-employees) | Own operations | S, M, L | Employees |
| | Potential negative impact | Good and safe working conditions | Own operations | S, M, L | Health and Safety |
| | Actual positive impact | Gender equality, equal opportunities and diversity | Own operations | S, M, L | Diversity, equity and inclusion |
| | Potential negative impact | Respect human rights in own workforce | Own operations | S, M, L | Human Rights |
| **Workers in the value chain** | Potential negative impact | Human Rights in upstream value chain | Supply chain | S, M, L | Human Rights |
| **Nutritious and affordable products** | Actual positive impact | Offering nutritious products | Customers and consumers | S, M, L | Goodness of dairy |
| | Actual positive impact | Offering affordable products | Customers and consumers | S, M, L | Access to nutrition |
| **Product quality and safety** | Potential negative impact | Potential negative impact on consumers in case of product quality issues | Customers and consumers | S, M, L | Product quality and safety |
| | Risk | Reputational risk in case of product quality issues | Own operations | S, M, L | Product quality and safety |
| **Fair relationships with (member) farmers** | Actual positive impact | Good, transparent, and fair milk price to our member farmers | Supply chain | S, M, L | Milk price for member dairy farmers |
| | Actual positive impact | Sharing knowledge and expertise in dairy development countries | Supply chain | S, M, L | Dairy development |
| | Risk | Local dairy sourcing is our license to operate but may result in increased costs | Supply chain | S, M, L | Dairy development |

## Governance

| Material topic | Impact, Risk, Opportunity | Material Impacts, Risks and Opportunities | Value chain | Time Horizon | Paragraph |
|---|---|---|---|---|---|
| **Business conduct** | Actual negative impact | Ensure honest and transparent business conduct | Own operations | S, M, L | Business conduct |

Actual negative impact | Actual positive impact | Potential negative impact | Risk | Supply chain | Own operations | Customers and consumers | S Short term, <1 year M Medium term, 1-5 years L Long term, >5 years

# E Environmental




## E Environmental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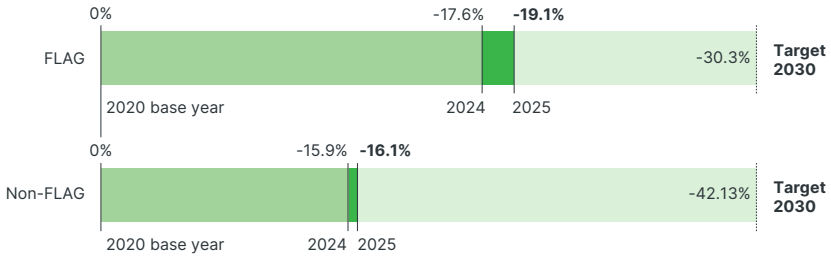
# Planet

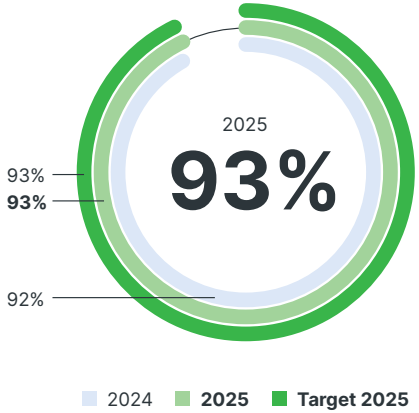
From grass to glass: FrieslandCampina works on reducing our environmental impact throughout the entire chain. Our efforts in this area fall under the 'Planet' pillar of our sustainability strategy. We focus on reducing greenhouse gas emissions, improving biodiversity, responsible use of water and energy and improving animal welfare. Together with our member dairy farmers and partners, we are building a sustainable future for future generations.

## Reduction greenhouse gas emissions

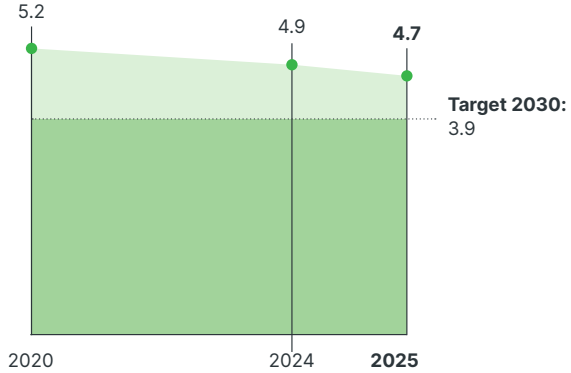



Reduction percentage compared to base year 2020

## Recyclable packaging




## Water withdrawals intensity




In $m^3$/ton finished product

# Climate

Making food production more sustainable is essential, not only to combat global warming but also to promote food security. FrieslandCampina's ambition is to produce net-climate-neutrally by 2050 at the latest.

## Greenhouse gas emissions

### Material impacts, risks and opportunities

Scope 3 Greenhouse Gas emissions at member dairy farms, mainly due to methane emissions of cows, have a negative impact on climate change. Also other scope 3-emissions in our upstream value chain and scope 1 and 2-greenhouse gas emissions, resulting from among others energy consumption in our factories and offices, contribute to this impact.

Changing regulations around the further reduction of emissions on farms or in our production facilities may require additional investments or may impact milk supply. We also identified a material physical risk of climate change, as heat stress and extreme weather may disrupt production facilities or reduce upstream milk supply. Climate change also brings transitional risks, as carbon taxes or emission-related cost increases may raise dairy prices, potentially resulting in lower dairy consumption.

### Targets

The Paris Climate Agreement set out measures to limit global warming to below 2.0 degrees Celsius, and preferably to 1.5 degrees Celsius. As part of our Science Based Targets initiatives (SBTi) commitment, FrieslandCampina has implemented updated climate targets that include a revised base year of 2020 and a split between Forest, Land-use and Agriculture (FLAG) emissions and Non-FLAG emissions (energy and industry). These targets were validated by SBTi at the end of 2024. Our previous SBTi targets, validated in 2022 and with 2020 as a base year, were already aligned with the 1.5°C pathway for scope 1 and 2. With these revisions scope 3 is now also aligned. The targeted scope 3 reductions follow a steeper trajectory and cover a larger portion of emissions compared to the previous targets. The introduction of the FLAG and Non-FLAG split enhances the precision and transparency of our greenhouse gas monitoring. This enables more targeted and effective mitigation strategies across our value chain.

**SBTi target boundaries**

SBTi requires companies to use target boundaries that determine the percentage of emissions to include in the targets. The target boundaries for FrieslandCampina are disclosed in the table below.

| | FLAG | Non-FLAG |
|---|---|---|
| **Target boundaries** | | |
| Scope 1 and 2 | 100% | 100% |
| Scope 3 | 78.4% | 77.3% |
| **Climate targets 2020-2030** | -30.3% | -42.13% |

FrieslandCampina committed to reduce FLAG emissions by 30.3 percent by 2030, compared to the base year 2020, and the Non-FLAG emissions by 42.13 percent. All our scope 1 and 2 greenhouse gas emissions are in scope of these SBTi targets. For scope 3, 78.4 percent of FLAG emissions and 77.3 percent of Non-FLAG emissions are in scope of these SBTi validated targets.

Emissions that fall outside the target boundaries are included in the reporting of our total greenhouse gas emissions (see page 60). Although these emissions are not included within the scope of SBTi validated climate targets, we maintain the same reduction ambition for them. Our main focus, however, is on the emissions within the target boundaries. This allows us to concentrate our resources on the largest emission sources, where the impact is greatest and where we can exert the most influence over the relevant sources and suppliers, ensuring emissions are reduced across our value chain.

We are committed to no deforestation across our primary deforestation-linked commodities, with a target date of December 31, 2025. This commitment is part of the SBTi validation. Although the sourcing of primary deforestation-linked commodities is not yet fully demonstrably deforestation-free as per December 31, 2025, we have strengthened our monitoring in 2025 and will continue to take further steps in this direction. For further explanation, please see the paragraph Land Use and Conversion on page 73.

## Policies

In 2025, we developed and adopted our Planet Policy. This policy outlines how we manage the environmental impacts, risks and opportunities that arise from all the operations under our direct control. By setting clear global principles and standards, the Planet Policy ensures that all activities are aligned with FrieslandCampina's purpose and long-term sustainability goals.

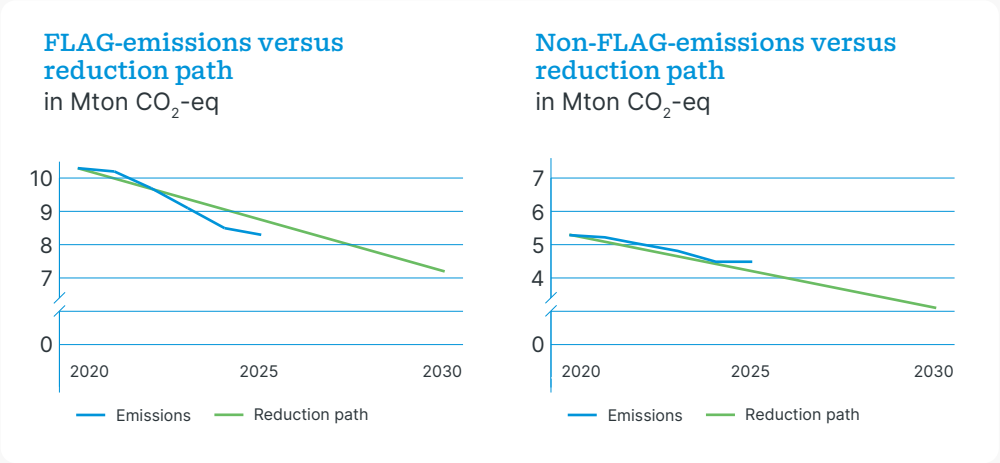
Among other things, it describes our approach to mitigate and adapt to climate change. This approach is built on the following principles:

- Alignment with the Science-Based Targets initiative (SBTi)
- Gradual elimination of fossil-based $CO_2$ emissions
- Minimised non-fossil emissions
- A deforestation- and conversion-free value chain

The Executive Board is accountable for the execution of and compliance with the principles set out in this policy. In line with global policy guidelines, this group policy is ultimately approved by the Executive Board. The policy is reviewed annually to ensure it remains relevant and effective.

## Progress

We illustrate below our progress towards the 2030 targets for both the FLAG and Non-FLAG emissions.




FLAG emissions in 2025 are 19.1 percent lower than the 2020 base year (2024: 17.6 percent). Despite a decrease in the intensity per kilogram of milk, emissions from Scope 3-member milk have increased in 2025 due to an increase in the volume of member milk, while other FLAG emissions have decreased, mainly due to a lower volume of other dairy products purchased.

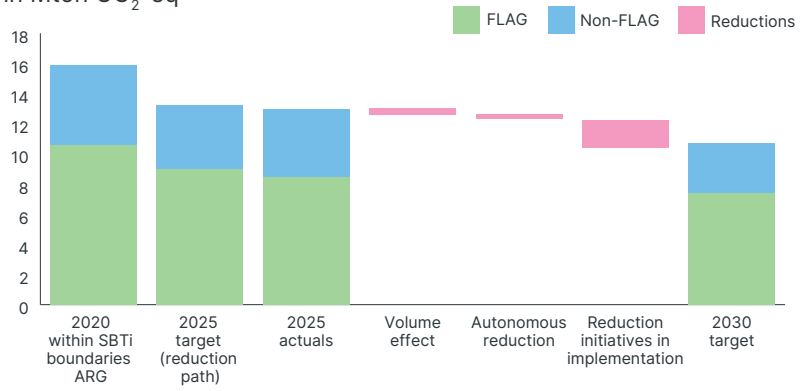
Non-FLAG emissions in 2025 are 16.1 percent lower than the 2020 base year (2024: 15.9 percent). Scope 1 and 2 emissions have decreased, while other Non-FLAG emissions have increased due to an increase in the volume of purchased other goods and services.

For further information on developments in Scope 1, 2, and 3 emissions, see page 61.

The targets are included in the Climate Plan which has been approved in 2022 by the Executive Board and the Supervisory Board and is updated in 2025. Implementation is part of long-term investment plans. Regarding on-farm climate targets, member dairy farmers are encouraged to take measures through the Foqus planet programme. The Climate Plan is updated every five years, or in between if needed.

## Bridge targets & initiatives

in Mton $CO_2$-eq




## Decarbonisation levers

| | |
|---|---|
| **FLAG emissions** | a. Efficiency: applying effective agricultural practices in daily business operations. The effect of changes in milk production has also been included here.<br>b. Livestock: breeding programmes and feed supplements.<br>c. Manure: Housing systems and manure management, for example manure digestion.<br>d. Feed: less dependency on compound feed for protein, better digestibility of feed, land-use conversion free feed and lower emissions in cultivation.<br>e. Energy: production of renewable energy on farm, use of surplus renewable energy in FrieslandCampina supply chain.<br>f. Improve productivity in local dairy value chains outside Europe. |
| **Non-FLAG emissions** | a. Electrification of outdated fuel-consuming processes through new technologies.<br>b. Improving energy efficiency.<br>c. Fossil energy substitution with renewable energy.<br>d. Supply chain footprint optimisation worldwide.<br>e. Circular and fossil-free packaging.<br>f. Carbon reduction journeys with key suppliers.<br>g. Including emission reduction in cost saving programmes and product development. |

### How we aim to achieve our climate ambition for 2050

We work towards a net-climate neutral production by reducing energy consumption and switching to renewable energy sources. In addition, we aim to reduce other non-fossil emissions, such as methane emissions from cows, as much as possible. What we cannot reduce is compensated by, for example, carbon sequestration in the soil and biomass. We are also looking at opportunities to permanently remove greenhouse gases from the atmosphere, although this is not currently being applied actively. When compensating or removing emissions, we prefer to do this from the chain.

## Total GHG-emissions

| *(kton $CO_2$-equivalent)* | **2025** | 2024[5] | % tov 2024 |
|---|---|---|---|
| **Total scope 1** | **589** | **644** | **-8.5%** |
| **Total scope 2** *(market based)* | **1** | **2** | **-50.0%** |
| **Total scope 3** | **16,804** | **17,090** | **-1.7%** |
| Cat. 1 Purchased goods and services: member milk[1] | 7,773 | 7,728 | 0.6% |
| Cat. 1 Purchased goods and services: other | 7,453 | 7,741 | -3.7% |
| Cat. 2 Capital goods | 165 | 187 | -11.8% |
| Cat. 3 Fuel and energy-related activities | 209 | 225 | -7.1% |
| Cat. 4 Upstream transportation and distribution | 298 | 303 | -1.7% |
| Cat. 10 Processing of sold products | 237 | 261 | -9.2% |
| Cat. 11 Use of sold products | 391 | 345 | 13.3% |
| Other scope 3 categories[2] | 278 | 300 | -7.3% |
| **Total scope 1, 2 and 3** *(market based)* | **17,394** | **17,736** | **-1.9%** |
| | | | |
| % of scope 1 covered by the EU ETS | 49% | 48% | 1.6% |
| Total scope 2 *(location based)* | 282 | 285 | -1.1% |
| Total scope 1, 2 and 3 *(location based)* | 17,675 | 18,019 | -1.9% |
| Total GHG emissions in kton $CO_2$-equivalent per revenue in million euro[3] | 1.30 | 1.37 | -5.4% |
| **Total GHG emissions in kilogram $CO_2$-equivalent per kilogram member milk[4]** | **0.84** | **0.85** | **-1.8%** |
| | | | |
| Cat. 1 Purchased goods and services: peat oxidation member dairy farms[6] | 1,108 | | |
| Total scope 1, 2 and 3 *(market based)* - including peat oxidation member dairy farms | 18,502 | | |
| Total scope 1, 2 and 3 *(location based)* - including peat oxidation member dairy farms | 18,783 | | |

[1] Scope 3 greenhouse gas emissions related to dairy from the Netherlands, Belgium and Germany are determined annually based on farm-specific data from member dairy farmers. This information becomes available after publication of the annual report. Emissions as disclosed in this annual report are therefore based on conversion factors from the previous annual report. The milk volumes are based on the current reporting year.
[2] Scope 3 emissions from categories 5, 6, 7, 8, 9, 12, 13, 14 and 15 are individually less than 0.5 percent of scope 3 emissions and therefore not disclosed separately.
[3] Total GHG-emissions in kiloton per revenue in million are calculated based on total market-based emissions (excluding peat oxidation) divided by revenue as reported in the financial statements. The intensity based on the total location based GHG-emissions is 1.32 (2024: 1.39).
[4] The GHG-emissions in kilogram $CO_2$-equivalent per kilogram member milk is calculated by dividing the reported emissions of scope 3-member milk (excluding peat oxidation) by the volume of member milk in the reporting year. This average $CO_2$-equivalent per kilogram member milk cannot be used by third parties for carbon emission reporting, as part of the member milk with a carbon footprint below this average is already allocated to specific customers.
[5] The comparative figures are restated for Scope 1, Scope 2 and Scope 3-categories. The changes with the most impact are the result of improved conversion for production sites (Scope 1) and updates of dairy emission factors in line with the new methodology document (Scope 3). In addition, Scope 3 emission factors are updated based on economic intensity, taking into account recent inflation developments.
[6] Part of the member dairy farms are located on peatlands, resulting in peat mineralisation and oxidation as sources of greenhouse gas emissions. The impact of peat mineralisation is included in reported greenhouse gas emissions in recent years. In 2025, emissions following peat oxidation were estimated for the first time, based on 2024 farm-specific data. Given the estimation uncertainty, for example how peat oxidation works for different types of peat, and lack of experience with the applied model, these emissions are not yet included in the totals of Scope 1, 2 and 3 (both market and location based). In addition, as sufficiently reliable data for previous years is not available, comparative figures are not included. We will further assess the methodology applied and as of next reporting year, we expect to be able to include these emissions in the total of Scope 1, 2 and 3 and SBTi targets.

### Scope 1 and 2

Greenhouse gas emissions scope 1 and 2, market based, decreased by 8.7 percent in 2025, from 646 kiloton in 2024 to 590 kiloton $CO_2$-equivalent. In 2025, FrieslandCampina implemented a series of strategic measures aimed at reducing carbon emission and accelerating the transition to renewable energy sources. For example, the production sites in Den Bosch and Born are closed, a new biomass boiler at the Cikarang facility in Indonesia is commissioned, and efficiency improvements have been implemented and an electric boiler is installed in Leeuwarden. A new PV system has been commissioned in Pakistan, and a shift has taken place from oil and gas to electricity. Lastly, gas-fired combined heat and power units were decommissioned in Beilen and Leeuwarden.

Operational efficiency was further enhanced through targeted initiatives. However, the overall carbon reduction was partially offset by the discontinuation of biogas usage at the Borculo site.

Scope 2 location based emissions decreased by 1.1 percent in 2025. This is mainly due to annually declining emission factors, particularly for electricity produced.

Over 2025, 100 percent of FrieslandCampina's purchased electricity is certified through Guarantees of Origin (GoO), International Renewable Energy Certificates (I-REC), and Power Purchase Agreements (PPA). Notably, more than 35 percent of the total renewable electricity is sourced directly from member dairy farms, reinforcing the cooperative's commitment to sustainable and locally generated energy.

### Energy consumption

#### Energy consumption and breakdown

| (in GWh) | 2025 | % of total | 2024 | % of total |
|---|---|---|---|---|
| Gas | 2,189 | 61% | 2,441 | 64% |
| Oil | 307 | 8% | 337 | 9% |
| Other | 7 | 0% | 6 | 0% |
| **Total fossil energy consumption** | **2,503** | **69%** | **2,784** | **73%** |
| Fuel consumption from renewable sources | 76 | 2% | 63 | 2% |
| Purchased or acquired electricity, heat, steam, and cooling from renewable sources (including biomass) | 1,036 | 29% | 978 | 26% |
| **Total renewable energy consumption** | **1,112** | **31%** | **1,041** | **27%** |
| **Total energy consumption** | **3,615** | **100%** | **3,825** | **100%** |
| | | | | |
| Energy intensity in GWh per kiloton finished product | 0.74 | | 0.76 | |
| Energy intensity in GWh per net revenue in million euro | 0.27 | | 0.30 | |

As part of FrieslandCampina's ongoing energy transition, the company continues to shift from fossil fuels to renewable energy sources. This transition is evidenced by a year-on-year increase in the use of electricity and biomass, alongside a steady decline in the consumption of natural gas and oil.

In addition, FrieslandCampina has expanded solar energy capacity at its own production sites to 18 GWh in 2025, an 87 percent increase compared to 2024.

**Scope 3**

Compared to 2024, emissions per kilogram of member milk decreased by 1.8 percent, while the volume of member milk supplied increased by 2.4 percent. On balance, greenhouse gas emissions from Scope 3-member milk increased by 0.6 percent compared to 2024.

The decrease in emissions per kilogram of member milk is primarily due to lower energy consumption on dairy farms and in purchased products, which are part of non-FLAG emissions. In addition, a limited part of the decrease is due to lower land use change emissions from purchased products due to, for example, changes in the composition of the feed or because feed ingredients have been sourced from other places.

The increase in the volume of member milk supplied is related to, among other things, a relatively high milk price in the first half of the year and the increase in milk production following the bluetongue virus outbreak last year.

For more information regarding greenhouse gas emissions per kilogram member milk, see the methodology document on our website.

The decrease in greenhouse gas emissions for other Scope 3 categories is primarily related to a reduction in emissions from purchased raw materials, mainly due to a decrease in the volume of purchased dairy other than member milk.

## Actions

**Accelerating on climate with customers**

In 2024, the partnerships with international customers, such as Danone, Nestlé, Mars, McDonald's and Mondelēz. The goal is to accelerate the reduction of greenhouse gas emissions in the production of the milk for dairy products supplied to these customers.

The FrieslandCampina Development Group links the market demand for milk with lower greenhouse gas emissions to dairy farmers who accelerate the reduction of greenhouse gas emissions by applying innovative measures on their farms. In 2025, 450 member dairy farms participated in this Development Group. The Development Group offers the opportunity to scale up innovative measures, making them financially attractive for all members of the cooperative and rewarding the results through the Foqus planet Sustainable development programme. During the start-up phase, the focus is on reducing greenhouse gas emissions, but in the future other themes, such as biodiversity, can also be addressed.

**Unlocking innovations**

In 2025, FrieslandCampina, Agrifirm, Agravis and Alzchem completed a pilot with a manure additive. The pilot focused on reducing methane emissions associated with the storage of manure. Efforts are ongoing to assess the feasibility of implementing this product in practice.

In another pilot FrieslandCampina examines, together with Wageningen University & Research, the application of methane oxidation, a process in which methane is converted into $CO_2$.

Frieslandcampina tested a natural feed additive on approximately 100 farms. The farmers have responded positively regarding its practical application. The product is subject to an independent evaluation to examine its impact on the environment.

**Cooperation with suppliers**

Also sourced products are a source of greenhouse gas emissions. In 2025, we advanced our carbon reduction journeys with strategic and key suppliers by establishing shared baselines, validating data, and agreeing on reduction commitments. By the end of 2025, 20 suppliers with the largest share in our portfolio had committed themselves (2024: 13) and we will be monitoring progress. These efforts delivered measurable progress across Scope 3 emissions, embedding $CO_2$ targets in tenders and business reviews, and securing supplier engagement toward 2030 goals.

**Uncertainties and estimates**
FrieslandCampina uses emission factors when determining greenhouse gas emissions. These emission factors have a significant impact on the outcome. As supplier-specific data is not yet available in most cases, FrieslandCampina calculates scope 3-emissions based on volumes or economic intensity. Because of these estimation uncertainties and to ensure transparency, the calculation of greenhouse gas emissions follows most current and common external sources to determine the factors. See the paragraph 'Methodology and assumptions of greenhouse gas emissions' for more details.

**Expected financial impact**
To achieve the 2030 climate targets on FLAG and Non-FLAG emissions, FrieslandCampina expects a total of between 0.3 and 0.9 billion euros gross in costs until 2030. These are expected costs for the company, excluding costs related to the realisation of nature targets. The expected costs are based on, among other things, investment plans for factories to reduce scope 1 and 2 greenhouse gas emissions. In addition, expected costs for scope 3-member milk are based on expected compensation to member farmers via Foqus planet Sustainable development, and on estimates to reduce other scope 3 categories. The cost level is in line with recent years in which the required reduction of greenhouse gas emissions was realised. Because of this, we do not expect these costs to have a significant additional impact on the income statement.

The costs to reduce scope 1 and 2 are primarily capitalised as tangible fixed assets on the balance sheet. As in previous years, these investments are combined where possible with necessary replacement or efficiency investments, which are based on detailed roadmaps per production location. The costs to reduce scope 3-member milk and other scope 3 categories are accounted for in the costs of goods sold.

**Locked-in emissions**
Due to the long lifespan of investments in the supply chain, FrieslandCampina will continue to use non-renewable energy sources in the coming years – for example, through assets that use gas or other non-renewable energy sources. The roadmap to reduce greenhouse gas emissions for scope 1 and 2 takes into account the fact that some greenhouse emissions are locked in for several years. We therefore do not expect these locked-in emissions to jeopardise our achievement of the reduction target for scopes 1 and 2.

**Investment decisions with a focus on climate**
We add 'carbon shadow prices' to calculations for large investments to support climate-friendly decision-making. These prices are based on the current EU-ETS price, the EU $CO_2$-eq market price, with a minimum of 50 euros per ton $CO_2$-eq. The higher the $CO_2$-eq savings generated by an investment proposal, the better it scores. This ensures that sustainability becomes a key component in determining the return on investments.

**Methodology and assumptions of greenhouse gas emissions**
Base year calculations and other recalculations are based on the guidelines of the *Greenhouse Gas Protocol*. These guidelines apply to all emission sources as well as changes in methodology and to acquisitions or disposals of business units.

We use operational control to determine which greenhouse gas emissions should be included in scope 1, 2 and 3 (the operational boundaries). Emissions from associates and joint ventures that are not consolidated are included on an equity-share basis.

The factors for global warming potential are based on the Intergovernmental Panel on Climate Change (IPCC) 2021.

**Scope 1 and 2**
$CO_2$, $CH_4$, and $N_2O$ are reported under scopes 1 and 2. Scope 1 also includes biogenic emissions, which mainly relate to dairy farms owned by a subsidiary of FrieslandCampina in Pakistan (2025: 47 kton, 2024: 42 kton). Biogenic emissions from the combustion or biodegradation of biomass are limited and not included under scope 1 or scope 2 as these $CO_2$-emissions are almost equal to the $CO_2$-capture.

Under scope 2–market based, emissions are calculated based on the emission factors for purchased electricity of which renewability is 100 percent guaranteed through the use of Certificates of Origin and, to a small extent, international Renewable Energy Certificates. Under scope 2–location based, emissions are calculated based on electricity used and local emission factors.

For some of our sites, FrieslandCampina falls under the European Union Emissions Trading Scheme (EU ETS) system. Related scope 1 emissions are reported in accordance with the EU ETS methodology.

**Scope 3**
The calculation of scope 3-member milk is performed independently in the Central Database using the carbon footprint calculation module of the Wageningen University & Research (WUR), based on primary data from member farmers. To calculate the carbon footprint for raw milk, the *EU Product Environmental Footprint Category Rules for Dairy* and the IDF Carbon Footprint standard for the dairy sector have been used. The carbon footprint is calculated from cradle to farm gate. This requires detailed information about, among other things, resources used, roughage production and roughage quality.

Data on the nutritional composition and carbon footprint of the compound feed come from the feed companies that provide the feed to the farmer. The feed companies calculate the carbon footprint of feed according to the *EU PEF Category Rules for Feed* and supply it via the Feed Database to the Central Database. Part of this footprint for the compound feed are the land use change emissions due to deforestation and conversion. Since 2015, animal feed suppliers can only supply certified soy to member farmers. This certification is based on RTRS (round table on responsible soy) certificates, or equivalents. As of 2023 the feed companies use a book-and-claim method to account for these emissions (see page 76 for explanation of this method). They purchase certificates that ensure an equal amount of soy is produced on land that has not been converted or deforested for at least 20 years. These so-called Satellite Based Land Use Change certificates lower the carbon footprint of the soy used. This is part of the carbon footprint of feed and provided as such to the Central Database directly out of the feed database.

For more information regarding the methodology and dairy emission factors for scope 3-member milk and other procured dairy see the methodology document.

Economic intensity is partly the starting point for calculating scope 3, purchased goods and services, other than member milk. This is only used where accurate secondary data based on volume is unavailable. To improve the accuracy step by step we replace this approach gradually with conversion factors based on volume. In 2025, the percentage which is calculated based on economic intensity is reduced from 30 percent to 27 percent. This improvement is achieved among other things because we now applied conversion factors from suppliers involved in joint carbon reduction roadmaps. These factors are based on primary value chain data and as such are considered the most accurate within the volume approach.

**Methodology and assumptions of energy consumption**
FrieslandCampina calculates energy consumption per ton of finished product based on energy consumption in production. We measure energy consumption as the total net energy used in GWh per production volume in kton. External registration of the consumption of gas and oil, among other sources, with calibrated equipment, forms the basis for measuring the quantities consumed.

**Climate-related risks**
Besides taking measures to reduce our impact on climate change, we also identify and monitor the ways in which climate change could impact on us, and what we can do to adapt to this. These steps form part of the company's risk management.

In 2023, FrieslandCampina conducted a climate risk assessment. The goal for this was to identify, understand and manage the climate-related transition and the physical risks this poses to our business operations. First, we identified the determining factors using the so-called PESTEL framework (Political, Economic, Technology, Social, Environmental and Legal). We explored two scenarios:
- A 1.5°C scenario, focusing on transitional risks, and;
- A 4°C scenario, focusing on physical risks.

We used scientific literature, expert opinion, in-depth interviews and internal and external analyses to identify the most important factors.

The physical risks were analysed based on a global climate hazard analysis using a comprehensive set of climate risk models, at global, country and provincial level. Transition risks were analysed through expert interviews, desk research and validation sessions.

Based on the climate risk assessment, the business implications of the most important risks and opportunities were determined. This analysis provided a better understanding of how climate change may affect the value chain. It therefore forms the basis for developing appropriate strategies to mitigate risks and seize opportunities.

We identified the following key climate-related risks for FrieslandCampina:

*Physical risks:*
- Water stress with possible impact on farms and production locations.

*Transition risks:*
- Agricultural regulations related to greenhouse gas emissions or land use.
- Pricing or taxing greenhouse gas emissions from farms and factories.

In 2025, we assessed additional nature and biodiversity risks with various scenarios. This included risks resulting from changing and stricter laws and regulations, for example, those resulting from the European Water Framework Directive. The analysis includes regulations regarding nitrogen deposition in the air, on the soil, and in water. To determine the extent of the risks, we consider the location of member dairy farms relative to nature reserves and water bodies. We continue to monitor these risks and improve the accuracy of our data.

Our climate-risk assessment covers our value chain, including our own operations and those of our suppliers. The assessment shows that physical climate risks can be expected to have a short-term impact, and that these risks will not directly impact our long-term strategy or business model. As part of our sustainability strategy, we strive to mitigate physical climate risks by, for example, reducing water withdrawals.

As our business model focuses on processing milk, the transition risks we have identified could have a significant impact in the long term. For example, new or changing regulation that focuses on reducing the volumes of milk produced could, if effective, lead to a decline in milk production. Pricing or taxing greenhouse gas emissions would, in principle, help to reduce emissions if this applied to all forms of agricultural production. How these changes will be implemented, and how quickly taxes and prices will rise, will impact how quickly dairy farms can adapt.

To mitigate part of the risks, greenhouse gas emissions within the own operations and in the value chain are reduced Achieving the SBTi targets to reduce greenhouse gas emissions, in line with the 1.5°C scenario, will further decrease these risks.

# Nature

At FrieslandCampina, everything begins with nature. A healthy natural environment and rich biodiversity are the bedrock of our business and the food chain we serve. Nature is more than landscapes, soils, and ecosystems – it is a living system that sustains our farmers, nourishes communities, and underpins our ability to create high-quality dairy products. Biodiversity – the incredible variety of plants, animals, and microorganisms – keeps these ecosystems vibrant and resilient.

But this foundation is under pressure. Climate change, biodiversity loss, and water stress are already challenging the resilience of farms and the reliability of sourcing. Almost every step in our journey, from grass to glass, depends on natural capital: fertile soils, healthy cows, and clean water. At the same time, our activities — from milk production to processing — interact with these very resources.

Because milk production is at the heart of our business, the way we work with nature on farms is crucial for FrieslandCampina's overall impact. Together with our member dairy farmers, we have defined three key tasks to strengthen nature and biodiversity:

1. Reducing nitrogen losses across our value chain.
2. Safeguarding the baseline quality of biodiversity.
3. Protecting vulnerable ecosystems and species.

Our targets, policies and actions to address these jobs are detailed under Nature on the farm. Beyond the farms, our factories also interact with nature, for example, through water withdrawals during milk processing. On page 71, we outline our policies, targets, and approach to reducing water consumption in our operations.

Our ambition is clear: by 2050, FrieslandCampina aims to have a net-positive impact on nature across our value chain. We believe that only when nature and biodiversity are in balance we can create lasting value for people, animals, and the planet. Together with our member dairy farmers and partners, we are working on solutions that make a real difference.

## Nature on the farm

### Material impacts, risks and opportunities

Most of our milk is sourced from member dairy farms, making on-farm practices central to our ecological footprint and nature impact. Regulatory developments, including stricter requirements on nitrogen emissions, the EU Water Framework Directive, and the gradual loss of derogation, are shaping how nutrients and water are managed on farms. We take these developments into account in our nature approach and will act with our farmers to meet requirements and progress our long-term ambition.

Our material impacts include nutrient losses, such as nitrogen emitted to the environment as ammonia and nitrous oxide, which affect air, soil, and water quality. Land use and habitat conversion also put pressure on vulnerable bird and mammal species.

These dynamics present business risks: regulatory compliance may increase farm-level costs, while biodiversity decline can weaken natural processes that support productivity, such as soil health and resilience against pests and diseases. This may ultimately affect milk yields and increase production costs. See page 64 where we describe the steps taken to assess these risks as part of our climate risk assessment.

## Targets

FrieslandCampina's strategy is to reduce our negative impact on nature and to increase our positive impact. In this way, we are working towards the goal of achieving a net-positive impact on nature with our activities.

Achieving these ambitions essentially boils down to accomplishing three key tasks:

1. We must reduce nitrogen emissions in our value chain. This applies both to emissions related to milk production on our member farms and to emissions from milk processing.
2. Safeguarding the basic quality of biodiversity. Our members manage a large part of landscape in the Netherlands, Germany and Belgium and therefore have both the responsibility and the potential to safeguard the basic quality of biodiversity.
3. Protecting vulnerable ecosystems and species. Our activities have an impact here. These ecosystems and species are extremely valuable, so we want to protect them as much as possible. For example, we encourage the protection of meadow birds and assess whether our production locations are located in the vicinity of vulnerable nature areas.

We also have an impact on biodiversity through the sourcing of soy, among other things, for animal feed. See the section on indirect sourcing of commodities on page 77.

## Policies

In 2025, we developed and adopted our Planet Policy. For more information on this policy, see page 58. This policy describes our approach to protect biodiversity and contribute to nature-positive outcomes and is built on the following principles:

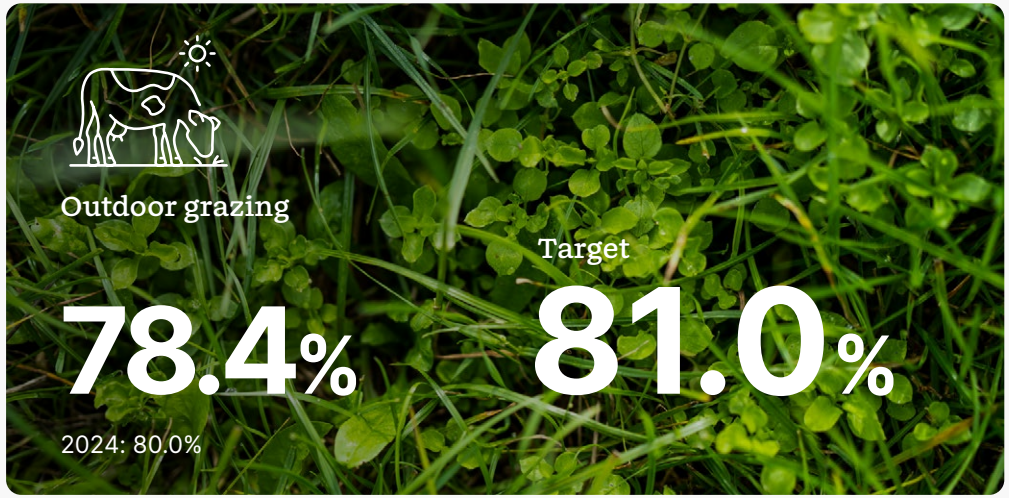
- Alignment with the Kunming-Montreal Global Biodiversity Framework.
- Nature capital risk assessment as the base.
- Primary focus on high-risk areas.
- Integration of nature and biodiversity into our decision making.

## Progress

We are working on setting targets and implementing metrics to address our impact on nature. We aim to disclose additional metrics next year.

For the production of milk by our member farmers, the Dairy Farming Biodiversity Monitor plays an important role. In 2017, FrieslandCampina, World Wide Fund for Nature (WWF Netherlands) and Rabobank developed this tool. Based on a variety of indicators, this tool provides insight into the impact dairy farms have. Since 2018, we have included these indicators in Foqus planet Sustainable development, FrieslandCampina's sustainability programme for member dairy farmers. This system monitors the integral impact individual farms have on nature annually, including their impact on the soil, emissions to air, land use, biodiversity management and greenhouse gas emissions. The result is rewarded with a financial premium on the milk price.

In addition to monitoring with the biodiversity monitor, we also work on concrete farm measures that contribute to our three key nature tasks. Outdoor grazing is an example of this. It contributes to reducing nitrogen losses and ensuring the basic quality of biodiversity. The progress is disclosed below, expressed in the percentage of dairy farms that apply outdoor grazing.




In 2025, 78.4 percent (2024: 80.0 percent) of member dairy farms in the Netherlands practiced a form of outdoor grazing. This is lower than the 81 percent sector target and a decrease compared to 2024. Several factors play a role in the decision whether and to what extent a dairy farmer decides to apply outdoor grazing, including legislation, business operations, animal diseases and seasonal effects.

Besides the impact of milk production in our upstream value chain, FrieslandCampina also considers the impact of our production sites on nature. Specifically for the protection of vulnerable ecosystems and species, we assessed in 2025 which of our production sites are located near protected or biodiversity-rich areas. For our own operations, it has been determined that 46 of 49 production sites are located near protected or biodiversity-rich areas at the end of 2025 (2024: 48 of 51 sites). This does not necessarily mean that our activities will have a significant negative impact on these areas. However, if this is the case, we aim to reduce it. Therefore, in 2025, we started assessing the impact per site. This involves comparing the sensitivities of biodiversity-rich areas with data from production sites, such as emissions, water withdrawals, and water quality. Once this analysis is completed in 2026, we will develop action plans for the sites with a potential negative impact on nearby protected or biodiversity-rich areas.

The discharge of treated residual water at production sites is something we monitor and pay attention to. Over the coming years, government standards for discharging nitrogen, phosphates and sulphates, for example, will be refined. As a company, we are taking measures because we also want to comply with future legal and social requirements.

## Actions

While the monitoring and reporting of our nature targets are still in development, we already take initiatives to work towards the ambition of net positive impact. FrieslandCampina supports member dairy farmers with knowledge, tools, and partnerships. We also collaborate with member dairy farmers on the aforementioned three key tasks:

**1. Reducing nitrogen emissions in our value chain**

FrieslandCampina is taking a multi-faceted approach to reduce nitrogen emissions across its member farms. The roadmap focuses on feed management, grazing practices, herd longevity, and farm-specific innovations.

### Optimising protein in feed rations

Nitrogen losses are significantly reduced by aligning the protein content in cow feed closely with the nutritional needs of dairy cows. This improves nitrogen efficiency and reduces environmental impact.

### Promoting outdoor grazing

Outdoor grazing helps lower ammonia emissions by reducing manure accumulation in barns and keeping urine and manure separate on the field. This prevents the conversion of urea into ammonia. Grazing also contributes to lower methane emissions, as fresh grass reduces enteric methane production in the rumen. FrieslandCampina supports (partial) outdoor grazing through financial incentives and rewards for reducing greenhouse gas and ammonia emissions.

### Extending cow longevity

Through its animal health programme, FrieslandCampina encourages longer longevity for dairy cows. Older cows are more efficient in nitrogen utilisation, which contributes to lower nitrogen emissions over time.

### Farm-specific innovations and collaborations

Depending on the farm structure, FrieslandCampina promotes collaboration with arable and horticultural partners to enhance the nutrient cycle. For example, by using manure more effectively and cultivating additional roughage. For other farms, technological innovations such as manure separation offer alternative pathways to reduce nitrogen losses.

## 2. Safeguarding the baseline quality of biodiversity

In 2025, we continued to strengthen the baseline quality of biodiversity through the expansion of herb-rich grasslands. Building on the success of previous years, several initiatives were scaled up to further increase the acreage of these biodiverse grasslands across member farms.

From the brand Campina, in collaboration with dairy farmers, we sustained momentum by expanding herb-rich grasslands beyond the 1,200 hectares achieved in 2024. These grasslands, enriched with a variety of herbs and grasses, support biodiversity and improve soil conditions, helping crops and pastures better withstand drought and contributing to long-term resilience.

## 3. Protecting vulnerable ecosystems and species

In light of protecting vulnerable ecosystems and species we focus on two main areas, meadow bird protection and regenerative agriculture. Collaborating with partners is crucial to unlock change in ecosystems. The FutureFit Dairy initiative is a consortium that plays a crucial role.

### Meadow bird protection

In 2025, FrieslandCampina strengthened its commitment to protect ecosystems with the establishment of a meadow bird fund to financially support dairy farmers in preserving meadow bird populations. The fund, part of a broader biodiversity platform, allows for compensation for measures needed to protect meadow birds, such as herb-rich grassland, wetlands, rest periods, and extensive grazing. *Aanvalsplan Grutto* helps to raise funds to make this a success. Together with *Vogelbescherming Nederland* and *BoerenNatuur*, FrieslandCampina is working to improve nature and the business model for farmers. In 2025, the first 25 farms in the Dutch provinces

Friesland and Zuid-Holland received support, with many farmers dedicating more than 20 percent of their land to intensive nature management to protect meadow birds and their habitat.

### Regenerative agriculture

Dairy farming systems that connect with nature contribute to a positive environmental impact and strengthen ecological impact by improving biodiversity and soil health. Examples include nature-inclusive and regenerative agriculture, which combine climate and biodiversity goals and prioritise soil. FrieslandCampina emphasises measurable results; this is precisely where a major challenge lies for scaling up: clearly measuring, comparing, and remunerating positive impacts and improvements.

A combination of traditional knowledge and modern techniques is being used to promote healthy soils, clean water, and biodiversity. Since 2018, FrieslandCampina has been monitoring many of these results through Foqus planet, but further scaling up requires clear performance indicators, reliable data, and appropriate reward mechanisms.

To accelerate learning and adoption with our member farmers, we work in study groups that follow a structured process: establishing a baseline at farm level (soil, biodiversity, water, climate), testing practical measures such as more diverse (herb-rich) grasslands, rotational and extensive grazing, permanent ground cover, and targeted reductions in concentrates and fertilizer use, including sowing nitrogen-fixing clovers. In addition, the ecological impact and economic feasibility is evaluated jointly to determine what works and can be scaled. Four showcase farms, each reflecting a different business philosophy (organic, nature-inclusive, circular, and efficiency), act as practical hubs for peer-to-peer learning and demonstration, ensuring that proven measures are both ecologically sound and economically viable.

Customers and business partners in the value chain recognise these opportunities and are willing to invest. In 2025, the regenerative agriculture pilot programme expanded: the number of participating farms doubled from 30 to 60, thanks to increased collaboration with Lidl and support from the National Growth Fund programme ReGeNL.

In parallel, we are developing an integrated score of the intended outcomes of regenerative agriculture, complementary to Foqus planet, to capture progress on soil health, biodiversity, climate, and water and to explore a future basis for appropriate reward mechanisms. In the coming years, we aim to continue and scale this approach through partnerships, gaining new knowledge and insights that benefit our farmers and our partners across the value chain.

In this way, we are developing scalable, measurable approaches that strengthen soil fertility, farm resilience, and value creation throughout the value chain.

## Future Fit Dairy initiative

To accelerate the transition toward regenerative agriculture, FrieslandCampina and its partners Danone, Arla Foods, Rabobank, and DSM-Firmenich continued to scale the Future Fit Dairy Initiative (FFDI) in 2025. This pre-competitive initiative develops a shared monitoring framework for regenerative practices tailored to the dairy sector.

A major milestone in 2025 was the publication of the FFDI Farm-Level Monitoring Guidance, which translates the SAI Platform's Regenerating Together framework into a concrete, actionable approach for dairy farming in Northwest Europe. The result monitoring of all participating dairy companies are linked to this framework for consistency. Furthermore, FFDI entered into a strategic partnership with EIT Food to accelerate innovation and improve farmer support. This way sectors shape a future where dairy farming contributes positively to nature, climate, and community wellbeing.

**Methodology and assumptions**

**Outdoor grazing**

Outdoor grazing is understood to mean that all eligible lactating cows on a dairy farm can graze for at least 120 days per calendar year, for at least six hours per day (or at least 720 hours per calendar year), so they can maintain their natural grazing behaviour. In the reported figure, only Dutch member farmers are included.

**Sites near biodiversity areas**

Sites near protected biodiversity areas are reported if they are located within a range of 25 kilometres of biodiversity areas. This is considered a prudent approach (high threshold) but as such also covers the impact of nitrogen deposition through air. The number of sites also includes dairy farms owned by FrieslandCampina.

Biodiversity areas are defined as Natura 2000 and Natuurnetwerk Nederland areas (Europe) and Global Database Protected Areas (outside Europe). The assessment includes all production sites at 31 December of the reporting year.

**Lutjewinkel 1916**
Award-winning North Holland cheese made from meadow milk, naturally matured and known for its rich, distinctive flavour.

# Water withdrawals

## Material impacts, risks and opportunities

Our production processes involve using water in many ways. For example, as an ingredient, for transportation, the dissolving and mixing of products and for cleaning. Additionally, we use water in our production process, for cooling or heating, and for generating steam.

Water withdrawals in our production facilities, through both tap water from the drinking water network and from our own sources, may have a negative impact on the availability of fresh water, especially in water stress areas. Furthermore, we identified a reputational risk related to water discharges into sensitive marine areas or river basins (fresh or salt surface water). This could trigger stakeholder pressure and stricter compliance requirements that could lead to higher investment needs or reputational damage.

## Targets

FrieslandCampina aims to reduce water withdrawals in production processes, particularly in water stress areas. The target is to reduce water withdrawals to 3.9m$^3$ per ton finished products in 2030. This would be a 25 percent reduction compared to the base year 2018. As of next year, each site has a location specific target based on opportunities, risks and presence in water stress area.

## Policies

We developed and adopted our Planet Policy in 2025. This describes our nature principles and our approach to maximise circularity in the use of natural resources, including water. For more information, see page 58.

## Progress

| | 2025 | 2024 | % compared to 2024 | Target 2030 | Baseyear 2018 |
|---|---|---|---|---|---|
| Water withdrawals[1] | 21.9 | 22.9 | -4.4% | | |
| Water withdrawals in water stress areas[1] | 10.1 | 11.8 | -14.4% | | |
| Water withdrawals per ton finished products[2] | 4.7 | 4.9 | -4.1% | 3.9 | 5.2 |
| Water withdrawals per net revenue[3] | 1.6 | 1.8 | -7.6% | | |

[1] Water withdrawals are reported in million m$^3$.
[2] Water withdrawals per ton finished products is reported in m$^3$/ton finished products.
[3] Water withdrawals per net revenue is reported in thousand m$^3$/net revenue in million euro.

Absolute water withdrawals decreased by 4.4 percent in 2025 compared to 2024. The relative water withdrawal per ton finished product decreased by 4.1 percent compared to 2024. This decrease is the result of the completion of the start-up of the greenfield factories in Indonesia and Malaysia, consequently water withdrawals have been reduced to more regular use. In addition, water withdrawals have decreased at most of our sites worldwide as an effect of various reduction initiatives, particularly in water stress areas.

## Actions

The multi-year programme that started in 2024 to optimise the water use and chemical consumption of our cleaning processes in our locations, continued to run and deliver results throughout 2025.

In 2025 we have developed location specific targets, better reflecting the local nature of water challenges. These targets are based on opportunities such as reclaiming water from milk, and potential risks such as presence in water scarce or sensitive area. All location specific targets will go into effect in 2026 and add up to the overall 25 percent reduction versus the base year.

Also, we will change the location targets from water intensity (in $m^3$ per ton finished product) to absolute water withdrawals (in $m^3$). Whilst water intensity remains an important parameter for us to monitor efficient water use at our sites, it did allow for increased water withdrawals in case of growth of production volumes. Therefore, we will strive to reduce our absolute withdrawals as well.

## Reclaimed water from milk

Water is reclaimed from milk during processing. This water can be used in the production process, so reducing the volume of water we need to extract from other sources.

Cheese production also releases whey, a byproduct composed largely of water that serves as a raw material for products like infant and sports nutrition. While this water was previously lost, it has been reclaimed in Gerkesklooster, the Netherlands, since this year using a technique, reverse osmosis. We apply this in more and more locations and the quality and application are constantly improving. This application leads to lower water withdrawals and increased self-sufficiency of the production site in water consumption.

**Methodology and definitions**

Across FrieslandCampina, we use the Aqueduct Water Risk Atlas of the World Resource Institute (WRI) to determine if a production location lies in a water stress area. The Atlas projects the likelihood of water scarcity now and in the future (2030-2050). The list of water stress locations is updated whenever a new version of the Water Risk Atlas is published. If applicable, we supplement the knowledge contained in the list with what we know ourselves about any local constraints on water availability.

In addition to monitoring the list, we conduct regular water risk analyses. The goal here is to evaluate potential future operating risks. In this, we not only consider water availability, but also other aspects, such as water quality and pollution, access to safe drinking water for the local communities, and flood risks. We use an external methodology, the Water Hotspot Analysis, to do this.

We calculate water withdrawals based on water withdrawal from wells (ground water) and from tap water (city grid). We install water meters at various stages of the water flow(s) to measure the water withdrawals. Water withdrawals in areas with water stress are determined using the Aqueduct Water Risk Atlas for the period up to 2030. Reporting covers water withdrawals in areas with high or very high water stress. The atlas shows water stress per location and measures the ratio between the total demand for water and the available surface- and groundwater.

Water withdrawals per ton finished product is calculated by dividing the total net water withdrawal in cubic metres by the total production volume in tons. We also disclose the water withdrawal per net revenue. The water withdrawal of the consolidated group is thereby divided by net revenue, which is reconciled with the revenue figures from the financial statements.

# Land use and conversion

Land use and conversion directly alter ecosystems and natural habitats, while also contributing to climate change. FrieslandCampina's land use and conversion are related to both our direct sourcing of commodities and the indirect sourcing of these commodities, for example as part of animal feed.

## Direct sourcing of commodities

### Material impacts, risks and opportunities

In our upstream value chain, the cultivation of the non-dairy agricultural commodities we use in our production processes, such as palm oil, soy, cocoa, and paper and pulp may be linked to deforestation, resulting in negative impacts on nature.

### Targets

We are committed to achieving a 100 percent deforestation and conversion free status by the end of 2030, with an earlier target date for some commodities. For example, our ambition is that 100 percent of our direct purchases of palm oil, soy, paper and pulp will meet certification standards in accordance with our policy by the end of 2025.

In addition, we aim for sustainable and traceable sourcing of (non-dairy) agricultural raw materials and paper packaging. For selected commodities we set a 2025 target of 95 percent traceable to source.

### Policies

We developed and adopted our Planet Policy in 2025. It describes our approach to achieve a net positive environmental impact, including a deforestation- and conversion-free value chain. For more information, see page 58.

At the end of 2023, FrieslandCampina adopted a Responsible Sourcing Policy. This, among other things, describes our commitment to zero deforestation and zero conversion, and respecting human rights in the value chain. We expect our suppliers to adhere to the same ESG standards as the company. This policy is included in the onboarding of new suppliers, by means of the introduction of the Responsible Supplier Policy. In 2025, we signed this policy with key and strategic suppliers.

We are strengthening our monitoring of deforestation and conversion through improved traceability, satellite monitoring, and collaboration with suppliers. This gives us increasingly better insight into risks within our value chain. Where possible, we source certified segregated volumes, as this offers better traceability in the upstream value chain. At the same time, we acknowledge that purchasing segregated volumes without further effort does not always solve the challenges faced by smallholders, forests or workers in the value chain. To realise meaningful change, we combine certificates with additional measures, such as supplier engagement and addressing deforestation alerts from local communities and farmers. We apply these additional measures on sourced volumes with segregated, mass-balance or book-and-claim certificates.

## Progress

Where possible, we source certified volumes of commodities to ensure these are deforestation and conversion free. Different types of certificates are available in the market.

### Breakdown by certificate type for palm oil, soy and cocoa

| | 2025 | | | 2024 | | |
|---|---|---|---|---|---|---|
| Type of certificate | Palm oil | Soy | Cocoa | Palm oil | Soy | Cocoa |
| Segregated | 66% | 0% | 0% | 69% | 0% | 0% |
| Mass balance + monitoring | 17% | 4% | 68% | 10% | 3% | 65% |
| Mass balance | 8% | 0% | 32% | 13% | 0% | 35% |
| Organic / Non-GMO | 0% | 7% | 0% | 0% | 9% | 0% |
| Book and claim | 9% | 89% | 0% | 8% | 88% | 0% |
| **Certified volume** | **100%** | **100%** | **100%** | **100%** | **100%** | **100%** |

### Breakdown by certificate type for paper and pulp

| | 2025 | 2024 |
|---|---|---|
| Type of certificate | Paper & Pulp | Paper & Pulp |
| FSC Mix or PEFC certified | 36% | 39% |
| Recycled | 61% | 60% |
| **Certified volume** | **97%** | **99%** |

Based on the weighted average, in 2025 88 percent (2024: 88 percent) of the total directly sourced volume of palm oil, soy, paper and pulp is expected to be deforestation free based on certified segregated value chains, mass balance certification with additional monitoring, or organic/non-GMO standards. This is below our 100 percent ambition.

In 2025, book and claim volumes and the non-certified volume of paper and pulp increased due to increased production in regions where segregated and mass balance certificates are not yet sufficiently available in the market. To address this, we will work with our suppliers to increase certified volume with monitoring and onboard new suppliers with certifications and transparency in responsible sourcing. While this shift presents challenges, we also achieved volume growth with improved monitoring, underscoring our commitment to responsible sourcing.

Certification for these commodities remains a major challenge across the sector, due to two key factors. First, some markets are not yet mature in sustainability practices. Furthermore, the value chain is complex, with multiple traders and derivative products, which hinders full traceability.

Besides palm, soy, cocoa, and paper and pulp, for other raw agricultural raw materials like sugar and starches we sourced 100 percent of the materials with certificates in 2025 (2024: 100 percent).

Certificates for segregated commodities provide a high level of assurance of compliance with our responsible sourcing standards. This also applies to the certified non-genetically modified (non-GMO) volumes. For other streams, we supplement certification with additional monitoring measures.

For example, in 2025, we additionally monitored a large portion of the palm oil volume we sourced outside the European Union, and therefore not covered by the upcoming EUDR, using satellite imagery and on-site expertise via Starling, a tool developed by Airbus and the Earthworm Foundation to monitor deforestation. This represents 30 percent of the total palm oil volume sourced. Of this, 98 percent is deforestation and conversion free, and approximately 2 percent is linked to Starling alerts that were investigated. Together with our suppliers, we clarified that most of these cases involved community initiatives for land clearing or mining activities. These cases are therefore not linked to the activities of our palm oil suppliers. We continue to monitor land use changes using satellite imagery to ensure compliance and transparency.

This illustrates why it's crucial that we are always alerted and act promptly in the event of potential incidents. In the event of an alert, we work closely with suppliers to find a solution. If sufficient corrective measures cannot be taken, the partnership may be suspended or discontinued.

**Traceability to source**

We also trace various commodities back to source. Examples include palm oil, pulp and paper, cocoa and soy. Traceability permits us to further monitor the social impact (i.e., forced labour) and environmental impact (i.e., deforestation).

| | **2025** | 2024 | Target 2025 |
|---|---|---|---|
| % key commodities traceable to source | 94% | 92%[1] | 95% |

[1] In 2025 we extended the scope of the percentage of key commodities traceable to source with soy and soy derivatives, in line with our policy and upcoming EUDR legislation. Following this scope extension, the comparative figure for 2024 has been restated from 99 percent to 92 percent.

We did not reach the 95 percent target in 2025, despite progress made since 2024 thanks to strong supplier engagement in the palm oil sector. Challenges remain in achieving full traceability of soy, paper and pulp throughout the value chain. In 2026, we will intensify collaboration with our suppliers to further improve the traceability of these key commodities.

## Actions

In 2025, we have taken several actions to improve on responsible sourcing. We source cocoa through supplier-led programmes that support living income, child labour prevention, deforestation-free sourcing and traceability. Key initiatives include Cargill Cocoa Promise and Olam's AtSource. The size of these sustainable cocoa supplier programmes is disclosed in the table for the breakdown by cocoa certificates, under Mass Balance + Monitoring.

We publish our palm oil mill list and paper & pulp sourcing origins on our corporate website. This allows external parties to assess and alert us on possible cases. In 2025, we have received several cases raised by NGOs and customers. With all cases, we took immediate action to investigate with our suppliers and certification bodies.

**Partnering for sustainable sourcing**

Since 2024, we have partnered with Earthworm Foundation. Our partnership focuses on improving traceability, alerts on possible grievance cases, and monitoring land use change via satellite images.

We are also part of the Coconut Alliance with GiZ, Barry Callebaut, Cargill, JDE Peet's, Nestlé, Procter & Gamble and Unilever. This four-year programme trains 10,000 farmers in sustainable practices.

To strengthen supplier engagement, we work with EcoVadis, a global leader in sustainability ratings. Suppliers disclose their ESG performance, and we use this data to assess risks by region and industry. This helps us manage ESG risks and improve upstream practices.

FrieslandCampina participates in the Dutch Initiative on Sustainable Cocoa, a public-private partnership focused on improving the living conditions of cocoa farmers and their families.

**Environmental risk assessment**
FrieslandCampina has conducted an Environmental Risk Assessment of sourced commodities. This risk assessment included environmental aspects such as greenhouse gas emissions, water withdrawals, water pollution and land-use-change and deforestation. We also assessed human rights aspects such as risk of forced labour, child labour, land rights and the presence of indigenous people.

The risk assessment uses scientific research, CSR risk assessment tools (i.e., GRAS and MVO Nederland), Forest 500, national databases (i.e., laws of forest management in different countries) and NGO reports. Based on the results, we prioritise products with an increased risk of deforestation, conversion, and human rights violations. This includes direct sourcing of palm oil, cocoa, soy, pulp and paper.

We monitor these commodities, accelerate our Zero Deforestation and Conversion Policy, and improve traceability down to the municipal and mill level. We also require suppliers of these commodities to sign the Responsible Supplier Policy and prioritise these commodities in our Human Rights Plan.

**Methodology and definitions**
**Scope**
Palm oil: palm oil and its derivatives, such as blended oils that contain palm, palm-based emulsifiers, etc. Indirect palm oil used as animal feed on FrieslandCampina's owned farms is included in scope. Feed sourced by our member farmers are out of scope.

Soy: soy and its derivatives, such as soy oil, lecithin. Indirect soy used as animal feed on FrieslandCampina's owned farms is included in scope. Feed sourced by our member farmers are out of scope.

Paper and pulp: paper-content packaging, corrugated carton.

To ensure timely and reliable reporting, the reporting period is based on the period November (reporting year-1) to December (reporting year). This adjusted reporting period applies to the disclosures on types of certificates as well as traceability to source.

**Categories of certificates for soy, palm oil and cocoa**
Certified segregated volume: By segregated certificates, we mean volume that is physically certified as being sustainable and which is kept separate from non-certified commodities throughout the supply chain. This model ensures high traceability and the integrity of the certified commodity.

*Certified mass balance + monitoring volume*: When a volume is sourced as mass-balance-certified, we use additional monitoring methods. These can involve either satellite monitoring or suppliers' evidence.
- *Satellite monitoring:* Monitor deforestation status of sourcing areas on satellite images.
- *Supplier monitoring:* Deforestation free verified based on a supplier's own control system that is audited by a third party. Another option is to source commodities through suppliers' sustainability programmes, in addition to certificates.

*Certified-mass-balance*: By mass-balance certificates, we mean a hybrid model that allows the mixing of certified and non-certified volume at any stage, but which tracks the volumes administratively. By enabling flexibility, this certification model supports the mainstream adoption of sustainable commodities while still promoting certified production.

*Organic / non-GMO*: Organic / non-GMO farming is governed by rigorous environmental standards that prohibit the clearing of natural ecosystems for agricultural use and as such exclude deforestation and conversion practices and ensure segregated volumes in the value chain.

*Book and claim*: By book-and-claim certificates, we mean a certificate trading system where credits from certified producers are purchased without requiring physical traceability of the commodity. This model supports sustainability efforts when physical segregation is not feasible.

**Categories of certificates for paper and pulp:**
FSC Mix or PEFC certified: Volume of paper and pulp that is certified FSC Mix or PEFC, with a part from FSC or PEFC-controlled sources.

*Recycled*: The volume of paper and pulp that is made from recycled material is counted as deforestation-free.

**Traceable to source**
The percentage of commodities traceable to source is calculated according to the volume of palm oil, pulp and paper, cocoa and soy purchased by the company that is traceable to source. The source for palm oil is defined as the local palm oil press. For cocoa the source is the local warehouse of cooperatives. For pulp and paper the source is the country of the respective forest. For soy the source is the province of origin, for the soy that is part of suppliers' sustainability programmes. For non-GMO soy, the source is defined as the country of origin.

**Certification**

**FrieslandCampina adheres to the guidelines of the following institutes / quality labels:**

| Commodity | Certification |
|---|---|
| Palm oil | RSPO |
| Soy | RTRS |
| Paper & Pulp | FSC/PEFC |
| Cocoa | Rainforest Alliance |

# Indirect sourcing of commodities

## Material impacts, risks and opportunities

The soy that member dairy farmers source for their cattle feed can contribute to deforestation and conversion. This can lead to habitat loss, soil degradation and negative impacts on biodiversity.

## Targets

Cattle feed to produce milk to supply to FrieslandCampina is one of the many things our member dairy farmers source. As soy often forms part of the feed they purchase, one of our goals is to ensure that this embedded soy (soy contained in another product, in this case milk) is deforestation- and conversion-free.

## Policies

In our Zero Deforestation and Conversion Policy, we commit to ensuring that indirect soy sourcing in animal feed will also be free from deforestation and conversion by 2030. To achieve this, we ask suppliers to ensure that sourced soy meets certification standards that align with our policy.

Since 2015, the Dutch Dairy Association, of which FrieslandCampina is a member, has an agreement with the Dutch Feed Suppliers Association (Nevedi) under which feed suppliers certify all soy in dairy cattle feed with RTRS certificates (Round Table on Responsible Soy) or equivalents. These certificates must ensure that production is deforestation-free, and we have agreed with our feed suppliers that they will only supply certified soy to our member dairy farmers. We have also recently added Deforestation and Conversion-Free criteria to better account for impact on land-use change.

Although certification is important, we acknowledge that the current system has limitations. Most certificates are purchased, including applying book-and-claim accounting, and there is no guarantee that the actual soy shipped to the Netherlands and used in animal feed is itself certified. We consider this to be a necessary intermediate step and not the end goal.

## Progress

All soy supplied to our member dairy farmers should be certified using RTRS certificates (or equivalents). These certificates are based on the book-and-claim method.

## Actions

In 2025, FrieslandCampina and the Dutch Dairy Association have asked the feed industry to take the next step to ensure that the land use and conversion impact of soy used in Dutch animal feed is lowered, on top of compliance with EUDR. Based on evolving insights and knowledge on this topic, new international standards and databases have become available. FrieslandCampina has urged stakeholders in the animal feed sector to transition to these new standards. Specifically, in the Dutch Dairy Association it is agreed with Nevedi to phase out the currently used SBLC certification system and, as of mid-2026, to use branded data from the Global Feed LCA Institute. By 2026, Nevedi aims to convert the current chain of custody based on book and claim to a system of controlled blending. This system will then be aligned with applicable standards.

# Animal health and welfare

## Material impacts, risks and opportunities

Animal welfare is a material topic within our upstream dairy value chain. Daily farm-level management practices directly influence the health and welfare of cows and calves. Together we continue to support continuous improvement in animal health and welfare, in alignment with stakeholder expectations and evolving regulatory standards.

Every day, our member dairy farmers devote themselves to giving their cows and calves a good life. They provide their cows and calves have a comfortable place to rest, sufficient quantities of nutritious feed, and they always have direct access to clean drinking water.

Respect for animal health and welfare is increasingly important to our customers, consumers, and society at large. Incidents that compromise animal welfare can undermine public confidence. At the same time, proactive engagement with member farmers and the promotion of best practices offer opportunities to strengthen our brands, enhance resilience, and contribute to more sustainable farming systems.

## Targets

We target that on 90 percent of our dairy farms, the average age at which cows are culled is higher than the sector average for 2018 (5 years, 6 months, and 20 days). This objective is in line with the goals of ZuivelNL' s Sustainable Dairy Chain Programme.

## Policies

We use our quality and sustainability programme for member dairy farmers, Foqus planet, to monitor and safeguard animal health and welfare. The programme is mandatory for member farmers. With the help of various tools, such as monitoring systems, member dairy farmers can continuously improve the health and welfare of their cows. For instance, all member dairy farmers must comply with the basic requirements in animal welfare, such as animal health checks and animal health plans. We use third party audits to monitor this closely, including milk testing, administrative controls and physical audits on the farm. If there are indications of problems in the area of animal welfare, additional audits and an obligation to improve will follow.

## Progress

| | **2025** | 2024 | Target 2030 |
|---|---|---|---|
| Average lifespan of cows | 6 years 1 month 2 days | 6 years 1 month 15 days | |
| % of member dairy farmers with average cow lifespan above 2018 average | 77% | 78% | 90% |

To encourage our member dairy farmers to continuously improve animal health and welfare, we reward them according to the results they achieve in lifespan and calf rearing.

In 2025, 77 percent of member dairy farms had an average lifespan in excess of the 2018 average (2018: 5 years, 6 months and 20 days). The average lifespan of cows on our member dairy farms was 6 years, 1 month and 2 days in 2025. The decrease of 13 days compared to last year was mainly caused by the bluetongue virus.

## Actions

Our member dairy farmers take more than hundred requirements into account to provide for the welfare of their cows and calves. These basic requirements apply to all member dairy farmers who supply milk to FrieslandCampina and go beyond the provisions of Dutch and European laws and regulations. We operate various programmes to support our member dairy farmers. In addition we work closely with specialised veterinarians. Each year, they prepare a health plan to maintain and ensure the welfare of their cows.

CowCompass (part of CowMonitor) is another basic requirement within Foqus planet. Under this, certified veterinarians assess the potential risks to the health and welfare of the cows. This is consistent with Welfare Quality®, the EU standard for animal welfare.

Antibiotics are only used when it is unavoidable. According to the Netherlands Veterinary Medicines Authority (SDa), an independent body, their use on our member dairy farms has decreased and is now at a low and acceptable level.

We also encourage our member dairy farmers to become more sustainable with their farms through Foqus planet Sustainable development. They are rewarded based on the results of sustainability indicators. For animal welfare, CalfOK and longevity are the indicators they are rewarded for. In 2025, 98.9 percent (2024: 99.6 percent) of member dairy farmers participated in CalfOK. This programme gives them insight into the quality of their process for rearing young livestock. Dairy farms with a high CalfOK score receive a premium. Due to the addition of new members who have not yet all registered to participate in CalfOK, there is a slight decrease compared to 2024.

### Lifespan of cows

We offer member dairy farmers practical tools for obtaining more insight into responsibly extending the lifespan of cows and the measures they can take.

Responsibly extending the productive lifespan of dairy cows enhances both sustainability and farm profitability. By keeping cows healthy and productive for longer, fewer young livestock are needed as replacements. As a result, resources required to raise them are reduced. This also leads to lower greenhouse gas and ammonia emissions. In this way, animal welfare, lower environmental impact, and farm efficiency reinforce each other.

In 2025, we launched a pilot programme focusing on cow lifespan, bringing together study groups of farmers to explore best practices and share insights. To support learning and inspire adoption, a series of videos has been produced in which farmers share their real-life experiences and demonstrate how they successfully implement these measures on their farms. This initiative strengthens the practical integration of sustainability and business performance, showing that long-term cow health is not only beneficial for the environment but also for the farm's economic resilience.

### On the way to PlanetProof

Approximately 800 FrieslandCampina member dairy farms in the Netherlands supply milk with the On the way to PlanetProof sustainability label. This label, developed and managed by the foundation Stichting Milieukeur (SMK), is known for its integral sustainability approach. The criteria for participation in this quality mark are revised annually. Since 2025, all On the way to PlanetProof participants have been subject to additional requirements regarding cow comfort, including soft lying areas, cubicle size, walking surface profile, measures to prevent heat stress, and preconditions for housing calves and youngstock.

In addition, SMK announced in 2025 that it would launch a pilot programme with the *Dierenbescherming*, the Dutch Society for the Protection of Animals, effective January 1, 2026, in which approximately 30 FrieslandCampina On the way to PlanetProof dairy farmers will participate. The pilot programme offers participating dairy farmers the opportunity to accelerate their animal welfare progress. They will work with a list of measures based on the criteria of the *1-ster Beter Leven* quality mark from the *Dierenbescherming*. For the three-year duration of the pilot programme, they will receive an additional bonus per kilogram of milk, in addition to the standard On the way to PlanetProof bonus of 5 cents per kilogram of milk. A key objective of the pilot programme is to investigate the practical and financial needs of these dairy farmers to achieve the required animal welfare goals toward the *1-ster Beter Leven*. The On the way to PlanetProof and *Beter Leven* sustainability labels will continue to exist alongside each other, but through coordination and collaboration, including with supermarkets, progress in making dairy products more sustainable will be accelerated throughout the entire value chain. The ambition of all parties involved is to further expand the pilot programme in the future.

**Methodology and definitions**
The average lifespan of cows is calculated as the average age at which cows die on the farm or are culled for slaughter (death occurring within 7 days of leaving the farm), based on Identification & Registration (I&R) data. Lifespan is expressed as the number of days from birth to death.

By law, births and deaths of cattle must be reported to the government I&R system within three working days. For more information on registration, see rvo.nl.

The reported figures include only data from our Dutch member farms.

**Active detection and preparedness for animal diseases**
Early this year, foot-and-mouth disease (FMD) was confirmed in Brandenburg, Germany. The consequences were immediately felt: strict export restrictions and uncertainty about the processing of German milk.

Within the dairy sector, List A diseases, such as foot-and-mouth disease (FMD) and Lumpy skin disease (LSD), pose a significant risk. An outbreak not only impacts animal health and welfare, but also the availability of milk, processing, export opportunities, and consumer and customer confidence.

These diseases are legally notifiable and can lead to immediate trade restrictions, quarantine measures, and prolonged production interruptions. Economic damage can mount due to production standstills, loss of reputation, and additional costs for prevention and control.

FrieslandCampina actively collaborates with supply chain partners and regulators to mitigate risks through monitoring and crisis preparation. In the Netherlands, we use sector-wide Monitoring and surveillance to detect the early introduction of infections. For dairy farmers, hygiene is a key requirement for milk supply. Nevertheless, the risk of introducing or spreading List A diseases remains a key focus within our sustainability strategy and risk management.

# Circularity

FrieslandCampina uses packaging materials to protect our products, to transport them safely to customers and to ensure they are quick and easy to use. In addition, we ensure that our packaging materials are reused and recycled to the maximum extent possible. We work towards a circular packaging portfolio by 2050.

## Packaging

### Material impacts, risks and opportunities

The use of virgin (fossil-based) materials in packaging drives resource extraction and plastic production, contributing to climate change and other environmental impacts.

We contribute to the circular use of packaging materials by designing packaging for recycling. If packaging waste is not collected or recycled properly, it may leak into the environment as litter or microplastics, contributing to pollution.

Upcoming or changing legislation may require product reformulation, packaging changes or new compliance measures. These could lead to increased operational costs, investment needs or adjustments to the product portfolio that could impact our competitiveness.

### Targets

We are working towards a circular and climate-neutral packaging portfolio. In a circular packaging chain, new packaging is made from sustainable materials and recycled after use. Efficient packaging circularity can significantly lower emissions and prevent pollution.

The goal for 2025 was to have 93 percent of our packaging designed for recycling. We also refined our 2030 targets in 2025. The goal is for all our packaging sold in European markets to be 100 percent designed for recycling in 2030. This applies to four of our business groups: Europe, Retail & Americas, Professional, and Ingredients. For the other three business groups, the focus is primarily on collaborating on the development of recycling facilities, in parallel with making our packaging recyclable. This split by business group ensures that the right focus can be placed on what is needed for each specific business group and its underlying countries, ultimately achieving a circular packaging portfolio. We will adjust the reporting for this from 2026 onwards.

2025 is the first year in which we report the share of sustainable packaging materials. We have not yet set a target for this metric and we expect to define the target in 2026.

### Policies

We developed and adopted our Planet Policy in 2025. For more information, see page 58. This policy describes our nature principles, our approach to maximising circularity in the use of natural resources and to minimising the use of virgin materials.

This approach focuses on the following two areas:

- System transition
- Value chain collaboration

We strive to using circular and net climate-neutral packaging. For this purpose, we work on dedicated programmes to reduce the use of materials, increase recyclability and integrate recycled content into our packaging design.

**Recyclable packaging**
As well as introducing recyclable packaging, FrieslandCampina encourages the development of better recycling chains and the responsible use of materials in the production of packaging. For example, when the impact of a new material or technology on recycling is unclear, we run tests to be sure the packaging can be recycled properly.

Recycling materials such as plastic to food-safe quality is very challenging. We therefore work with other parties in the packaging value chain to improve sorting and recycling and so increase the availability of recycled material for food packaging. In addition, we continuously investigate whether packaging can be made with less material.

Sometimes, choosing the right packaging involves trade-offs. Metal packaging, for example, can create higher emissions than plastic packaging, but it is much better to recycle. This makes it important to have a good understanding of the consequences of packaging choices in order to make the right decisions.

**Sustainable materials**
We strive to increase the use of sustainable materials in our packaging as a way to reduce waste and limit packaging emissions. Increasing the use of recycled and renewable materials reduces the need for fossil materials, which is beneficial for the climate.

We monitor the percentage of recycled and renewable content in our packaging and we aim to increase this over time, as outlined in our internal Responsible Packaging Policy. To make sure that our recycled plastic originates from post-consumer waste, we work with our suppliers to ensure the correct certification is in place. To prevent deforestation, renewable packaging materials must meet our responsible sourcing standards and are certified as having come from deforestation-free sources (see page 73).

## Progress

| | 2025 | 2024 | Target 2025 |
|---|---|---|---|
| Outflow: Recyclable packaging | 93% | 92% | 93% |
| Inflow: Sustainable packaging materials[1] | 52% | | |

[1] As 2025 is the first year we are reporting this metric, comparative figures are not disclosed

The 1 percent improvement compared to 2024 for recyclable packaging is primarily attributable to the successful implementation of cheese packs en PET bottles at the Aalter (Belgium) facility.

## Actions

**Recyclable packaging**
In 2025, we made meaningful progress toward our recycling targets. This year, we focused on improving the recyclability of our sachets where recycling can be particularly challenging due to multi-material packaging. To address this, we took the initiative to redesign the sachets with a more advanced structure, one that's easier to recycle.

Together with our partners, we tested this new packaging. The results are promising: it maintains the high product quality our consumers expect, while offering significantly improved recyclability. Although the transition to this new material is still underway, this marks a meaningful milestone in our journey toward more circular packaging and a more sustainable future.

We know that creating circular packaging solutions requires collaboration across the value chain. That's why we're actively exploring new innovations and engaging with industry partners through consortiums and joint initiatives. By working together, we aim to accelerate progress and scale up solutions that make a real impact.

### Sustainable packaging materials

Re-using packaging can reduce material use and emissions, but it requires a food-safe system with high return rates. In the *Dutch Zuivelconsortium*, we assessed the feasibility of re-using packaging for fresh dairy in Dutch supermarkets. We concluded that consumer-facing re-use isn't viable in the short-term due to the lack of return infrastructure and high implementation costs. Therefore, we are now focusing on re-use opportunities in trade and transport packaging, which offer more practical and impactful solutions.

**Methodology and definitions**

**Recyclable packaging**

FrieslandCampina defines recyclable packaging as packaging that is designed to be effectively sorted and recycled within a waste processing system. To determine what recyclable packaging is, we use design guidelines from recognised organisations like RecyClass. We take each packaging component into account when making a design for recycling assessment. Each packaging product we assess is converted into the weight of the materials involved, which we then multiply by the sales volume of the product.

Part of our packaging portfolio falls outside scope as it uses relatively few materials. This concerns items with no packaging, feed and bulk packaging, and packaging with a sales volume below 10 kilograms. In addition, packaging from our Velder subsidiary and our joint venture DFE Pharma are not included in the scope due to limited data availability.

The consolidated percentage shows what portion of all our packaging material sold is recyclable. The consolidated percentage is calculated as the weight of recyclable packaging materials sold compared to the total weight of packaging materials sold.

**Sustainable packaging materials**

FrieslandCampina defines sustainable packaging materials as materials that are recycled, reused or are renewable. The percentage of sustainable packaging materials is calculated as the percentage of sustainable packaging materials (in kilograms) versus total procured packaging materials (in kilograms). Part of procured materials is out of scope due to limited data availability. This concerns packaging materials from our Velder subsidiary and our joint venture DFE Pharma that are not included in the scope due to limited data availability.

# S Social

## S Social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# Social

People's well-being is at the heart of everything we do. Our efforts in this area fall under the pillars 'Nutrition' and 'People' within our sustainability strategy.

To increase FrieslandCampina's social impact, we are committed to continuously improving the nutritional composition of our products and making our dairy products accessible to people in all income groups.

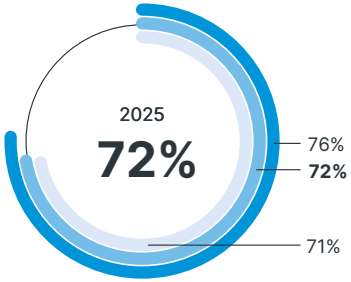
We also stand for a fair, inclusive and safe working environment in which everyone is treated with respect. In addition, we help build resilient food chains in Asia, Africa and Eastern Europe through our Dairy Development activities. This is how we build a future where everyone can thrive – from farmer to consumer and from employee to community.

# Nutrition

We believe in the power of dairy to nourish people of all ages – today and for generations to come. That's why we work every day to make high-quality, nutritious dairy accessible to all.

By unlocking the natural benefits of dairy, delivering safe and sustainable ingredients, and developing innovative solutions, we meet diverse nutritional needs across the globe. In doing so, we help improve food security, support healthy life styes, and strengthen communities. Our ambition to deliver healthy and sustainable nutrition for all is driven by two strategic pillars: Goodness of Dairy and Access to Nutrition.

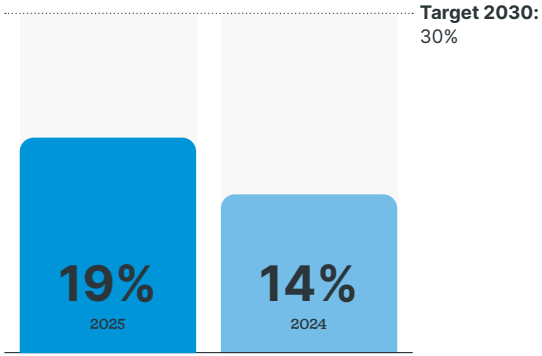
## Nutritious products




Share of sold volume of consumer products that contain proteins, calcium and/or other minerals and vitamins and that comply with the FrieslandCampina Nutrition Standards

2024 | **2025** | **Target 2030**

## Affordable nutrition




Share of products sold that are intended for affordable nutrition, measured by volume

# Goodness of dairy

## Material impacts, risks and opportunities

By offering nutritious consumer products providing essential nutrients, we help improve the diets and nutrient intake of millions of consumers.

## Targets

FrieslandCampina sets targets on compliance with FrieslandCampina Nutrition Standards for the consumer products portfolio, to track effectiveness of actions. When setting these targets, we consider the latest scientific insights, government requirements, recommendations from NGOs like the World Health Organisation, and consumer preferences and needs based on market research. We set targets for five-year periods and evaluate these annually.

## Policies

FrieslandCampina is committed to providing healthy and sustainable nourishment by increasing the share of nutritious consumer products we sell. These products deliver essential nutrients such as protein, calcium, and key vitamins and minerals. At the same time we limit added sugar and salt.

In our Nutrition Policy we explain that nutrition is an important part of our sustainability strategy and describe the global activities and objectives regarding better nutrition.

**Our approach is aligned with internationally recognised standards and guided by the following principles:**

- Alignment with Global Health Frameworks: Our efforts are informed by the WHO Global Action Plan for the Prevention and Control of Noncommunicable Diseases (2013–2030), ensuring our strategy contributes to global public health objectives.
- Clear Nutrition Standards: The FrieslandCampina Nutrition Standards define the nutrient criteria used to evaluate the health profile of our products.
  - Nutrients to Encourage – maintaining nutrients naturally present in milk and fortifying products to help address micronutrient deficiencies and combat malnutrition.
  - Nutrients to Limit – reducing components associated with overweight and diet-related noncommunicable diseases, such as added sugars and salt.
- External Benchmarking: We benchmark our nutrition performance using the internationally recognised, government-endorsed Health Star Rating (HSR) system to validate our internal standards. HSR scores are determined following the official HSR methodology and guidelines.
- Science-Based: Our product fortification practices follow international guidance, including the FAO General Principles for the Addition of Essential Nutrients to Foods and the WHO/FAO Guidelines on Food Fortification with Micronutrients.

## Continuous portfolio improvement

We want to continuously improve the nutritional quality of our products. A key focus of this effort is reducing added sugar and salt across priority product categories and geographies. Our approach is guided by a set of clear principles that ensure consistency, transparency, and measurable progress:

- Consumer insight–driven: We closely monitor consumer trends to support healthier choices and help people reduce intake of nutrients such as sugar and salt.
- Ongoing evaluation: We regularly assess sugar and salt levels across our portfolioto identify opportunities for improvement.
- Science-based standards: Our products are designed to meet FrieslandCampina Nutrition Standards or the specific nutrient-reduction targets established for reformulation and new product development.
- Gradual reformulation and innovation: We take a step-by-step approach to improving existing products while innovating new options with lower or no added sugar.

### Progress

| | **2025** | 2024[1] | Target 2030 |
|---|---|---|---|
| Share of sold volume of consumer products that contain proteins, calcium and/or other minerals and vitamins and that comply with the FrieslandCampina Nutrition Standards[1] | 72% | 71% | 76% |

[1] The FrieslandCampina Nutrition Standards are revised and updated. In this, we considered the latest scientific developments and the internationally recognised government-endorsed Health Star Rating system. As a result of this update of the standards, the 2024 comparative figures have been restated from 75% to 71%.

72 percent of consumer products (of the total volume sold) complied with the FrieslandCampina Nutrition Standards, which means we have reached our target for 2025 (adjusted for FCNS).

This increase in comparison to 2024 (71 percent) is primarily due to higher sales volumes of nutritious products resulting from promotions, new product launches and market conditions. In the upcoming years we continue to work towards our target for 2030.

## Actions

We continuously improve our portfolio by reducing added sugars and salt across key product categories and regions. And we support nutrition for all life stages by offering a wide range of products addressing daily nutritional needs of children, elderly and adults.

Before we launch or relaunch consumer products, we review their nutritional values. Examples of launches or relaunches which have contributed to the result in 2025:

- Netherlands, Optimel Protein Extra, with multivitamins and fiber, has been launched. Campina Greek-style yogurt and Chocomel protein, both rich in protein, have also been launched.
- In Thailand, we have reduced the sugar content in Foremost Choc Milk, and in Vietnam in certain Dutch Lady dairy products.

**Responsible marketing and communication / promoting better choices**
We are committed to responsible marketing and communication that empowers consumers to make informed, balanced, and health-conscious choices. Responsible communication strengthens trust in our brands and contributes to public health.

Our approach is guided by clear principles:

- We steer marketing and advertising resources to the promotion of nutritious products.
- We ensure to provide good and uniform nutritional information about our products, to empower consumers to make informed, healthy, nutritious food choices.
- We follow clear global standards on all marketing communications in line with the International Chamber of Commerce (ICC) Framework for Responsible Food and Beverage Marketing Communications, with restrictions on communications directed at children below the age of 16 unless the products meet strict nutrition criteria.
- Health claims are used only on products for the general public that meet our FrieslandCampina Nutrition Standards, ensuring transparency and accuracy.

**Methodology and definitions**
**Share of sold volume of consumer products that contain proteins, calcium and/or other minerals and vitamins and that comply with the FrieslandCampina Nutrition Standards.**
The percentage of sales volume from nutritious consumer products is calculated based on the FrieslandCampina Nutrition Standards. These are nutritional criteria that focus on maintaining the natural nutrients present in milk and limiting the quantity of calories, fat, sugar and salt in all our products. The criteria for trans-fat, saturated fat, added sugar and salt are derived from Choices International 2019 criteria. These criteria have been developed by independent scientists.

# Access to nutrition

## Material impacts, risks and opportunities

By making affordable, nutritious products available in lower- and middle-income countries, we contribute to improved access to essential nutrients among lower-and middle-income populations, supporting better health outcomes for these people.

## Targets

FrieslandCampina sets targets on the share of affordable products as part of the total portfolio, to improve accessibility and affordability of nutritious products for vulnerable communities in low- and middle-income countries. We set five-year targets and evaluate them annually.

## Policies

In our Nutrition Policy we explain that broadening the availability and affordability of nutritious foods can help to improve the nutritional quality of the diet for specific populations who are at a higher risk of malnutrition.

We embed availability and affordability principles across our operations, ensuring that our products reach vulnerable communities and contribute to improved food and nutrition security globally.

Our approach is guided by the following principles:

- We enhance food and nutrition security in low- and middle-income countries, with a focus on increasing access to affordable, nutrient-rich foods.
- We target populations with a daily per capita income between 75 percent and 200 percent of the poverty line, as defined by the World Bank, to ensure that our initiatives reach those most in need.
- We investigate the nutrition status of consumers to better address needs and effectively combat malnutrition.
- We apply FrieslandCampina Nutrition Standards, which set minimum nutrient criteria to design foods that deliver meaningful nutrition to underserved populations.
- We implement product mix initiatives across distribution, pricing, packaging, and reformulation to make nutritious options more accessible and appealing.

## Progress

| | **2025** | 2024[1] | Target 2030 |
|---|---|---|---|
| Share of affordable nutrition products in lower-middle income countries | 19% | 14% | 30% |

[1] The FrieslandCampina Nutrition Standards have been reviewed and updated including the affordable nutrition positioning considering the latest scientific developments. As a result, the 2024 comparative figures have been restated from 15% to 14%.

In 2025, 19 percent of our consumer products (of the total consumer product volume sold) was affordable for population groups with low incomes in selected countries, which means we have reached our 2025 target (adjusted for FCNS). We ensure that these products contain relevant nutrients required to combat malnutrition by providing the right quality and quantity of proteins, minerals and vitamins. Upcoming years we continue to work towards our target for 2030.

## Actions

We reach lower-middle income consumers through specific initiatives including distribution in general trade and neighbourhood stores, attractive pricing and small package sizes. These help to make products more affordable, but we realise this is not always the most sustainable solution. Via product improvement roadmaps and new product development, FrieslandCampina strive the affordability of the consumer products. Affordability is evaluated before (re)launching new consumer products. The initiatives in 2025 are:

- In Nigeria, the Peak dairy creamer is launched in affordable small sachets.
- In Pakistan, we promoted small packages of Olper's milk.

Additionally, we engage in commercial and non-commercial activities (like school milk programmes) to promote valuable nutrients in milk and increase access for children for example in Pakistan and Greece.

**Pakistan – School Milk Programme**
The School Milk Programme with Punjab government has been initiated for school year 2025 – 2026. With this programme we reach 153,754 students and 1,282 schools.

**Greece – Social Mission programme**
For two consecutive school years (2023–2025), in total 1,016,000 glasses of NOYNOY Family and NOYNOY Evaporated milk have been offered to underprivileged students from 340 schools in vulnerable areas across Greece.

Since 2023, FrieslandCampina Hellas, in cooperation with the Programme Nutrition (DIATROFI) of the Prolepsis Institute has been providing NOYNOY milks to schools in Greece. This initiative leverages the nutritional Power of milk to support children in need and combat malnutrition.

**AfricaNutrition: Improving nutrition insights in West Africa**
The AfricaNutrition study, conducted by FrieslandCampina together with local partners in Ivory Coast, examined the diets of more than 800 urban school-aged children and women of reproductive age.

The research identified important nutrient intake gaps, with particularly low intakes of calcium, riboflavin (vitamin B2), zinc, as well as vitamin A and folate in older children and women. The findings highlight a growing "double burden" of malnutrition, where more than half of women were overweight or obese, alongside widespread micronutrient inadequacies in the diets of both women and children.

Insights from AfricaNutrition are guiding FrieslandCampina's efforts to develop affordable, fortified dairy products tailored to local nutritional needs. By sharing these results with public health authorities, schools and NGOs, FrieslandCampina supports evidence-based nutrition programmes that help improve diet quality and contribute to healthier communities in West Africa.

**Methodology and definitions**
**% Share of affordable nutrition in lower-middle income countries**
The purpose of affordable nutrition products is to improve accessibility and affordability of nutritious products for vulnerable communities, particularly in low- and middle-income countries. These vulnerable families and children often have higher risk of malnutrition, obesity and/or vitamin and mineral deficiency. The products are designed to address their specific nutrient needs and those requirements are embedded in the FrieslandCampina Nutrition Standards. The share of affordable nutrition is calculated as a percentage of the total volume of consumer products sold in Ghana, Indonesia, Ivory Coast, Malaysia, Nigeria, Pakistan, Philippines, Thailand and Vietnam.

# Zero food waste

## Material impacts, risks and opportunities

Within our production processes we generate both material waste, such as packaging, and food waste. These streams have a negative impact on the environment, while food waste also reduces the availability of edible, nutritious food that could have supported food security.

## Targets

As a food company and cooperative of dairy farmers, we feel a collective responsibility to ensure that we neither waste nor lose valuable nutrients in the dairy value chain. It is something we are naturally passionate about and this drives us to aim for lower product losses every day. Over the years, we have converted many former residual and subsidiary flows into valuable and nutritious products. This in turn has helped create an efficient network of factories and complementary product streams.

As part of this drive, we also look beyond the own operations. By working with various partners and customers, we make sure that potential product losses are prevented or, wherever possible, repurposed for human consumption.

Despite high efficiency and low material losses in our own operations, we believe that we can improve further. Reducing product losses and repurposing product residue streams for more valuable nutritional uses form an inherent part of our global Supply Chain strategy and Performance+ programme. To achieve these ambitions, we are improving the data about and reporting on product loss in our own operations.

In 2026, we will continue working on improving reliable food waste monitoring at all our production sites. The next step is to establish a data-driven ambition and an action plan for reducing food waste.

## Policies

In 2025, we developed and adopted our Planet Policy. This describes our circularity principles and our approach to maximising circularity in the use of natural resources and minimising food waste throughout operations. For more information, see page 58.

## Actions

**Eagle Eye**
Within Global supply chain, the Eagle Eye Programme was started to reduce material losses in the broadest sense. One workstream focuses on the elimination of food waste, specifically losses of milk going to the drain in automated production processes. We use sensors to measure organic materials in the wastewater to better understand. These insights help to improve our processes, prevent food loss and save costs.

**Dutch Food banks**
FrieslandCampina is a long-standing partner of the Dutch Food Banks. In 2025, 1.4 million kilograms of dairy products were provided to food banks in the Netherlands. This provides people who live below the poverty line access to healthy dairy products and a balanced diet. At the same time, it is a way for FrieslandCampina to combat food waste.

**Look, smell, taste**
Since 2024, FrieslandCampina has been member of the Date Labelling Coalition, that was launched during the Towards Halving Food Waste in Europe conference. This coalition ensures that Dutch manufacturers and supermarkets will jointly and widely clarify the best-before dates on food products. By communicating more explicitly on packaging about how a consumer should handle the best-before date, steps are being taken to reduce food waste among consumers.

# Product quality and safety

## Material impacts, risks and opportunities

As a producer of nutritious foods, providing our customers and consumers with good quality products is central to what we do. Quality issues related to our products may have a negative impact on consumer health, consumer trust and our brand's reputation.

## Targets

The degree and number of consumer and customer complaints reflect the quality and safety of our products. Our aim is to reduce our complaint rates year after year, with the ultimate goal being zero complaints. To achieve this objective, we identify the biggest root causes contributing to complaints and solve them. As a company, we set targets for both consumer and customer complaints. The targets set for 2025 are approximately 25 percent lower than the targets set for the previous year.

## Policies

We use our Foqus global quality system to guarantee food safety and quality throughout our value chain, from livestock farming to distribution. Thanks to Foqus, we comply with all relevant national and international regulations and standards for food quality and food safety, such as FSSC 22000.

FrieslandCampina applies seven Golden Quality Rules that form the foundation of all our quality assurance efforts. These rules form a framework to oversee all our quality programmes and systems, including the Foqus quality system, and they apply to every country in which FrieslandCampina operates. You can find more information on our website: seven golden quality rules.

## Progress

Our quality departments handle any product incident promptly to ensure consumer safety and compliance with legal requirements, and guarantee product quality. We continuously monitor complaints from customers and consumers to measure and improve product quality and safety and limit the risk of quality issues.

| | **2025** | 2024 | Target (norm) |
|---|---|---|---|
| Consumer complaints ratio | 0.68 | 0.76 | 0.86 |
| Customer complaints ratio | 1.15 | 1.18 | 1.25 |

## Actions

The business groups have undertaken specific initiatives in 2025 to reduce the number of complaints and to improve the quality of products. This is based on the feedback received from consumers and customers. One of the focus areas in 2025 was to reduce complaints in pre-packed cheese and in the portfolio of business group Specialised Nutrition. This is done by strengthening process control, promoting a strong quality culture in our sites and improving packaging design.

**Feedback from consumers and customers**

FrieslandCampina has established an end-to-end complaint management process as the best way to learn from the feedback provided by our customers and customers. Both consumers and customers can raise their concerns or complaints regarding the quality or safety of products. Each market and business group has its own channels to raise complaints, such as web forms. This feedback is used to improve the quality and safety of our products. Every complaint is managed in our systems and is only closed after an answer has been sent to the consumer or customer. We assess consumer and customer complaints every month and initiate improvements. The Global Quality Director is responsible for addressing consumer and customer complaints.

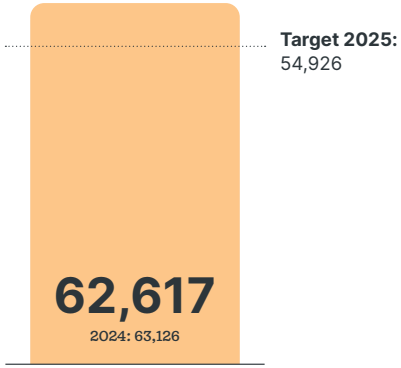
**Methodology and definitions**

The consumer and customer complaints ratio is calculated by dividing the total number of complaints received by the total number of consumer units produced (in millions) and the total consolidated production volume (in millions kg) respectively. The ratios reflect the formal dissatisfaction with our products and/or services. The ratios include the number of consumer and customer complaints relating to product quality and/or safety. Subsidiary Velder currently falls outside the scope of this calculation.

# People

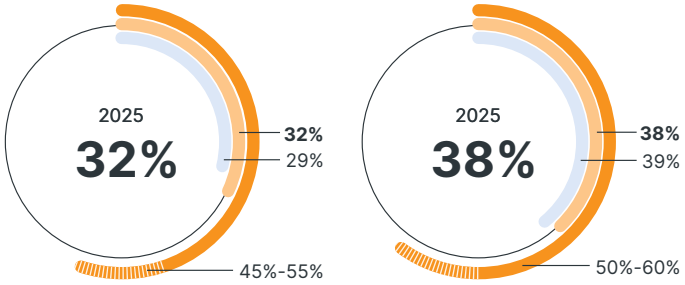
People are key at FrieslandCampina. As an organisation, we work on having an inclusive working environment in which everyone can be themselves and where we stimulate personal growth and talent development. This responsibility extends beyond our own organisation as we put real effort into ensuring that human rights are respected throughout the value chain. In addition, we support local dairy farmers in Asia, Africa, and Eastern Europe through Dairy Development activities. In this way, we help farmers to strengthen their farms and contribute to sustainable growth in their communities.

## Dairy Development




Number of local dairy farmers trained in Dairy Development countries

## Diversity in senior management




Women in senior management

Proportion of nationalities in senior management

2024 | **2025** | **Target 2030**

# Empowered people

Caring for people is in our nature. We want to make a positive impact on both our workforce and the communities in which we operate.

## Employees

### Material impacts, risks and opportunities

We provide adequate wages and respect for workers' rights, through policies that align with national labour laws and internal policies. This positively impacts employee well-being, job security and working conditions.

### Policies

Through our HR policies, we empower people at work. Our policies address talent management, rewards, secondary employment conditions and learning and development. When needed, policies are adjusted to align with local context, based on applicable legislation and necessary consultations with workers' representation bodies. The Chief People Officer, as member of the executive team, directs the implementation of the policies. Where relevant, the policies are available and interpreted to employees, as part of FrieslandCampina's internal communication.

### Company values

In 2024, we developed and activated three FrieslandCampina company values:

- We act with RESPECT.
- We aim HIGHER.
- We SUCCEED together.

Our values show who we are as a company, what we stand for and where we want to be. In 2025, we took further steps to embed our values across the organisation. To monitor how well our values are embedded, we added targeted questions to the employee satisfaction survey (Over2You) as well as the onboarding survey. We continued team-level activities throughout the year to help colleagues understand and apply our values in their daily work.

### Strengthening internal and external talent

In 2025, the global talent market remained highly dynamic, shaped by continued competition for skills, evolving workforce expectations, and the growing influence of technology on how people work and develop.

Our focus remained on fostering a culture that attracts, develops, and retains diverse talent capable of driving long-term success in a rapidly changing world.

In line with this ambition, we rolled out several key initiatives in 2025 to strengthen our overall talent approach:

- We continued to strengthen our employer brand. We are proud that FrieslandCampina was certified as a Great Place to Work in China and a Top Employer in Malaysia and Nigeria.
- We launched the Global Traineeship Programme.
- We strengthened our Global Mentoring Programme and included a dedicated Women Mentoring track.
- We improved our succession planning process.

## Employee engagement

FrieslandCampina values open dialogue with our employees and their representatives. We consult regularly with workers' organisations, coordinated by our Human Resources team and in line with applicable legislation. These organisations may represent employees at regional, national, company or site level. Consultations can lead to collective bargaining agreements that define working conditions for specific groups of employees.

Throughout the year, we collect employee feedback through our employee satisfaction survey (Over2You) to better understand how our employees experience working at FrieslandCampina. Regular feedback helps us tailor next steps with greater speed and focus. Managers can see the survey outcomes for their teams and follow up on these in team conversations. In September 2025, 87 percent of employees completed the Over2You survey (September 2024: 70 percent). The survey outcomes show an improvement in employee engagement (78 in 2025 versus 76 in 2024), which is also above the global external benchmark.

Effective internal communication helps to create a shared understanding and strong collaboration, and ensures everyone is aligned with the organisation's goals.

As part of our internal communication, we send a weekly newsletter to the global organisation, with news about FrieslandCampina. At least four times a year, we organise a live broadcast with the Chief Executive Officer, and often other executive team members, for all employees in which they update the organisation about our business strategy and results.

Through ongoing storytelling, content creation and (local) activations, we engage our employees with our company and help them understand why we exist, who we are, what our ambition is, where we invest, and how we are organised to reach that ambition.

## Employee data

In 2025, the average number of FTEs declined to 19.075 (2024: 19,576). The decrease in the average number of FTEs was, among other things, the result of the restructuring following Expedition 2030 and continuous organisation optimisations.

The following disclosures are not based on number of FTEs but on headcount.

### Number of employees per employment contract type and gender[1]

| | End 2025 | | | | End 2024 | | | |
|---|---|---|---|---|---|---|---|---|
| | Men | Women | Total | % | Men | Women | Total | % |
| Indefinite | 13,286 | 5,167 | 18,453 | 92.1% | 12,965 | 5,058 | 18,023 | 90.8% |
| Definite | 970 | 621 | 1,591 | 7.9% | 1,086 | 731 | 1,817 | 9.2% |
| **Total** | **14,256** | **5,788** | **20,044** | **100%** | **14,051** | **5,789** | **19,840** | **100%** |
| | | | | | | | | |
| Fulltime | 13,365 | 4,587 | 17,952 | 89.6% | 13,219 | 4,571 | 17,790 | 89.7% |
| Parttime | 891 | 1,201 | 2,092 | 10.4% | 832 | 1,218 | 2,050 | 10.3% |
| **Total** | **14,256** | **5,788** | **20,044** | **100%** | **14,051** | **5,789** | **19,840** | **100%** |

[1] Aside from reporting on the men/women category within FrieslandCampina, we also include a third category, 'other', in our reporting; these are employees who do not identify as male or female. Rounded, this category is 0.0 percent. Due to privacy considerations this category is included in the least represented group.

### Employees covered by collective bargaining agreements

The percentage of our people covered by collective bargaining agreements (CBA) is shown below. We show this for countries in the European Economic Area (EEA) where at least ten percent of FrieslandCampina's total employees work, and for regions outside the EEA.

| | 2025 | | | 2024 | | |
|---|---|---|---|---|---|---|
| | EEA | Non EEA | Total | EEA | Non-EEA | Total |
| Netherlands | 88% | | | 89% | | |
| Other EEA countries | 83% | | | 84% | | |
| Asia region | | 59% | | | 58% | |
| Africa region | | 72% | | | 70% | |
| America's | | 39% | | | 39% | |
| Oceania | | 60% | | | 60% | |
| United Kingdom | | 3% | | | 0% | |
| **Total** | **87%** | **60%** | **75%** | **87%** | **59%** | **75%** |

**Parrano Mozzarella Fior Di Latte**
Delicious and creamy mozzarella, ideal for preparing both hot and cold dishes.

## Number of employees by country

We disclose employee numbers (by gender and country) only for those countries that represent at least ten percent of the total workforce of FrieslandCampina.

| | End 2025 | | | | End 2024 | | | |
|---|---|---|---|---|---|---|---|---|
| | Men | Women | Total | % | Men | Women | Total | % |
| Netherlands | 5,564 | 2,157 | 7,721 | 38.5% | 5,722 | 2,144 | 7,866 | 39.6% |
| Indonesia | 1,772 | 247 | 2,019 | 10.1% | 1,824 | 270 | 2,094 | 10.6% |
| Other | 6,920 | 3,384 | 10,304 | 51.4% | 6,505 | 3,375 | 9,880 | 49.8% |
| **Total** | **14,256** | **5,788** | **20,044** | **100%** | **14,051** | **5,789** | **19,840** | **100%** |

## Number of employees by age category

| | End 2025 | % | End 2024 | % |
|---|---|---|---|---|
| < 30 years | 2,458 | 12% | 2,375 | 12% |
| 30 – 50 years | 12,475 | 62% | 12,373 | 62% |
| > 50 years | 5,111 | 26% | 5,092 | 26% |
| **Total** | **20,044** | **100%** | **19,840** | **100%** |

## Employee turnover

| | 2025 | 2024 |
|---|---|---|
| Employee turnover | 11.7% | 15.8% |

When calculating employee turnover, we include all voluntary and involuntary leavers. In 2025, 2,309 employees left the company (2024: 3,204). The percentage calculation is based on the average number of employees during the reporting year. The decrease is mainly attributable to the normalization of employee turnover following the increased outflow in 2024 as a result of Expedition 2030.

## Adequate wages

FrieslandCampina aims to pay an adequate wage to all our people. In 2025, we evaluated the differences between what we pay employees, the applicable minimum wage levels, and the internationally recognised benchmark for living wages, from Fair Wage Network.

The analysis showed that all employees are paid at or above the applicable minimum wage and ensures full compliance. The analysis for living wage is also performed as additional monitoring step. The results of this analysis show a health picture.

**Methodology and definitions**
**Adequate wages**
The adequate wage analysis is conducted based on employee data and the external benchmarks of Fair Wage Network as per 31 October 2025. The analysis covers all our employees.

The compensation of FrieslandCampina employees includes fixed annual gross base salary and selected guaranteed annual allowances. For most countries, we only analysed fixed annual gross base salary. However, to determine the actual gap, the selected guaranteed allowances were included for Pakistan, Hungary, Vietnam and the Philippines.

## External workforce

External workers (including contingent workers and third-party workers) form an important part of our total workforce. We actively include them in our culture, onboarding and safety programmes and aim to improve our processes to ensure that everyone working for FrieslandCampina adheres to the same standards of safety, integrity and inclusion.

# Diversity, equity and inclusion

## Material impacts, risks and opportunities

At FrieslandCampina, we advancing (gender) equality, diversity and equal opportunities in our workforce. With inclusive policies and practices, we improves employee wellbeing, dignity and access to opportunity.

We value the uniqueness of everyone and believe in the power of together. We want to create a working environment that allows all people to bring their best and authentic selves to work. This contributes to better and more sustainable business performance. We endorse the UN Women's Empowerment Principles (WEPs).

## Policies

Through our Global Diversity, Equity and Inclusion (DE&I) Policy, we are committed to 2030 targets for diverse leadership representation and equal opportunities among employees. The policy was adopted by the Executive Board and the Supervisory Board in 2023. An employees' organisation was involved in the development process. The Chief People Officer, as a member of the executive team, directs policy implementation.

The DE&I-strategy has three focus areas to support its implementation:

- FrieslandCampina has a diverse workforce – built on mutual differences.
- FrieslandCampina is inclusive – each individual belongs and has equal opportunities.
- At FrieslandCampina we grow together – our culture reflects every individual's best self.

We regularly communicate the company values and respectful behaviour, for example during International Women's Day and multiple cultural festivals. We also encourage employees or other stakeholders who have concerns about potential violations of the values to raise them using our Speak Up procedure (also see page 116, Speak Up).

## Progress

We set several targets to further improve gender equality, diversity and equal opportunities. In the below table, seniormanagement is defined as all positions at or above a certain job-level.

| | **2025** | 2024 | Target 2030 |
|---|---|---|---|
| Women in senior management | 32% | 29% | 45%-55% |
| Women at FrieslandCampina (worldwide) | 29% | 29% | |
| % non-Dutch in senior management | 38% | 39% | 50%-60% |
| % non-Dutch (worldwide) | 65% | 64% | |
| Women in Executive Team | 23% | 25% | 30% |
| Women on Executive Board | 25% | 25% | 30% |
| Women on Supervisory Board[1] | 36% | 44% | 33% |

[1] As of January 1, 2026, B.M. Eeckhaut joined the Supervisory Board, increasing the percentage of women on the Supervisory Board to 42 percent as of that date.

In 2025, we refined the targets for women in senior management and the percentage of non-Dutch in senior management to a range rather than a fixed ratio. This change reflects the reality that workforce composition is dynamic and influenced by factors such as recruitment cycles, internal mobility, and market availability. A range provides a more realistic and sustainable benchmark while maintaining our commitment to gender equality and diversity.

By the end of 2025, our workforce comprised 111 different nationalities (2024: 114 different nationalities). At the end of 2025, the executive team consisted of 13 people (2024: 12 people) with 5 nationalities (2024: 5 nationalities).

## Actions

In 2025, FrieslandCampina made significant progress in advancing Diversity, Equity & Inclusion.

- We implemented a comprehensive DE&I strategy, built around seven pillars, each sponsored by a member of the executive team.
- Key initiatives, including gender-balanced shortlists, inclusive assessments, and formal and informal mentoring programmes for women and international talent, contributed to an increase in representation of women in seniormanagement, rising from 29 percent to 32 percent.
- We hosted webinars on inclusive language, psychological safety, and unconscious bias. Through our employee satisfaction survey (Over2You), we measure the Inclusion Index, which shows the extent to which employees feel we foster a climate where diverse perspectives are valued. In 2025, the Inclusion Index increased to 78 (2024: 76), aligning with the global benchmark.
- We conducted a gender pay gap analysis and launched the Adequate Wage project.

These efforts contributed to FrieslandCampina being nominated as a finalist for the LEAD Network's Partner Best in Class Award 2025, a recognition of companies driving meaningful DE&I transformation.

## Gender pay gap

FrieslandCampina aims to be a fair and inclusive workplace for all employees. One of the key measures we use to assess this ambition is the gender pay gap. The gender pay gap reflects the difference in average annual income between all women and men at FrieslandCampina, regardless of the work they perform.

| | 2025 |
|---|---|
| Gender pay gap[1] | -24% |
| Equal pay for equal work[1] | 5% |

[1] As 2025 is the first year we report this metric, comparative figures are not disclosed.

Our 2025 analysis shows a gender pay gap of 24 percent in favour of women. This difference is mainly since; women hold on average higher-level positions and are less represented in production roles than men. As a result, the average pay for men is lower, leading to an overall gender pay gap in favour of women.

In addition, we assessed equal pay for equal work. This assessment compares the pay of men and women employees within similar job roles, countries, and job tenures. For 2025, this stands at 5 percent in favour of men. Our ambition is to achieve equal pay for equal work across FrieslandCampina and have therefore initiated measures to correct any discrepancies.

**Methodology and definitions**
**Gender pay gap**
The gender pay gap analysis is performed for all FrieslandCampina employees and includes the annualised salary, short-term incentive plan and long-term incentive plan. The analysis does not include other allowances or benefits. The analysis is conducted annually based on data as of the end of June. The gender pay gap refers to the difference in annual income between all women and men in FrieslandCampina, regardless of the work they perform. It is calculated as follows: (average total annual income of men -/- average total annual income of women) divided by average total annual income of men.

**Equal pay for equal work**
The equal pay for equal work analysis is based on the gender pay gap, but in addition compares annual income for women and men within similar job roles, countries and job tenures. This analysis covers 89 percent of employees, excluding cases where groups of men and women are not comparable due to limited numbers for proper analysis or other limitations in data quality.

## Remuneration Ratio

In this annual report, we disclose two remuneration ratios: one based on the requirements of the Dutch Corporate Governance Code (see page 148), and another based on the requirements of the CSRD (see below). The difference between these two ratios comes from the different methodologies prescribed by the CSRD and the corporate governance code.

| | 2025 |
|---|---|
| Remuneration ratio [1] | 65 |

[1] As 2025 is the first year we report this metric, comparative figures are not disclosed.

**Methodology and definitions**
**Renumeration ratio**
The remuneration ratio is calculated by dividing the remuneration of the highest paid individual (CEO) over the remuneration of the median employee (excluding the highest paid individual). The remuneration ratio is based on the same data which is analysed for gender pay gap reporting, as per the end of June of the respective year.

The difference with the pay ratio disclosed in the Corporate Governance paragraph comes from using different methodologies. The remuneration ratio as presented here in the ESG paragraph only includes annualised income and is based on the median of employees (instead of the average). In addition, the pay ratio as presented in the Corporate Governance paragraph is calculated as per 31 December and the remuneration ratio as presented here is calculated as per the end of June of the respective year.

## Diversity in Executive Board and Executive Team

The composition of the Executive Board and the Executive Team, as of 13 February 2026, is reported on page 269. For more information, see the Governance chapter, page 110.

The target is to have at least 30 percent representation of both men and women in the Executive Board and the Executive Team.

As a general preference, internal candidates are recruited for both bodies. Therefore, it is important that women candidates are sufficiently represented in management below the Executive Board. In (re)appointments, FrieslandCampina will consider balanced gender participation as an additional selection criterion.

**Friso Prestige Pura**
Organic infant formula launched in 2025, developed with carefully selected ingredients.

# Health and safety

## Material impacts, risks and opportunities

Health and safety incidents in the workplace, caused by operational risks in production, logistics and other high-risk areas, can lead to injuries or fatalities, negatively impacting the physical well-being and lives of our workforce, contractors and visitors.

## Targets

Guided by our core value *we aim higher*, we have set a bold target for 2025: to achieve a 50 percent reduction of accidents in 2025 compared to the 2024 baseline. With this we raise the bar and we aim to make a meaningful impact on our business, our people, and the world around us. The safety of people is our highest priority.

## Policies

FrieslandCampina strives for zero accidents. Through the Safety Policy, we commit ourselves to the safety and health of our employees and everyone involved in our business. We take specific measures for leadership and employees, contractors and visitors to prevent accidents.

The Chief Supply Chain and Research & Development Officer oversees the FrieslandCampina policy, which is implemented by Supply Chain. HR is involved when it comes to the well-being of employees. Relevant safety rules are continuously available and proactively communicated to all people working at FrieslandCampina or visiting our company.

## Progress

| | **2025** | 2024 | Target 2025 |
|---|---|---|---|
| Number of accidents including contractors | 119 | 123 | 63 |
| Number of accidents excluding contractors | 96 | 96 | 48 |
| Accident ratio (per 200,000 hours worked)[1] | 0.49 | 0.47 | 0.22 |

[1] Due to a change in the definition of hours worked for contractors, the comparative figure has been restated from 0.43 to 0.47.

Although in absolute numbers fewer accidents were reported, the relative accident ratio of FrieslandCampina increased.

On July 4, 2025, a serious incident occurred at our Borculo site. Hydrochloric and nitric acid were mixed, resulting in a vapor cloud and explosion. Fortunately, no one was injured, and the impact on local residents and nature was limited based on the latest insights. We will assess the results of ongoing investigations and follow up where necessary. Immediately afterward, additional safety measures were implemented worldwide, such as the six-eye principle, stricter procedures, and additional employee training.

In January 2025, a fatal accident occurred at the joint venture DFE Pharma's site in Cuddalore, India. The incident was thoroughly investigated, and corrective actions have been implemented to prevent recurrence.

In 2025, no employees died due to work-related illnesses. Although the risk of serious health damage in daily work is relatively low, safety and health remain a top priority, and we continue to take measures to protect our employees.

## Actions

In 2025, FrieslandCampina built on the improved data and trend analyses developed in 2024 to implement focused campaigns aimed at enhancing safety performance across our global sites. These targeted initiatives have strengthened our ability to proactively manage risks and foster a safer working environment. Additionally, the re-energised *Our Life Saving Rules* were further implemented resulting in an improved safety culture.

In 2025, we advanced employability and wellbeing through a holistic approach built on five pillars: mental, emotional, physical, financial, and meaning. Key initiatives included reducing illness rates in our factories in the Netherlands through joint HR and plant management efforts, launching a women's health programme, and running annual health and wellbeing learning programmes.

We continuously measure impact through the Over2You survey, where wellbeing is a focus area, and use these insights to shape actions (see Employee Engagement on page 97).

**Global management system**
The Global Safety Health Environment & Sustainability management system (SHE&S) has been set up in accordance with NEN-EN-ISO 45001, 14001, 50001 and NTA 8620.

This management system applies to all FrieslandCampina entities and joint ventures in which the company has financial or operational control. It therefore covers 100 percent of our own workforce.

The management system contains policies, standards and procedures that apply to our own workforce, supervised contractors, external contractors and visitors. The standards regarding the global management system are binding and must be adhered to by everyone working for FrieslandCampina or on a FrieslandCampina location.

Using the global management system enables us to drive standardisation and alignment on our way of working. We aim for an unambiguous view on our vision and a shared perspective on what is, and what is not, tolerated when it comes to SHE&S. In addition to having our organisational management system, we take technical measures and organise activities on awareness, culture, behaviour and leadership to improve performance and pursue 'vision zero'. In addition, different sites have ISO SHE&S management systems that are audited and certified.

**Methodology and definitions**
We define the accident ratio as the total number of work-related accidents that result in an absence (at least one calendar day of lost time, excluding the day of the accident), substitute work or medical treatment by an emergency service or family doctor per 200,000 hours worked. We calculate the accident ratio as follows: total number of accidents divided by the total number of hours worked times 200,000. All FrieslandCampina employees and subcontractors working under FrieslandCampina's supervision for entities in which the company has control for at least 12 months fall within the scope of this indicator.

# Human rights

## Material impacts, risks and opportunities

Among our workforce, contingent workers and non-desk workers in lower income countries are more vulnerable to negative human rights impacts. This particularly relates to basic working conditions such as wages, social protection, working time, safety and health and equal pay for equal work.

Among the workers involved in our value chain, those in our upstream, as in the agriculture sector and lower income countries, are vulnerable to severe human rights impacts that restricts them from development. Risks arise following gaps in supplier due diligence or local legal protection limitations. This may lead to incidents of safety and health, child labour or forced labour.

## Policies

Our global Human Rights Policy describes how we respect internationally recognised human rights in our own operations and in the value chain, in line with the UN Guiding Principles on Business and Human Rights (UNGPs) and the OECD Guidelines for Multinational Enterprises. We are also committed to the International Bill of Human Rights and the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work.

The policy was adopted by the Executive Board in 2019 and updated in 2025 based on the outcomes of our human rights due diligence, Speak Up process and relevant management systems, and with input from internal personnel and external stakeholders such as employee organisations, business partners and NGOs.

We take responsibility for people who might be affected by our value chain activities, such as anyone working at FrieslandCampina, employees of our business partners, local communities and consumers. We aim to apply an inclusive lens that considers specific impacts on different groups, such as children, contingent workers, indigenous peoples, migrants and smallholder farmers and women. We implement the plan via human rights due diligence and Speak Up process (see also page 116, Speak Up).

The appendix to the Human Rights Policy specifies our focus areas of human rights:

- Non-discrimination, violence and harassment
- Safety and health at work
- Environmental impact on people
- Freedom from child labour
- Freedom from forced labour
- Right to privacy
- Living wages
- Freedom of association and collective bargaining
- Working time
- Living income (specific to raw material sourcing)
- Social protection (specific to our operations)

We believe a joint effort is essential. We expect our business partners to respect human rights as set out in the Human Rights Policy. This policy details our human rights expectations, which are stated in the Business Practices for Business Partners (see also page 117) and are referenced by the Responsible Supplier Policy (see also page 73).

Our human rights agenda is overseen by the Executive Board and the Chief People Officer.

## Progress

In 2020, FrieslandCampina initiated a due diligence-process (human rights due diligence) to identify and address risks around human rights. The process was in line with the UNGPs and the OECD Due Diligence Guidance for Responsible Business Conduct.

Our first step in identifying human rights risks was to examine the nature and context of our operations. Based on that macro risk mapping, we prioritised some subsidiaries for a human rights risk assessment. By 2025, this assessment had been conducted in every operating country with a FrieslandCampina employee and followed by mitigating actions. In addition, some FrieslandCampina production locations have undertaken a Sedex Members Ethical Trade Audit (SMETA). Of the assigned employees, 92 percent completed the human rights e-learning in 2025 (2024: 91 percent). For reported speak up cases related to human rights, see page 116.

## Actions

**Own operations**

Worker feedback constitutes an essential part of our human rights risk assessment and SMETA. During each assessment in 2025, we prioritised gathering feedback from potentially vulnerable workers, such as contingent workers, non-management employees, foreigners and women.

We align the risk analysis and any improvement plan with local management to integrate it into business operations. Significant risks are considered in market entry, supplier selection, and investment decisions. Out of the assessments, risks faced by non-desk contingent workforce in lower income or unstable economy remain a heightened concern. In the context of FrieslandCampina' restructuring, the topics of work-life balance, biased worker treatment and employment security were identified as potential risks.

Accordingly, a long-term Human Rights Plan was developed for our operations in 2025. That includes priorities identified on striving for living wages, fair working time, fair representation of workers' interests, further support for victims of discrimination, (psychological) violence and harassment, and equality between FrieslandCampina employees and contingent workers. Engaging consistently with workers and their representatives will remain central to our actions.

**Upstream value chain - sourcing of dairy raw materials**

The Human Rights Plan aims to further engage with local dairy farmers, identify their needs and structure our actions as risk-based (see also page 108, Dairy Development).
In Nigeria, the Fund Against Child Labour (Fonds Bestrijding Kinderarbeid) project continues with interventions to mitigate risks for children, advocacy for access to formal education, and awareness campaigns in communities. This project is expected to conclude in 2026.

**Upstream value chain - sourcing of non-dairy agricultural raw material**

The Human Rights Plan focuses on both direct and indirect procurement. In this plan, we outline priorities and actions to keep risk identification up to date for high-risk commodities, with a priority focus on cocoa. Gradually we aim to include more commodities. In addition, we aim to gain greater visibility into FrieslandCampina's external workforce and address the risks identified for contingent workers.

FrieslandCampina was recognised as a top leader (score 9.5 / 10.0) by the Global Child Forum Benchmark 2025, in respecting children's rights across governance & collaboration, workplace, marketplace and community & environment.[1]

[1] Global Child Forum bases its benchmark scores on a company's publicly available information, systematically assessing a corporate's response to impacts on children's rights. Scores are not a measure of actual compliance with policies, outcomes of policies and/or programmes, nor should scores be construed as investment advice. Read more about the methodology here.

# Resilient communities

As a global food company, FrieslandCampina has a unique position and responsibility. We contribute to the strength and resilience of the communities in which it operates. Resilient communities are essential for a sustainable future. They form the basis of the value chain, from dairy farmers to consumers, and contribute to social stability and welfare.

Our involvement goes beyond providing nutrition alone. We support local dairy farmers by providing a good income and helping them to further develop as entrepreneurs. We also work on building local, sustainable dairy chains that are economically valuable, and we contribute to the preservation of the environment and promote social cohesion. In addition, we stand ready to assist in times of crisis, for example when communities are hit by natural disasters or other emergency situations.

This element within the sustainability strategy reflects our belief that FrieslandCampina, as a company with cooperative roots, plays a role as producer and partner in strengthening communities around the world.

## Milk price for member dairy farmers

### Material impacts, risks and opportunities

Paying a fair and transparent milk price to our member farmers directly affects their income and livelihoods.

### Targets

Member dairy farmers in the Netherlands, Belgium and Germany supply milk from their dairy farms to FrieslandCampina. Our strategy focuses on achieving the optimal valorisation of the milk delivered to us by our member dairy farmers. We aim to pay a leading milk price and thereby contribute to the income of member dairy farmers and the continuity of their dairy farms.
The amount of the milk price paid out differs per dairy farmer, depending on the protein, fat and lactose content of the milk supplied, and on various deductions, surcharges and contributions.

### Policies

To ensure a fair and transparent milk price, the guaranteed price is one of the main components of the milk price. The guaranteed price corresponds to the average annual prices for farm milk from reference companies in Germany, Denmark, the Netherlands and Belgium.

For more details on the development of the milk price compared to last year, see page 39, Value creation for members. More information on the milk price system for member dairy farmers can be found on our website.

# Dairy Development

## Material impacts, risks and opportunities

Through our dairy development activities we build dairy value chains in developing countries. We contribute trough the local sourcing of milk, sharing knowledge and expertise with dairy farmers and supporting sustainable dairy farming practices. Local dairy sourcing is our licence to operate and provides a sustainable, local source of dairy nutrition for consumers but may come with additional costs.

## Targets

To further improve our positive impact in dairy development countries, we have set ambitious targets to train farmers. We set targets based on the number of farmers delivering milk to us in combination with available resources per country. Next to that in the years to come we will focus on creating impact with those trainings.

## Policies

Our Dairy Development activities are our way to contribute to the development of the dairy sector and food supply in emerging countries. The focus is on economic, environmental and social sustainability, empowering local dairy farming communities becoming self-sufficient strengthen food systems and enable access to local dairy nutrition.

We share knowledge, amplify abilities with global partners and set up projects for dairy farmers in Africa, Asia, the Middle East and Eastern Europe. This is how we create impact locally.

## Progress

| | 2025 | 2024 | Target 2025 |
|---|---|---|---|
| Number of local dairy farmers trained in Dairy Development countries | 62,617 | 63,126 | 54,926 |

In the context of dairy development, we work with dairy farmers in Pakistan, Nigeria, Indonesia, Malaysia, Vietnam, Thailand, Romania, Greece, Hungary, Ivory Coast, and the Philippines. The objective is to develop the local dairy value chain in countries where we source milk locally, increase milk quality and reduce the environmental impact. This creates more stable living conditions for dairy farmers and gives us the chance to continue to operate in fast-growing markets. In nine of these countries, the local milk is collected and processed for local markets.

The development of local dairy value chains potentially has a negative impact on our carbon footprint, since local dairy value chains mostly have a higher carbon footprint compared to our average footprint. Because of this, Dairy Development focuses on increasing milk production in a sustainable manner. Through the programme, we support hundreds of thousands of local dairy families directly or indirectly each year, providing training courses, knowledge transfer, access to agricultural and other experts, and better financing.

## Actions

In 2025, attention was primarily focused on creating and increasing added value throughout the entire value chain. Through collaboration with strategic partners and in the form of projects with well-known partners, long-term impact was realised, and the environmental impact per kilo product was reduced. Some highlights:

- We provided sustainable dairy farming training on biogas and organic fertilisers to 250 dairy farmers in Vietnam.
- Value4Dairy project in Nigeria, creation of dairy zones and focusing on women empowerment through training and entrepreneurship programme.
- Setup of farmer help camps in flood affected areas in Pakistan, where around 2,200 farmers were supported with animal treatments, vaccination and around 90,000 kilograms of feed for their animals.
- Executed Young Stock Programme for Cooperative SAE Pujon – East Java by Frisian Flag Indonesia.
- Technical support programme on our large-scale partner farm in Malaysia to increase farm productivity & sustainable farming practices.

**Partnership with the Red Cross**

FrieslandCampina has a long term and strategic partnership with the Red Cross, aimed at providing structural support to communities facing acute and long-term humanitarian challenges. The partnership contributes to global efforts in disaster response, prevention, and preparedness.

FrieslandCampina provides, via the FrieslandCampina Donations foundation, structural support for the Red Cross and help people in need affected by disasters. The foundation is non-profit, but it may engage in commercial activities to finance its objectives as long as the income generated is almost entirely spent on humanitarian objectives, within a reasonable period. FrieslandCampina supports the foundation with an annual donation.

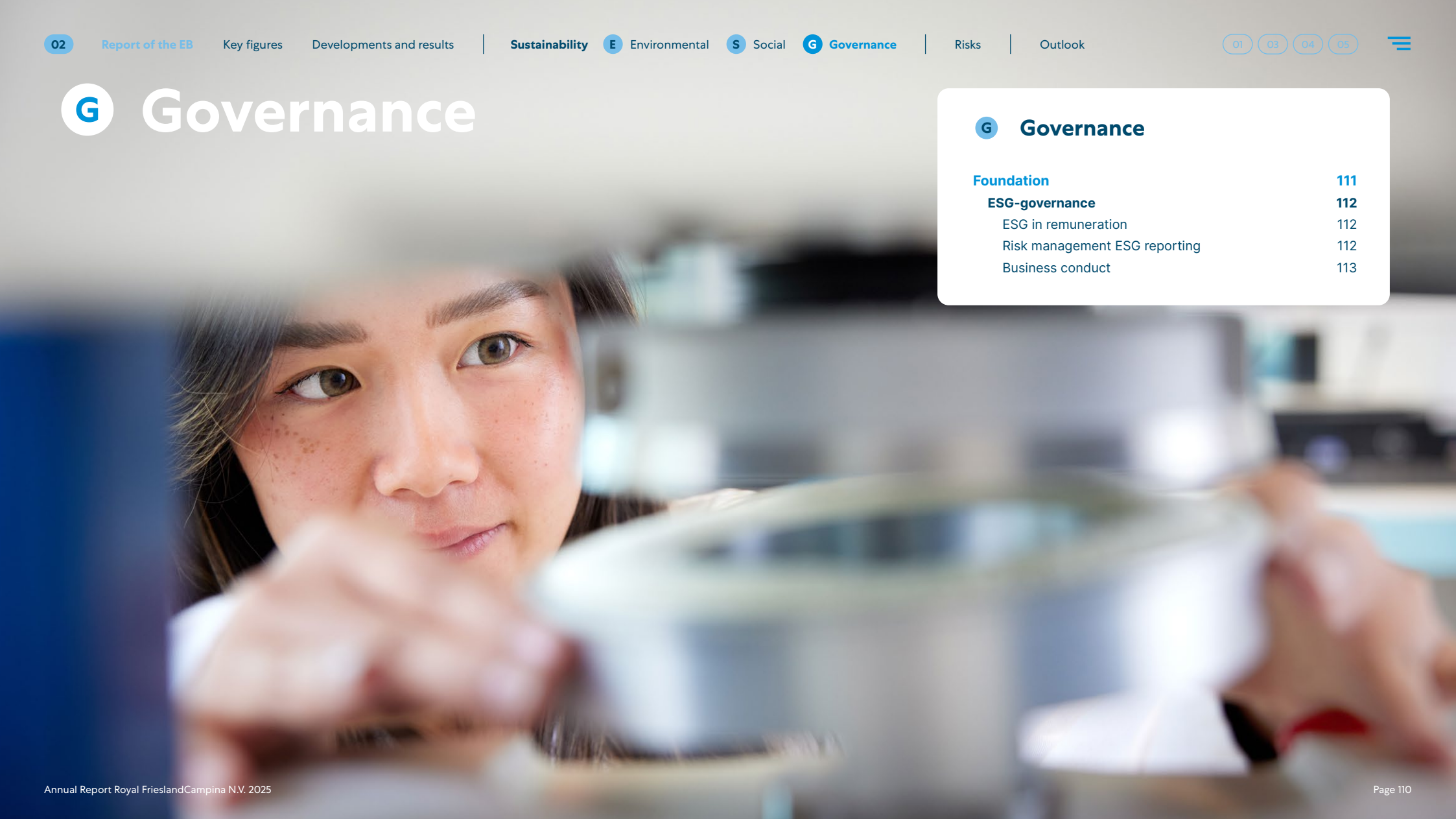
In 2025, these donations were allocated to the following initiatives:

- Food aid in the Netherlands
- Nature-based solutions when facing climate change in the Philippines
- Disaster relief following earthquakes in Myanmar, Thailand and the Philippines

FrieslandCampina aims to earmark these annual donations for Red Cross initiatives that align with our purpose nourishing by nature.

**Debic Roast & Fry**
A professional dessert base delivering the flavor of a traditional cheesecake while providing a time-saving, consistent base that chefs can finish with their own creative touch.

# G Governance



## G Governance

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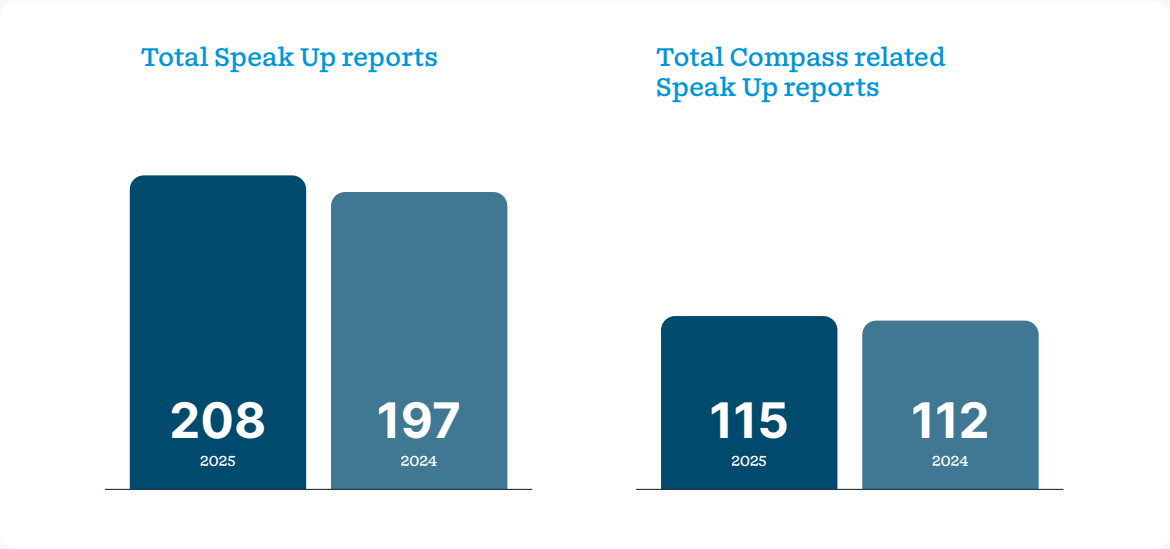
# Foundation

The pillars of our sustainability strategy – Nutrition, People and Planet – rest on a solid foundation. This includes essential activities and commitments on governance themes that are at the heart of our business operations. These commitments include principles such as transparency and integrity, risk management, and compliance with laws and regulations. These principles ensure a responsible and sustainable way of working with respect for all stakeholders and ensure FrieslandCampina is rock solid.



# ESG-governance

Sustainability is integrated in the governance structure of FrieslandCampina. The Corporate Governance chapter in this annual report explains the main elements of our corporate governance structure, such as the composition of the Executive Board and Supervisory Board.

## ESG in remuneration

The Remuneration Policy for the Executive Board and Executive Team is adopted and amended by the General Meeting of Shareholders. This is done on the recommendation of the Supervisory Board, following a consultation with the Remuneration, Nomination and Governance Committee of the Supervisory Board. The Supervisory Board evaluates the policy every year. The ESG Committee of the Supervisory Board is consulted on sustainability targets within the long-term variable compensation (LTIP). See also the Corporate Governance chapter on page 127.

The LTIP of the Executive Team (including the Executive Board) is linked to three-year goals comprising financial and non-financial targets, including sustainability targets. The Supervisory Board has no incentive scheme. The Executive Team's LTIP includes a set of sustainability objectives with a 30 percent weighting of the total LTIP. The target levels of the sustainability objectives are tied to FrieslandCampina's sustainability strategy and set at the beginning of each LTIP. These target levels are connected to the company's greenhouse gas emission targets and packaging recyclability. FrieslandCampina uses the metrics of the Climate Plan to set the target related to reducing greenhouse gas emissions.

The LTIP covers a three-year performance period and pays out following a solid qualitative and quantitative performance assessment of the objectives by the Remuneration, Nomination and Governance Committee. The variable cash incentive is paid out at the end of the three-year performance period.

## Risk management ESG reporting

ESG reporting is an integral part of the risk management framework of FrieslandCampina (refer also to the Risk Management chapter, page 118). Responsibilities for reporting ESG information are embedded in the organisation. Throughout the internal reporting process, we conduct controls to ensure the correctness and completeness of our ESG information.

The design of the risk management framework for ESG reporting is in development, partly because of the increased reporting requirements arising from CSRD. The focus is to mitigate the most critical risks. The most important risks are related to the availability and quality of data. Risks are prioritised based on the likelihood and potential impact of possible incorrect reporting of information. The results of the double materiality assessment are considered, and alignment with the methodology applied for financial reporting is ensured.

Significant findings related to internal controls on ESG reporting will be reported to the Executive Board and the audit and risk-committee of the Supervisory Board. In addition, the Corporate Internal Audit department assesses the effectiveness and structure of these internal controls.

# Business conduct

## Material impacts, risks and opportunities

Failures in business conduct and integrity, caused by, for example, pressure to meet targets or bypass safety or legal protocols, can lead to harm to employees, local communities, or the environment. So too can a lack of psychological safety to speak up.

At some point, virtually everyone may be faced with tough choices and difficult situations at work. In these instances, FrieslandCampina expects it's people to display responsible business conduct by acting with integrity, respect and transparency.

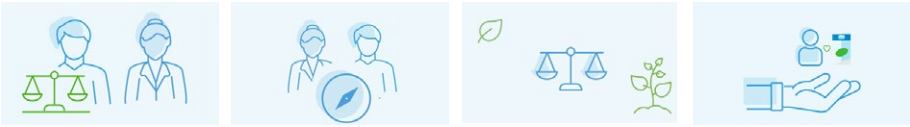
## Compass

The success and reputation of FrieslandCampina depend on behaviour and the way we do business every day. This also applies to the confidence that consumers, customers, partners, employees and other stakeholders have in the company. As a company, we have principles that guide the way of working. These principles are set out in the Compass code of conduct.

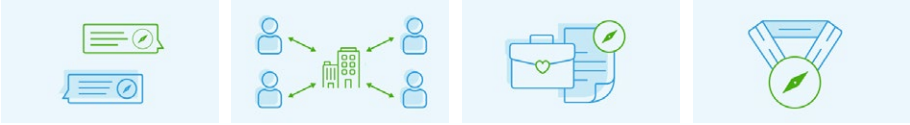
Compass is the guiding light of FrieslandCampina. It unites the purpose, values and business principles, and it helps employees nourish integrity in everything they do.

Compass covers 16 topics, including avoiding bribery, business partner integrity and preventing fraud. A new topic, Responsible AI, was added in 2025 given the significant increase in AI-related legislation and the adoption of new AI technologies. Each Compass topic describes the desired behaviours and standards expected of everyone connected with FrieslandCampina, including employees, suppliers, distributors and other parties we work with.

## Compass topics



Safety, Health & Environment (SHE) | Workplace respect | Sustainability | Food Safety & Quality



Fair communication | Responsible public activities - lobbying and political contribtuions | Avoiding bribery | Fair competition

Business partner integrity | Avoiding conflicts of interest | Privacy & Data Protection | Protecting confidential information

Use of company resources | Preventing fraud | Integrity of reporting | Responsible AI

The Executive Board is responsible for ensuring that all employees abide by this way of working. Compass is managed and coordinated by the Global Ethics & Compliance team. A specific topic owner has been appointed for each of the 16 topics. However, while topic responsibilities lie with each topic owner, the business is responsible for ensuring compliance in daily work.

The Supervisory Board oversees the effectiveness of the compliance with and enforcement of Compass.

After their appointment, each Executive Board and Supervisory Board member attends an induction programme about Compass that is tailored to their specific role.

The implementation of Compass is monitored by an Integrity Committee.

**Violations of Compass are reported and handled via our Speak Up process. The Integrity Committee reviews and monitors the most serious violations (so-called Tier 1 cases).**
The Integrity Committee, which comprises the CFO, CPO, General Counsel, Director Ethics & Compliance, Global Director Internal Audit and a Business Group President, meets at least every quarter to review the Speak Up reports, assign resources to investigate the high impact (Tier 1) Speak Up cases and decide on disciplinary measures.
The Integrity Committee meets more frequently to discuss new Tier 1 cases. The Integrity Committee is responsible for communicating to all Business group Presidents about on-going cases within their regions, including aligning on the disciplinary measures and improvement plans for all Tier 1 cases.

The Speak Up Committee is responsible for the monitoring and oversight of all Tier 2 cases. These cases are low impact and are investigated by a team of case investigators placed locally within the organisation. The Speak Up Committee meets monthly to review all ongoing cases and investigations. The Speak Up Committee is responsible for communicating to all local managing directors about on-going cases within their operating companies (OpCos), including aligning on the disciplinary measures and improvement plans for all Tier 2 cases.

We further safeguard Compass implementation through an internal control framework that tracks the completion and effectiveness of different training and awareness mechanisms. In addition, the senior management must complete an annual compliance statement to confirm that they have adhered to Compass throughout the year. All this helps to nourish integrity within FrieslandCampina.

## Policies

Policies are in place for all 16 Compass topics. Every policy is reviewed regularly and updated according to changes in legislation and/or business strategy and employee needs. This ensures that the Compass documents continue to be relevant to the business operations and reflect applicable laws and regulations. The global policies are reviewed and approved by the Executive Board. The business and corporate departments are accountable for the implementation of these policies. Each policy describes the need of the policy, the topic, how to Speak Up in case of potential violations and how to contact the Ethics & Compliance team for further details. The policies refer, if applicable, to other relevant documents as well. The Doing Honest Business policy has been replaced by two new, more explicit policies: Avoiding Bribery, which includes Money Laundering; and Gifts and Entertainment. The Conflict of Interest policy has also been updated to better reflect the dynamic business environment in which we operate.

Compass and related policies are available on FrieslandCampina's public website and the internal intranet pages for Compass and human rights. Additionally, there are leaflets, posters, videos and local campaigns, and we run global Compass awareness campaigns regularly throughout the year.

## Training

| Percentage completed | 2025 |
|---|---|
| Completion% Compass training[1] | 51% |
| Completion% Avoiding bribery e-learning[1] | 72% |

[1] As 2025 is the first year we report this metric, comparative figures are not disclosed.

Senior level employees receive an extended Compass training every three years. In 2025, we implemented a new Compass Refresher training focusing on the “Ethics Triangle” (Pressure – Opportunity – Rationalisation). This comprises the three elements that, when combined, form the root cause of the majority of actual and potential Compass Code violations.

A new, adaptive e-learning on Avoiding Bribery was also implemented for those employees working within functions more at risk of bribery and corruption. This includes Sales, Procurement and Regulatory Affairs.

**Methodology and definitions**
**Completion % Compass training**
Compass training consists of local physical workshops and refresher trainings. The completion percentage is calculated as the number of employees who completed a Compass training divided by the total number of designated employees.

**Completion % Avoiding bribery e-learning**
The anti-corruption and anti-bribery training is an annual e-learning developed specifically for ‘functions at risk’. These functions include Sales, Procurement and Regulatory Affairs. The completion percentage is calculated as the number of employees who completed the anti-corruption and anti-bribery e-learning divided by the total number of designated employees in functions at risk.

In addition to the trainings already mentioned, all new employees are required to complete two Compass e-learnings within 60 days of joining FrieslandCampina. Twice a year, the company distributes Compass toolkits to provide more in-depth knowledge on specific Compass topics. In 2025, the cascade of the Workplace Respect toolkit (issued in November 2024) was completed, and a new toolkit was provided on Responsible AI (issued June 2025) The Responsible AI toolkit was provided in 16 languages and therefore designed to reach over 90 percent of the total FrieslandCampina population. It was distributed to all employees in a new format as an interactive e-learning. A Compass and Speak Up communication toolbox and training materials are available for all employees via the Compass intranet site.

## Speak Up

One of the principles of Compass is that people are encouraged to speak if they have questions or feel concerned about actual or potential Compass violations up. FrieslandCampina provides the necessary psychological safety for them to do so. The Speak Up procedure enables each of our employees, business partners and all third parties to raise concerns about misconduct, improper behaviour or possible violations of the law or of Compass.

The Speak Up procedure has been updated to provide a simpler and more transparent process for everyone. An overview of why and how to Speak Up is included in the Compass workshops. In addition, the company ran an extended global awareness campaign throughout the year. This included turning the extensive Speak Up written guidelines into a short, simple yet informative video with subtitles in 16 different languages, plus updated Speak Up investigation manuals. Finally, building psychological safety has been integrated into leadership programmes. As part of our ongoing efforts to create awareness of and trust in the Speak Up procedure, all relevant information is available on our corporate website and intranet Speak Up page.

FrieslandCampina has a zero-tolerance policy against negative consequences for anyone who speaks out. Retaliation in any form – direct or indirect – against anyone who, in good faith, reports a potential violation, is not allowed. If a person feels punished or treated unfairly, they can reach out to the Director Ethics & Compliance who will initiate follow up action as required. The extent to which employees feel safe to speak out is reflected in the Over2You survey.

There are multiple ways for employees to Speak Up on violations of Compass or any misconduct. All employees, business partners and third parties can use the Speak Up phone and web service. In addition, all employees can raise a concern with any member of their management or leadership team, or with the Director Ethics and Compliance. Concerns can also be discussed with a Local Trusted Representative.

The Speak Up-phone and web service are free of charge and available 24 hours a day, seven days a week, in the languages of the countries in which FrieslandCampina operates. It is confidential and secure. The service is hosted by an external independent service provider. The reported information is confidential to the maximum extent possible. Appropriate actions are taken, when necessary, in line with local legislation. Also, reporters can choose to Speak Up anonymously. In that case, the reporter's anonymity is always maintained, and all information regarding that person's identity is handled confidentially.

In 2025, in total 208 (2024: 197) reports were received through the various Speak Up channels. Of these 115 were related to our code of conduct, Compass. In 2025, 45 of these reports were related to corruption and bribery, including fraud, and 57 were related to discrimination. The confirmed cases during the reporting year are shown below.

### Compass-related Speak Up cases

| | **2025** | 2024[1] |
|---|---|---|
| | Confirmed[2] | Confirmed[2] |
| Total Compass-related cases | 53 | 31 |
| Disciplinary measures | 22 | 21 |
| Cases related to corruption and bribery, including fraud | 25 | 21 |
| Cases related to discrimination | 24 | 7 |

[1] 2024 numbers have been restated. Previously, we included only Compass-related cases that were opened and closed in the reporting year. As off 2025, we also include open cases at the end of the year. Comparative figures are restated accordingly following this change in reporting methodology.

[2] Confirmed cases refer to all Compass reports that were substantiated and closed during the reporting year regardless of when they were received.

In 2025, 33 percent (2024: 36 percent) of all Compass-related cases were followed up and concluded within 90 days. Speak Up reports and investigations provide insights into the issues that have occurred or could potentially occur. They help the company in preparing mitigating actions to prevent the behaviour or adjust the processes that led to these violations.

Within FrieslandCampina, discrimination is defined as all aspects of Workplace Respect, including harassment and bullying.

In 2025, no cases related to human rights were reported (2024: none). There were no convictions, fines, penalties or compensation for damages as a result of corruption, fraud bribery incidents (2024: none). This also applies for cases of discrimination (2024: none).

In non-high impact cases (Tier 2), independent case owners are appointed by the responsible management or the corporate director.

In high-impact cases (Tier 1), the Integrity Committee assigns the case owner and receives regular updates and the final investigation report. This report includes recommendations on actions to be taken, including any relevant disciplinary measures. The Integrity Committee decides on the disciplinary measures and improvement actions with the input of the relevant business group president. The Integrity Committee is responsible for monitoring and responding to any trends identified in investigations. The responsible management is then informed and asked to implement the actions and disciplinary measures accordingly.

FrieslandCampina's policy on disciplinary measures ensures the transparency and consistency of disciplinary measures across the organisation. An anonymised learning insight report is drafted and shared with the Executive Team. For Tier-2 cases, an investigation report is shared with the local managing director. This report provides information and learnings about the case, including recommended actions and disciplinary measures for local implementation. The Speak Up Committee acts as a sub-committee to the integrity Committee and is responsible for the oversight of all Tier-2 investigations. The Speak Up Committee liaises with local case owners and local management for all Tier-2 reports.

Our Speak Up programme exemplifies FrieslandCampina's commitment to fostering an open and transparent workplace culture. By encouraging employees, business partners and all third parties associated with FrieslandCampina to voice their concerns – and providing a safe, confidential platform for them to do so – FrieslandCampina not only upholds its core values of integrity and respect but also strengthens trust and collaboration across the organisation. This proactive approach ensures that potential issues are addressed promptly, contributing to a healthier, more inclusive work environment in which every employee feels valued and heard.

## Business relations

As a company, we want our people to establish and maintain fair and mutually beneficial relationships with reliable business partners who apply our standards and who contribute to our FrieslandCampina goals and integrity commitments. Business partner relationships are consistently evaluated to, where necessary, continue improvements. Furthermore, we monitor business partners through a system of automated sanctions screening. We expect the same of our business partners.

FrieslandCampina takes various steps to identify and mitigate current and new risks to good business conduct. This includes conducting internal risk assessments and evaluations with external suppliers, and training them. All business partners are required to sign the Business Practices Statement which defines FrieslandCampina's expected ways of working in line with Compass. This forms an integral part of onboarding business relations. Details can be found on our website.

# Risk Management

Last year, FrieslandCampina again took further steps to improve risk management. We use scenario analyses to deepen our understanding and to better prepare for future uncertainties. By looking at risks not in isolation but in context, we gain a better understanding of how different events affect each other, enabling us to take early action. This way, we increase our resilience and remain capable of achieving our strategic goals, even in a dynamic environment.

## Governance

The Executive Board is responsible for effectively managing the risks faced by the company. FrieslandCampina operates according to the Three Lines model:

- **First line – line management:** consists of individual managers and the management teams of business groups and operating companies. They assess risks and are responsible for implementing the corresponding control measures, supported by corporate departments.
- **Second line – corporate departments:** responsible for the design and operation of the risk management framework and associated processes and systems, including policies and procedures. The second line monitors the progress and results of risk management programmes and reports on these to the Executive Board and the Audit and Risk Committee of the Supervisory Board.
- **Third line – corporate internal audit:** independently assesses the design and operation of internal risk management, including first and second-line activities. Corporate internal audit independently reports to the Audit and Risk Committee on the effectiveness of the framework, policies and procedures, and their operation.

The Audit & Risk Committee advises the Supervisory Board on the company's risk management.

The role of the Audit & Risk Committee is described in the Corporate Governance section, see page 132.

## Risk management framework

FrieslandCampina uses a risk management framework that complies with the Dutch Corporate Governance Code and is based on the internationally recognised COSO framework. It describes, among other things, the scope, our risk appetite, control measures, responsibilities, and governance. The framework covers reporting risks, including several compliance and operational risks, and also supports the approach for conducting scenario analyses that identify emerging and strategic risks. We review this framework annually and update it where necessary. The risk appetite is periodically reviewed and adopted by the Executive Board, and subsequently approved by the Supervisory Board.

## Risk awareness and culture

All employees are required to abide by our Compass Code of Conduct and comply with laws, regulations and policies. We encourage an open culture in which we transparently report and effectively address weaknesses in risk management or control measures, for example through our Speak Up process. See page 113 for more information on the Compass programme.

## Quality of risk management

During the year, no significant deficiencies were identified in the risk management activities regarding the design and effectiveness of the framework. To support the effectiveness assessment, we conducted several risk assessments within the operating companies and business groups, and determined that the risks are commensurate with the established risk appetite.

We discussed FrieslandCampina's risk profile and risk trends during regular dialogue sessions with various corporate departments to identify links between risks and pressure points. We also conducted 'deep dives' in which specific risks, relevant developments and risk mitigation measures taken were analysed.

## Key risks, trends and risk mitigation measures

FrieslandCampina is active in a significant number of countries and product-market combinations. This exposes the company to risks and trends of various kinds. For example, there is inherently a higher risk of fraudulent acts within the distribution model in countries in Asia and Africa, where we serve our customers through a dense network of large and small points of sale. The Executive Board, supported by the enterprise risk management team, identifies and monitors the key risks. We assess these risks for likelihood and impact (financial loss or reputational damage). Risks are categorised as strategic risks, operational and compliance risks, financial and (financial and sustainability) reporting risks. Control measures are formulated in accordance with the identified risk appetite. If, despite the existence of a system of control and internal monitoring measures, an incident occurs, it is evaluated and, where possible and/or necessary, additional measures are taken to prevent similar incidents in the future.

### Strategic

Strategic risks are uncertainties or events that may affect the long-term direction, goals and competitive position of our organisation. They can arise from changes in the external environment, internal choices or market developments, and have an impact on value creation and the ability to successfully execute the strategy. Through scenario analyses, we assess the trends and developments that give rise to strategic risks, including risks that may have an impact beyond our risk appetite. For example, 'animal diseases' is recognised as one of the major risks due to the impact on the supply of milk. Another significant risk is the dependency on a limited number of product market combinations.

### Operational & compliance

Operational and compliance risks are uncertainties or events arising from failed or inadequate processes, (IT) systems, people or external events. They relate to the execution of business operations and can affect the continuity, efficiency, reliability and quality of products and services. This includes food safety and quality requirements. Such risks can lead to legal, financial or reputational losses and affect an organisation's ability to operate responsibly and in line with applicable frameworks.

For each relevant risk, enquiries are made to the corporate departments about the key risk indicators and control measures in place. In addition, the operating companies' management teams confirm annually that deficiencies and incidents with respect to these risks are reported in a timely manner.

### Financial

Financial risks are uncertainties or events that could affect an organisation's financial position or liquidity. They relate to market risks (interest rate, currency, commodity price), credit risks, and liquidity and financing risks, and may affect business continuity.

These risks are managed through specific processes, systems, and policies, for example within the governance of our Treasury department.

### Financial and sustainability reporting

Reporting risks refer to the risk that the organisation's financial or non-financial/sustainability information is not reported completely, accurately, or on time. This risk may arise from errors in processes, systems, internal controls, or from fraudulent activities.

Related risks are managed through our governance and framework with defined measures, data definitions, roles, and controls to ensure the accuracy, completeness, and timeliness of this information.

The following is a concise overview of several themes and developments that entail relevant strategic, financial, and operational risks. It includes a brief description of each risk, recent developments and outlook for 2026, and several key control measures. As risks can affect each other, the overall risk profile may change when several risks arise simultaneously. Material changes in external factors could obviously impact FrieslandCampina's results.

| Themes, processes and developments | What could happen? | Recent developments & outlook for 2026 | How FrieslandCampina manages this risk |
|---|---|---|---|
| **Strategy** | The risk of ineffective strategy execution arises when strategic objectives, organisational design and resources are not properly aligned. Factors such as limited resources, high costs and insufficient communication increase this risk. It also includes unsuccessful mergers, acquisitions and partnerships. Possible consequences are loss of market position, financial losses and reputational damage. | • Local competition with greater speed, cost efficiency and flexibility in product innovation.<br>• Changing consumer preferences and a shift towards cheaper alternatives. | • Strategic analyses and active M&A programme.<br>• Market analysis and intensified customer engagement.<br>• New R&D setup for better coordination and collaboration between global teams with focus on impactful R&D initiatives.<br>• Promoting innovation through strategic partnerships.<br>• Cost reduction programmes contributing to margin improvement and strategy execution.<br>• Announced merger with Milcobel and acquisition of Wisconsin Whey Protein that further strengthen the organisation's position. |
| **Geopolitics** | The risk of geopolitical instability could adversely affect our business. This risk can arise from international conflicts, geopolitical tensions and trade restrictions; events such as military actions and border conflicts amplify this risk. In addition, macroeconomic conditions play a role. These factors can put pressure on revenue streams, cost structures and financial stability, resulting in potential financial losses and reputational damage. | • Geopolitical tensions and local conflicts continue to affect business operations and the distribution of products (e.g., in Asia and Europe).<br>• Intensification of government interventions and trade barriers (including in the United States, China and Europe).<br>• High dependence on a limited number of countries and market combinations for profitability.<br>• Inflationary pressure and currency depreciation in emerging markets (such as Pakistan, Vietnam and Indonesia) and fluctuations in the US Dollar (USD) and Chinese Yuan (CNY).<br>• High valuations in financial markets increase the likelihood of abrupt adjustments; rising long-term interest rates put governments' debt sustainability on edge. | • Trend and scenario analysis.<br>• Increase flexibility in the production organisation.<br>• Monitor political changes and maintain government relations.<br>• Portfolio diversification, hedging and/or financial measures.<br>• Conservative funding to accommodate contingencies.<br>• Agenda setting through industry associations.<br>• Contingency planning. |

**Foremost Omega**
Ready-to-drink milk for children containing DHA and Omega 3, 6 and 9.

| Themes, processes and developments | What could happen? | Recent developments & outlook for 2026 | How FrieslandCampina manages this risk |
|---|---|---|---|
| **Milk** | The risk of rapidly changing milk supply and inadequate milk valorisation may arise in case of strong fluctuations in supply and limited value-creation possibilities. Factors affecting milk availability (such as animal health crises, e.g. foot-and-mouth disease) increase this risk. Possible consequences are a suboptimal use of operating assets, financial losses and reduced competitiveness. | • A strong increase in milk supply, especially in the fourth quarter, leading to a reduction in the milk price.<br>• Continued volatility and sensitivity of raw material prices.<br>• As of 2026, the manure derogation for the Netherlands granted by the European Commission will expire.<br>• Various animal diseases in Europe, including foot-and-mouth disease and lumpy skin disease. This may affect milk supply and/or result in export restrictions. | • Improve scenario analyses and milk supply forecasting.<br>• Retain and attract member dairy farmers.<br>• Portfolio expansion in key markets.<br>• Preparation for animal disease outbreaks, including by coordinating livestock transport and vaccination protocols with the Dutch government and sector stakeholders.<br>• Testing response plan. |
| **Environmental, Social and Governance (ESG)** | ESG risks could adversely affect our performance. This concerns physical and transition risks, such as possible water discharges and required investments due to changing laws and regulations (packaging). This could potentially lead to reputational damage and sanctions. | • See ESG section of the annual report, including dual materiality analysis. | • See ESG section of the annual report, including dual materiality analysis. |
| **Production** | Operational disruptions that can lead to losses. These may be caused by technological disruptions, personnel or external events, as well as poor hygiene. Risks around food safety, insufficient controls, ineffective planning and excess stocks also come into play. Possible consequences are financial losses and reputational damage. | • Vulnerable manufacturing organisation amid global unrest (e.g. in the Middle East).<br>• Shortage of specific commodities.<br>• Inflation leads to high procurement costs.<br>• Further rationalisation of the supply chain increases the dependency on specific locations.<br>• Incidents at production sites (e.g. Borculo).<br>• Uncertainty in the world due to (hybrid) threats to critical infrastructure. | • Business continuity programmes to improve the supply of key raw materials and enhance continuity.<br>• Strategic initiatives for alternative production routes, diversification and improved operational efficiency.<br>• Long-term cost–cutting programmes.<br>• Internal investigations and long-term improvements for safe production and operations. |

| Themes, processes and developments | What could happen? | Recent developments & outlook for 2026 | How FrieslandCampina manages this risk |
|---|---|---|---|
| **IT & Cyber** | The risk related to cyber incidents, IT and OT technology failures, performance issues and/or insufficient protection of digital assets may lead to severe business disruptions, safety risks and financial losses. | • The increasing interconnectedness between IT and OT environments continues to grow, resulting in more complex risks.<br>• NIS2 introduces higher and more uniform requirements regarding governance, accountability and the structural improvement of security processes.<br>• AI-driven threats are evolving rapidly and may bypass traditional security mechanisms.<br>• Legacy systems and security, as well as the integration of new business units, increase the risk of cyber incidents and require further strengthening of controls. | • Further rollout of the Digital Safety Programme, with a focus on harmonisation and reinforcement of security measures across all business units.<br>• Implementation of NIS2 measures in the seven EU countries.<br>• Use of industry best practices and collaboration with external partners to further enhance maturity levels.<br>• Strengthening cyber resilience remains a core priority, ensuring that we not only provide protection but are also able to remain operational during an attack and effectively limit its impact. |

**Pöttyös dairy snack**
A deliciously creamy bar in the iconic red-and-white polka-dot wrapper – available in Hungary.

# Outlook

The global dairy market is expected to remain challenging in the first half of 2026. High milk production, especially in the second half of 2025, has led to a large milk supply and falling commodity dairy prices on the global market. Market recovery will only become apparent once milk supply and market demand rebalance, which is expected in the second half of 2026. In addition to supply and demand trends and lower commodity dairy prices, global (geo)political developments are expected to cause currency fluctuations, potentially elevated trade tariffs, and related pressure on margins. As a result of these developments, FrieslandCampina expects profitability in the first half of 2026 to lag significantly behind the results of the first half of 2025, followed by an expected improvement in the second half of 2026.

In 2026, FrieslandCampina will focus on the operational impact of the merger between Milcobel and FrieslandCampina and the integration of the acquisition of Wisconsin Whey Protein in the United States. These strategic moves strengthen FrieslandCampina's international position and provide opportunities for further growth in valuable market segments. In addition, the company will invest in the further standardisation of operations and optimisation of processes. These projects contribute to continuous efficiency and productivity, allowing the company to continue to partly mitigate the impact of rising costs. No material changes are expected in the investment level or financing structure for the coming financial year. The planned investments will be financed through operating cash flows and existing credit facilities.

## Value creation for members, customers and consumers

As an international company and cooperative, FrieslandCampina remains focused on creating value for member dairy farmers, customers and consumers. This is achieved by organising production in a cost-efficient and flexible manner, and by prioritising products that offer clear added value in terms of nutritional value, quality, innovation, price and sustainability.

Global demand for dairy remains strong, supporting our export position. Innovations in products, processes and sustainable packaging strengthen FrieslandCampina's portfolio and competitiveness. At the same time, the company remains alert to risks such as prolonged price pressures, international trade conflicts and uncertainty around national and European environmental regulations.

## Strategic direction remains unchanged

FrieslandCampina's strategy remains focused on value creation through cooperation and a strong market position. The seven market-oriented business groups are a major strength in this regard. Through their diversity and complementarity, they jointly ensure optimal upgrading of milk and contribute to achieving the company's sustainability goals.

Providing a leading milk price remains the top priority. This requires continued market growth, margin improvement through innovation and differentiation, and targeted investments in strong brands. FrieslandCampina also continues to build a solid financial foundation through healthy cash flow and operational efficiency.

# Management statement

The Executive Board of the company has final responsibility for controlling the risks associated with corporate goals and the reliability of external (financial) reporting. The Executive Board is also responsible for assessing the effectiveness of the controls aimed at preventing or mitigating such risks.

The Executive Board has assessed the performance of the internal risk management and control systems. Based on this assessment, and with reference to best practice provision 1.4.3 of the 2025 Dutch Corporate Governance Code, the Executive Board of Royal FrieslandCampina confirms to the best of its knowledge at the end of the financial year 2025, that:

- The report provides sufficient insight into the shortcomings and significant changes and improvements regarding the functioning of the internal risk management and control systems.
- The above-referenced systems provide a reasonable degree of certainty that the financial reporting does not contain any material misstatements.
- The Executive Board is not aware that the above-referenced systems do not provide sufficient comfort that sustainability reporting risks identified in the sustainability and risk sections of this management report are effectively controlled considering the risk appetite.
- The Executive Board is not aware that the above-referenced systems do not provide sufficient comfort that operational and compliance risks identified in the risk sections of this management report are effectively controlled considering the risk appetite.
- In accordance with the current state of affairs, the financial reporting has been prepared on a going concern basis.
- The report states the material risks, as referred to, in best practice provision 1.2.1, and uncertainties to the extent that they are relevant to the expected continuity of the company for a period of 12 months following the preparation of the report.

The internal risk management and control systems and the ensuing findings, recommendations and measures are discussed with the Audit and Risk Committee, the Supervisory Board and the external auditor.

Due to inherent limitations to risk management and control systems, the above does not imply that these systems and procedures provide certainty as to the realization of strategic, operations, compliance and reporting objectives, nor that they can prevent all misstatements, inaccuracies, fraud, operational issues, and non-compliance with laws and regulations.

# Statement of Executive Responsibility

In accordance with Section 5:25c subsection 2 under c of the Dutch Financial Supervision Act (Wft), the members of Royal FrieslandCampina N.V.'s Executive Board herewith state that, insofar as they are aware, the company's financial statements provide a true and fair view of the assets, liabilities and financial position of Royal FrieslandCampina N.V. and the companies jointly consolidated; and that the annual report provides a true and fair view of the situation as of 31 December 2025, the state of affairs during the financial year of Royal FrieslandCampina N.V., and the companies included in the consolidation; and that the essential risks facing Royal FrieslandCampina N.V. are set out in the annual report.

## Executive Board

Jan Derck (J.D.) van Karnebeek
Chief Executive Officer

Hans (J.G.) Janssen
Chief Financial Officer

David (D.A.) Cutter
Chief Supply Chain and Research & Development Officer

Mireille (M.) Einwachter
Chief Sustainability Officer

Amersfoort, 13 February 2026

03

# Corporate governance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**Olper's Full Cream Milk**
Full-cream milk in a convenient 1-litre pack. A reliable dairy product, developed for everyday use.

# Corporate governance principles

At FrieslandCampina, we work on the basis of clear principles for good governance. The agreements are laid down in the articles and regulations of our various bodies. The Dutch Corporate Governance Code (the 'Code') does not formally apply to the company as our shares are not listed on the stock exchange. Nevertheless, we choose to apply the principles and best practice provisions of the Code voluntarily. Where we deviate from the Code, we explain and justify why. This way, we remain transparent about how we shape good governance and put the principles of the Code into day-to-day practice.

## Shareholder structure

All shares in the capital of Royal FrieslandCampina N.V. (the Company) are held by Zuivelcoöperatie FrieslandCampina U.A. (the Cooperative). Cooperative members are involved in dairy farming. The Cooperative's geographical area of operation is divided into districts, each with its own District Council. The Cooperative's members appoint the members of the District Councils, which collectively make up the Cooperative's Members' Council.

The Members' Council appoints the members of the Board of the Cooperative on the binding recommendation of the Cooperative's Chair's consultation process. The Board of the Cooperative exercises the shareholders' rights of the Cooperative and performs the role of the General Meeting of Shareholders of the Company.

For certain decisions, the Executive Board needs approval from the General Meeting, as stipulated in the articles of association. For a number of important decisions for which the Board of the Cooperative votes on behalf of the Cooperative as the Company's shareholder, the Board of the Cooperative must obtain approval of the Members' Council. The Cooperative's governance structure is described in the Cooperative's annual report.

## Board structure

The Company has a two-tier structure, with an Executive Board and a Supervisory Board. The Executive Board's composition and division of tasks are set out on page 269. During the year under review, the Supervisory Board consisted of four independent members and five internal members, including four members of the Board of Zuivelcoöperatie FrieslandCampina U.A. and one member of the Cooperative who is not part of the Cooperative Board. On 11 March 2025, Elze Jellema, member of the Cooperative Board and the Supervisory Board, stepped down. On 1 July 2025, Heiko Schipper stepped down as an independent member of the Supervisory Board and was succeeded by Eugène Willemsen as an independent member of the Supervisory Board effective 16 December 2025. Sandra Berendsen stepped down as member of the Supervisory Board on 16 December 2025 due to the end of her term. Effective 1 January 2026, Betty Eeckhaut, former Chair of the Board of Directors of Milcobel CV, joined both the Board of the Cooperative and the Supervisory Board, as a result of the merger with Milcobel CV. On 16 December 2025, the Supervisory Board decided to restore the personal union between the Cooperative Board and the Supervisory Board. This means that as of that date all members of the Cooperative Board are also members of the Supervisory Board, and that as of that date Cor Hoogeveen, Trienke Elshof-Witteveen, Sandra Stuijk-Pelkmans and Herman Bakhuis are appointed as internal members of the Supervisory Board.

The composition of the Supervisory Board as of 13 February 2026 is shown on pages 265.

## Supervisory Board committees

The Supervisory Board has set up three committees:

- Audit and Risk Committee, consisting of five Supervisory Board members.
- Remuneration, Nomination and Governance Committee, consisting of four Supervisory Board members.
- ESG Committee, consisting of four Supervisory Board members.

The composition of the Supervisory Board committees as at 13 February 2026 is shown on page 265.

## Executive Board and Executive Team

### Composition

In 2025 (the year under review) the Executive Board consisted of the Chief Executive Officer (CEO), the Chief Financial Officer (CFO), the Chief Sustainability Officer (CSO) and the Chief Supply Chain and Research & Development Officer (CSCO). They were supported in the day-to-day operations by the Executive Team. In the year under review, this team consisted of all members of the Executive Board, the Chief People Officer (CPO) and the Presidents of the seven business groups Europe, Middle East, Pakistan & Africa, Retail & Americas, Asia, Specialised Nutrition, Ingredients and Professional & Trading. Effective 1 March 2025, a Chief Global Business and Digital Solutions (GBDS) Officer has been appointed and has joined the Executive Team.

### Tasks and responsibilities

All business units and a number of strategic functions come together in the Executive Team. This ensures fewer management tiers, better decision-making and accelerated strategy implementation. The Executive Team is responsible for developing and implementing the strategy. The team allocates resources, valorises all milk and converts objectives into concrete plans. The team also manages the operating companies and departments within their areas of responsibility.

The Executive Team makes decisions with an absolute majority that also comprises the majority of the votes of the members of the Executive Board. In case of a tied vote, the CEO decides.

**Sustainability**

The Executive Team is involved in developing the sustainability strategy. The strategy is discussed in the ESG Committee and approved by the Supervisory Board. It also forms part of the strategies of the business groups.

In developing the sustainability strategy, the Company considers the material impacts, risks and opportunities identified by the dual materiality analysis (see page 48). In decisions on major transactions and investments, for example, the Executive Board and Executive Team take sustainability considerations into account, including possible trade-offs.

The Executive Team is responsible for developing a vision of sustainable long-term value creation, taking into account FrieslandCampina's impact on people and the environment. The Executive Team discusses and decides on the sustainability vision and strategy, including sustainability targets.

The Executive Team is actively involved in sustainability issues and incorporates ESG considerations into its decision-making. To secure and share expertise, subject matter experts from within the Company can participate in Executive Team meetings to contribute their knowledge and thus contribute to well-informed decisions.

The Executive Team is regularly briefed on the implementation of the sustainability strategy and progress on sustainability targets. They also receive updates on material impacts, risks and opportunities relating to nutrition, people and planet. Topics include the reduction of greenhouse gas emissions, gender equality, product quality and composition, access to food, affordability of products for low-income groups and countries, and circular packaging. The Executive Team also receives information on new policies, such as zero-deforestation and zero-conversion policies, new climate and social targets and the Company's nutrition standards, and sets relevant policies.

The Executive Board participates in quarterly sustainability reviews. Here, the Company's material impacts, risks and opportunities are discussed, along with the results and progress in implementing the sustainability strategy.

In addition, the Executive Board receives regular updates on sustainable agriculture and land use by member dairy farmers, and on the milk pricing system designed to pay a good, transparent and fair milk price to member dairy farmers.

### Appointment of members of the Executive Board and other members of the Executive Team

The Supervisory Board is responsible for appointing, suspending and dismissing the members of the Executive Board on the recommendation of the Remuneration, Nomination and Governance Committee. Other members of the Executive Team are appointed, suspended and dismissed by the CEO, following approval by the Supervisory Board and consultation with the Remuneration, Nomination and Governance Committee.

### Remuneration policy and remuneration of the members of the Executive Board and the remaining members of the Executive Team

FrieslandCampina applies virtually all of the recommendations of the Dutch Corporate Governance Code in its remuneration policy. The Company is entitled to a statutory exemption for disclosure of remuneration policy, because the Company is a 'private limited company'. Nevertheless, we opted for transparency: the remuneration report (from page 144) provides insight into the remuneration of the members of the Executive Board and the Supervisory Board. The predetermined and measurable performance criteria on which the variable remuneration is based, as well as the relationship between remuneration and performance, are not disclosed in detail in the remuneration report. This is, however, regularly discussed and aligned throughout the year with the Remuneration, Nomination and Governance Committee and with the Supervisory Board.

The remuneration report describes the principles of the remuneration policy for the Executive Board and the Supervisory Board. This policy is adopted on the recommendation of the Supervisory Board and can be changed by the General Meeting of Shareholders following consultation with the Remuneration, Nomination and Governance Committee. FrieslandCampina is also accountable to the Cooperative's Members' Council on this topic.

Each year, the CEO and the CPO discuss the remuneration of the members of the Executive Team with the Supervisory Board. during the Supervisory Board's internal deliberations, in the absence of the other members of the Executive Board. According to the Supervisory Board's regulations, the Supervisory Board can reclaim variable remuneration from an Executive Board member if it was granted on the basis of inaccurate (financial) data. The CEO has similar authority over members of the Executive Team.

## Supervisory Board

### Tasks and responsibilities

The Supervisory Board supervises the policy set by the Executive Board and the general course of events in the Company. It also advises the Executive Board.

The Supervisory Board discusses the long-term sustainable value creation strategy and the Company's most important risks with the Executive Board. It also discusses the design, operation and any significant changes to the risk management and control systems.
The Supervisory Board has powers set out in Book 2 of the Dutch Civil Code for two-tier board companies. In particular, this includes the appointment of Executive Board members, the determination of the number of members of the Executive Board and the approval of decisions of the Executive Board as specified in legislation. Approval of certain decisions is reserved for the Supervisory Board by law.

In the performance of its duties, the Supervisory Board focuses on the interests of the Company and its associated companies. In this respect, the Supervisory Board also considers factors such as the relevant interests of stakeholders in the Company

**Optimel Protein**
Drinking yoghurt with extra protein.
Delicious after a workout.

and the aspects of sustainable long-term value creation, corporate social responsibility, sustainability and human rights that are relevant to the Company.

Several times a year, members of the Executive Team attend a meeting of the Supervisory Board, or a part thereof, to discuss, among others, the strategy and the business performance. In addition, members of the Executive Team are invited to attend meetings when topics relevant to them are discussed. The Remuneration, Nomination and Governance Committee regularly holds progress meetings with the members of the Executive Team.

## Composition, independence and appointment

A covenant has been signed with the Central Works Council (CWC). The covenant includes agreements regarding the composition of the Supervisory Board, the required profile of the members of the Supervisory Board, the strengthened rights of recommendation of the CWC to nominate Supervisory Board members and the way in which the CWC exercises these rights. The profile, which includes these arrangements among others, is posted on the Company's website as an annexe to the Supervisory Board Regulations.

According to the profile, which was applicable until 16 December 2025, the Supervisory Board consisted of five internal members and four independent members. Until that date, the internal members consisted of at least three and no more than five members of the Cooperative's Board, including the Chair, and up to two members of the Cooperative who are not also members of the Board of the Cooperative. Internal members are not independent under the Code. This is a conscious decision to maintain membership dominance within the Supervisory Board.

The four independent members are independent in accordance with the Code. They are selected based on criteria included in the profile. At least one member of the Supervisory Board is a financial expert.

With effect from 16 December 2025, the Supervisory Board decided to adjust the Supervisory Board's composition and, consequently, its profile and restore the personal union between the Cooperative Board and the Supervisory Board. This means that effective 16 December 2025, all members of the Cooperative Board will also sit on the Supervisory Board as internal non-independent members.

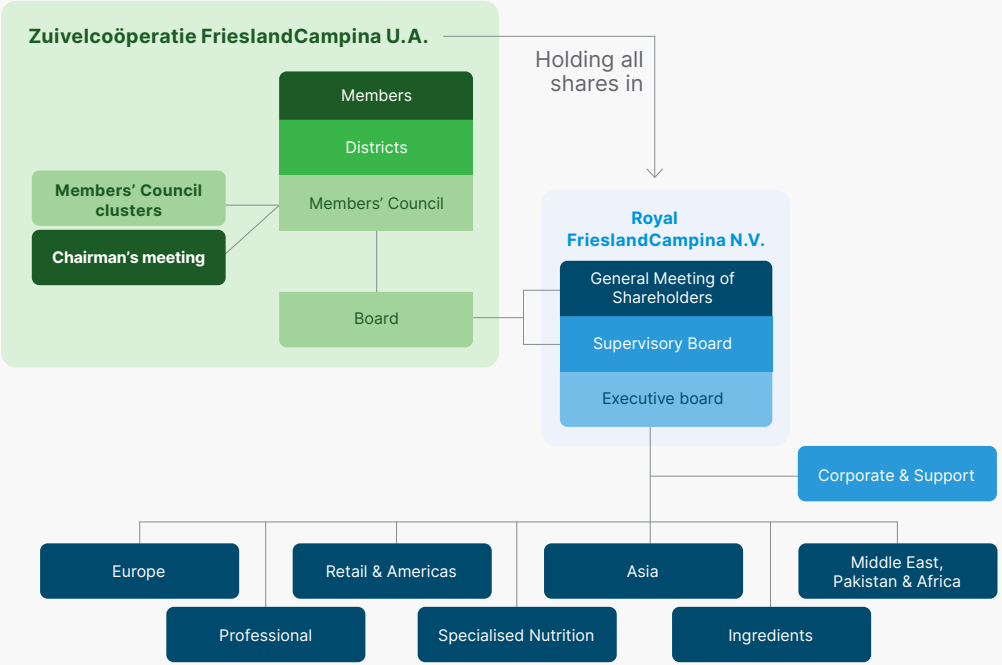
The Company is subject to the structure regime set out in Book 2 of the Dutch Civil Code. The Supervisory Board appoints its own members in accordance with the co-optation system. Members are appointed for a four-year term and may be reappointed once for another four-year term. After this term, they can be reappointed for another two-year term, with a possible extension of another two years. Reappointment after eight years must be substantiated in the Report of the Supervisory Board.

As regards the Chair's term of office, if the Chair completes their third term, they are eligible for reappointment for a two-year term, which can subsequently be extended once for two years.

In specific situations, the Supervisory Board may decide otherwise. As such, Sybren Attema was appointed Chair for a four-year term on 12 November 2021. Upon the binding nomination of the Chairmen's Council, the Members' Council decided on 10 December 2024 to extend Sybren Attema's term as Chair of the Cooperative Board until immediately after the closure of the Members' Council meeting in December 2027. To make this possible, a transitional provision in the Cooperative's articles of association was amended. The Supervisory Board subsequently extended his term as Chair of the Supervisory Board for the same period. Cor Hoogeveen was appointed on 19 December 2017 for an initial four-year term. As of 14 December 2021, he was appointed for a second four-year term. As of 13 December 2022, he resigned due to the dissolution of the personal union. As of 16 December 2025, the personal union between the Cooperative Board and the Supervisory Board was restored and he was reappointed for a four-year term. Betty Eeckhaut, who joined both the Board of the Cooperative and the Supervisory Board, has been appointed for an initial term as an internal member of the Supervisory Board. This term started on 1 January 2026 and will end at the closing of the meeting of the Members' Council in December 2029, so as to match the other Supervisory Board members' terms of office.

## Remuneration

The General Meeting of Shareholders adopts the remuneration of Supervisory Board members on the recommendation of the Supervisory Board and is annually held accountable on this by the Members' Council. The remuneration is not dependent on the Company's results. On page 150, we explain the remuneration policy and remuneration of the members of the Supervisory Board.




*Governance structure as at 31 December 2025.*

## Supervisory Board committees

The Supervisory Board has three committees: the Remuneration, Nomination and Governance Committee, the Audit and Risk Committee and the ESG Committee. These committees prepare Supervisory Board decisions but do not have independent decision-making powers. The regulations of the committees are posted on FrieslandCampina's website. The committees report regularly to the Supervisory Board on their deliberations and findings.

Five of the nine Supervisory Board members were non-independent during the year under review until 16 December 2025, as four were members of the Cooperative Board and one Supervisory Board member was a member of the Cooperative. As of 16 December 2025, seven of the 11 Supervisory Board members were not independent and, as of 1 January 2026, eight of the 12 members are not independent within the meaning of the Code. As a result, the composition of the committees also deviates from the best practice provisions of the Code, which stipulate that more than half of the members of the committees must be independent.

### Audit and Risk Committee

Pursuant to the committee's regulations, the Audit and Risk Committee should consist of at least four members; at least two internal and at least two independent Supervisory Board members, of which at least one member, the Chair, qualifies as a 'financial expert'. As of 13 February 2026, the Audit and Risk Committee consists of four internal and two independent members.

The duties of the Audit and Risk Committee are of a preparatory nature with respect to:

- The integrity and quality of the financial and non-financial/ESG reporting and the effectiveness of the Company's internal risk management and control systems.
- The Company's financing.
- The application of information and communication technology by the Company, including cyber security-related risks.
- The Company's tax policy.
- The relationship with the internal auditor and the external auditor (including monitoring the independence of the external auditor), compliance with recommendations and follow-up on observations.

- Recommending candidates for appointment as internal auditor and the annual evaluation of the internal audit function.
- Providing advice concerning the nomination for appointment or reappointment or dismissal of the external auditor and preparing for the selection of the external auditor.
- Proposing the assignment of the audit of the financial statements by the external auditor.
- Annually discussing the draft audit plan with the external auditor.
- Compliance with legislation and regulations.

The Chair of the Audit Committee is the first point of contact for the external auditor should the auditor reveal irregularities in the financial and non-financial reporting of the Company. The Audit and Risk Committee also discusses material Speak Up issues and the measures implemented in this regard. The Chair reports on this to the Supervisory Board.

## Remuneration, Nomination and Governance Committee

Pursuant to the committee's regulations, the Remuneration, Nomination and Governance Committee should comprise at least three members: a Supervisory Board member with a 'social profile' (who also chairs the Committee), the Supervisory Board's Chair and at least one other member of the Supervisory Board. As of 13 February 2026, the Remuneration, Nomination and Governance Committee consists of two independent members and three internal members.

The duties of the Remuneration, Nomination and Governance Committee include:

- Preparing proposals for the remuneration policy for the Executive Team, and the remuneration of individual Executive Board members.
- Compiling the remuneration report.
- Selecting and preparing proposals (including drawing up appointment criteria and procedures) for the appointment of Executive Board and independent Supervisory Board members.
- Regularly evaluating the size and composition of the Supervisory Board, the Supervisory Board's committees and the Executive Board, and proposing a profile.
- Advising the Supervisory Board on proposals by the CEO for the appointment of members to the Executive Team.
- Regularly evaluating the functioning of the Executive Board, the Supervisory Board, the individual members of both these boards, and the Supervisory Board's committees.
- Preparing a succession plan for members of the Executive Board and the Board.
- Supervising the Executive Board's succession policy, selection criteria and appointment procedures for members of senior management.

After each meeting of the Remuneration, Nomination and Governance Committee, the Chair of the committee reports to the Supervisory Board on the issues discussed.

## ESG Committee

Pursuant to the committee's regulations, the ESG Committee should consist of at least three members. As of 13 February 2026, the ESG Committee consists of three internal members, and two independent members.

The ESG Committee's duties include the following:

- Discussing and providing advice on the long-term social and environmental sustainability vision and strategy, setting sustainability targets and evaluating the strategy's implementation.
- Examining and advising on the Company's impact, risks and opportunities related to environmental and social sustainability issues.
- Reviewing the company's and the leadership's capacities relating to environmental and social sustainability.
- Providing advice about the Company's stakeholder management in relation to environmental sustainability and social sustainability matters.

The CSO is responsible for all sustainability-related matters within FrieslandCampina, including the following themes within our sustainability strategy: nutrition, people and planet. Among other things, the CSO brings sustainability expertise to the Executive Team and participates in every ESG Committee meeting.

After each meeting, the Chair of the ESG Committee reports to the Supervisory Board. This increases the Supervisory Board's knowledge, skills and experience relating to sustainable development and ESG. The ESG Committee supports the Supervisory Board in monitoring risks related to (social) sustainability.

The Audit and Risk Committee is responsible for supporting the Supervisory Board with respect to sustainability reporting. The Chairs of the ESG Committee and Audit and Risk Committee ensure coordination between the sustainability targets and their monitoring with the Audit and Risk Committee. The Supervisory Board is responsible for approving reporting on sustainability targets.

## Conflict of interest

FrieslandCampina has drawn up strict rules to avoid any form and appearance of conflicts of interest between the Company and the members of the Executive Board, other members of the Executive Team and members of the Supervisory Board. Under these rules, decisions to enter into transactions involving conflicting interests of members of the Executive Team or Supervisory Board members that are of material significance to the Company and/or the individual concerned must be approved by the Supervisory Board. No material conflicts of interest were reported in the year under review.

## The General Meeting of Shareholders

The Company's General Meeting of Shareholders has the authority to approve certain Executive Board decisions as specified in the articles of association. This concerns major decisions relating to the operations, legal structure and financial structure of the Company (as well as the companies in which it holds shares) and decisions on major investments.

The other important authorities of the General Meeting of Shareholders are:

- Adopting the Company's financial statements and profit appropriation.
- Discharging the members of the Executive Board for their management and the members of the Supervisory Board for their supervision of the Executive Board.
- Adopting the remuneration policy for the Executive Board and the Executive Team, and approving the remuneration of Supervisory Board members.
- Appointing and dismissing the external auditor.
- Amending the Articles of Association.
- Issuing shares, excluding the pre-emptive right, authorising the repurchase of the Company's own shares, reducing the paid-up capital, dissolution and applying for bankruptcy.

During the Company's General Meeting of Shareholders, the Board of the Cooperative exercises the voting rights on behalf of the Cooperative. In respect of a number of key shareholders' decisions, stipulated in the Cooperative's articles of association, the Board of the Cooperative requires the prior approval of the Cooperative's Members' Council.

## Company, share capital and articles of association

Royal FrieslandCampina N.V. is a public limited liability company with its registered office in Amersfoort, the Netherlands, and its head office at Stationsplein 4, Amersfoort. The Company's Articles of Association were most recently amended effective 26 January 2018 and are published on its website. The Company is registered in the Trade Register of the Chamber of Commerce under number 11057544. On 31 December 2025, the Company's authorised capital amounted to 1,000 million euros divided into 10 million shares with a nominal value of 100 euros each. The shares are registered. On the same date, 3,702,777 shares were issued, which are all paid up and are held by the Cooperative. For the stipulations regarding the issuing of shares, pre-emptive right, acquisition of own shares and capital reduction, please refer to the Company's Articles of Association.

## Audit of the financial reporting and the roles of the internal and external auditors

### Financial reporting

The Executive Board is responsible for the quality and completeness of the published financial and sustainability reports. The Supervisory Board ensures that the Executive Board fulfils this responsibility.

### External auditor

The General Meeting of Shareholders appoints the external auditor, on the recommendation of the Supervisory Board. As such, the Audit and Risk Committee and the Executive Board make recommendations to the Supervisory Board. The Board approves the external auditor's remuneration and engagement, on the recommendation of the Audit and Risk Committee and after consultation with the Executive Board. The external auditor in any case attends the meeting of the Supervisory Board at which the financial statements are approved. The external auditor discusses the draft audit plan with the Executive Board before it is submitted to the Audit and Risk Committee.

### Internal audit function

The internal auditor operates under the responsibility of the Executive Board. The Supervisory Board supervises the internal audit function and maintains regular contact with the internal auditor and the Chair of the Audit and Risk Committee. The Executive Board, the Audit and Risk Committee and the external auditor are involved in the work plan of the internal audit function and aware of the internal auditor's findings. The internal auditor has direct access to the Audit and Risk Committee and the external auditor.

## Best practice provisions of the Code not applied by FrieslandCampina as of 31 December 2025

FrieslandCampina follows the Code by applying the principles and best practice provisions, or explaining why we deviate from the Code. We do not apply the provisions below as at 31 December 2025, for reasons previously specified or specified below:

### 2.1, 2.1.7-2.1.9

*Independence of the Supervisory Board:* see rationale under 'Supervisory Board – Composition, independence and appointment'.

### 2.2.2

*Appointment and reappointment terms of Supervisory Board members:* deviation in respect of a number of internal Supervisory Board members: see justification under 'Supervisory Board – Composition, independence and appointment'.

### 2.3.2

*Institution of committees*: the Remuneration Committee and the Selection and Appointment Committee, for practical reasons, have been combined into the Remuneration, Nomination and Governance Committee.

### 2.3.4

*Composition of committees:* the composition of the Audit and Risk Committee, the Remuneration, Nomination and Governance Committee and the ESG Committee deviate from the best practice provisions of the Code, which stipulate that more than half of the members of the committees should be independent: see rationale under 'Supervisory Board committees'.

### 2.8.1-2.8.3

*Takeover situations:* the best practice provisions around takeover situations do not apply because all shares in the Company's capital are held by the Cooperative and are not listed.

### 3.4.1

*Remuneration report:* the best practice provisions relating to the content of the remuneration report are fully applied in the internal remuneration report that is discussed with the Remuneration, Nomination and Governance Committee and the Supervisory Board. However, the predetermined and measurable performance criteria on which the variable remuneration of each member of the Executive Board is based, as well as the relationship between remuneration and performance, are not disclosed in detail in the remuneration report included in this annual report. Furthermore, the remuneration report discloses the changes in the company's pay ratios compared with the previous four financial years instead of five, as the company has been including this information in the annual report since 2021.

### 4.1-4.4.8

*General Meeting of Shareholders:* best practice provisions in respect of the general meeting of shareholders, information provision and briefings, voting and the issue of depositary receipts for shares are not applicable in view of the fact that all shares in the Company's capital are held by the Cooperative and are not listed.

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# Report by the Supervisory Board

The Supervisory Board supervises and advises the Executive Board. In addition, this independent body of the Company oversees the general course of business, the sustainable long-term value creation strategy and the operational performance of the Company. In this respect the Supervisory Board focuses on the effectiveness of the Company's internal risk management and control systems. It also oversees the integrity and quality of financial and non-financial reporting.

In discharging its duties, the Supervisory Board is guided by the interests of the Company and its affiliates, taking into account the relevant interests of all parties involved in the Company. During the year under review, the Supervisory Board carried out its duties in accordance with applicable laws and regulations and the Articles of Association of Royal FrieslandCampina N.V. (the Company).

## Composition, independence and diversity

### Composition of the Supervisory Board and its committees; independence

At the start of the year under review, the Supervisory Board consisted of nine members: five internal and four independent members. Of the internal members, four came from the Supervisory Board of Zuivelcoöperatie FrieslandCampina U.A. and one member dairy farmer came from Zuivelcoöperatie FrieslandCampina U.A. who is not a member of the Cooperative Board. All independent Board members are independent in the sense of the Corporate Governance Code (the Code) and the Supervisory Board's regulations. The composition of the Supervisory Board and its committees as of 13 February 2026 is shown on pages X and X.

According to its own profile applicable until 16 December 2025, the Board was properly composed with five internal members and four independent members. Internal members had to consist of at least three and not more than five board members of the Cooperative, including the Chair. In addition, up to two members of the Cooperative who are not board members can be on the Supervisory Board. This composition reflects the member dominance within the Supervisory Board.

On 11 March 2025, Elze Jellema, internal member of the Supervisory Board and Vice-chair of the Cooperative Board, resigned. Elze Jellema has contributed immensely to the Cooperative's and Company's vision, ambition and strategy since joining the Cooperative Board and Supervisory Board in 2019. In this respect she played a key role in translating the cooperative vision 'The Merits of Milk' into the clear and widely supported strategy 'Towards 2030'.

On 1 July 2025, Heiko Schipper, independent member of the Supervisory Board, resigned as a member of the Supervisory Board. Since his appointment in 2019, he has made a valuable contribution to the Company's strategic direction. With his broad knowledge of management, consumers and markets in Asia, he has strongly supported FrieslandCampina in many key strategic and operational opportunities and challenges.

On 16 December 2025, the Supervisory Board decided to restore the personal union between the Cooperative Board and the Supervisory Board. As of that date, the profile was amended, whereby the Supervisory Board consists of all members of the Cooperative Board and four independent members, and the composition still reflects the member dominance within the Supervisory Board. This means that as of that date, all members of the Cooperative Board are also members of the Supervisory Board. Also from that date, Cor Hoogeveen, Trienke Elshof-Witteveen, Sandra Stuijk-Pelkmans and Herman Bakhuis were appointed as internal members of the Supervisory Board.

Effective 16 December 2025, Eugène Willemsen was appointed by the Supervisory Board as an independent Supervisory Board member of Royal FrieslandCampina N.V. He brings

broad international experience in the food industry, including as CEO PepsiCo International Beverages and as CEO PepsiCo Africa, Middle East and South Asia. His expertise in strategy and international growth is a valuable addition to the Company's oversight.

Sandra Berendsen stepped down as a Supervisory Board member effective 16 December 2025 due to the end of her term. Her commitment and involvement as a Supervisory Board member and her independent position and dedication have meant a lot to the Company and the Cooperative.

In view of the merger approved by the Cooperative's Members' Council and the Extraordinary General Meeting of Milcobel, Betty Eeckhaut, Chair of the Board of Directors of Milcobel CV until 31 December 2025, joined the Board of Zuivelcoöperatie FrieslandCampina U.A. effective 1 January 2026 and was also appointed internal member of the Supervisory Board effective on that date.

## Diversity, equality and inclusion

The Supervisory Board strives for a balanced composition. A good mix of experience, background, knowledge and independence helps the Supervisory Board successfully perform its duties towards the Company and its stakeholders. Moreover, the Supervisory Board aims to be diverse and inclusive, with equal appreciation and treatment for all. The Supervisory Board also strives for balanced gender participation. The aim is for at least one-third of the Supervisory Board's seats to be occupied by women and at least one-third by men. As of 31 December 2025, four out of 11 members were women, and as of 1 January 2026, five out of 12 members were women. As a result, the Supervisory Board meets the targets for gender balance, as set out in the Diversity, Equality and Inclusion Policy.

## Roster of appointments and retirements of the Supervisory Board (as at 13 February 2026)

| | Start date of initial term | Reappointed for new term in December | Expiry of current term |
|---|---|---|---|
| **S.S.U. Attema*** | 12 November 2021 | | 2027 |
| **N. den Besten**** | 7 October 2021 | 7 October 2025 | 7 October 2029 |
| **W. Duursma** | 10 December 2024 | | 2028 |
| **C.C.H. Hoogeveen***** | 19 December 2017 | 16 December 2025 | 2029 |
| **S.A.M. Stuijk-Pelkmans** | 16 December 2025 | | |
| **H.H. Bakhuis** | 16 December 2025 | | |
| **T. Elshof-Witteveen** | 16 December 2025 | | |
| **B. Eeckhaut** | 1 January 2026 | | 2029 |
| **E. Willemsen#** | 16 December 2025 | | 2029 |
| **J.B.P. Coopmans#** | 13 December 2022 | | 2026 |
| **M. Vaesen#** | 13 December 2022 | | 2026 |
| **P.H.M. Hofsté#** | 12 December 2023 | | 2027 |

Supervisory Board members are appointed for a maximum of two four-year terms, followed by a third two-year term that can be extended once by another two years (4+4+2+2). If a Supervisory Board member is in his third term as Chair, he can be reappointed twice more for two years each (4+4+2+2+2+2).

#Independent Supervisory Board member, not a member of the Board of Zuivelcoöperatie FrieslandCampina U.A.

* S.S.U. Attema was appointed on 12 November 2021 for a four-year term, which was to expire on 12 November 2025. This term was extended on 10 December 2024 until after the closing of the Members' Council meeting to be held in mid-December 2027.

** N. den Besten was originally appointed effective 14 December 2021, but the Members' Council on 7 October 2021 decided to advance the effective date to 7 October 2021 He was also reappointed effective 7 October 2025 for a four-year term.

*** C.C.H. Hoogeveen was appointed on 19 December 2017 for an initial four-year term. On 14 December 2021, he was appointed for a second term, after which he resigned on 13 December 2022 due to the dissolution of the personal union. As of 16 December 2025, the personal union between the Cooperative Board and the Supervisory Board was restored and he was reappointed for a four-year term.

## Meetings of the Supervisory Board

The Supervisory Board met 12 times during the year under review. There was also regular contact outside these regular meetings, among members themselves as well as with members of the Executive Board and Executive Team. In preparation for the meetings, the Chair and Vice-chair of the Supervisory Board and the Vice-chair of the Cooperative's Board met regularly with the CEO and CFO, among others. The Supervisory Board also met several times outside the regular meeting cycle for discussions on strategic issues.

During the year under review, the various strategies of all business groups were discussed at length. The Supervisory Board was also regularly updated on the implementation of the Performance+ programme, which involves optimising the cost structure of the supply chain and the way it operates.

In the first half-year, FrieslandCampina achieved strong results and in every meeting the Supervisory Board received an update on the Company's results. It also discussed resource deployment and portfolio choices. The balanced spread of the business across markets, products and channels proved its worth in the first half of the year. In particular, the business groups Specialised Nutrition and Ingredients achieved strong results in the first half of the year. In the second half of the year, profitability was under pressure due to low commodity dairy prices and negative currency developments, among other factors. The Supervisory Board was updated each meeting on these developments, the associated challenges and the mitigating measures taken, such as the implemented price increases and the conclusion of contracts linked to milk prices.

The Supervisory Board discussed at length the changes in the milk market in Northwest Europe. The Supervisory Board also held strategic discussions with the Executive Board on this topic.

In September 2025, the Supervisory Board visited Paris, discussing at length with local management the market conditions in France, the Retail & Americas and Professional business and the strategic choices made by these business groups.

On 18 December 2024, FrieslandCampina and Milcobel announced their intention to merge. The Supervisory Board was heavily involved in the discussions and negotiations on this proposed merger and during 2025, the Supervisory Board at every meeting received updates on the preparations for this merger, as well as on the transaction structure and preparations for the integration of Milcobel's business into FrieslandCampina. The required approvals from the competition authorities were received in the autumn of 2025 and during the Members' Council meeting in December 2025, FrieslandCampina's Members' Council and Milcobel's Extraordinary General Meeting approved the merger.

The merger of FrieslandCampina and Milcobel has created a single international and forward-looking organisation effective 1 January 2026; an entity that is better able to exploit opportunities and address challenges more effectively in the global dairy market. The merger partners, both owned by dairy farmers for generations, complement each other perfectly in terms of market position and product offering. The merger offers growth opportunities in segments such as consumer cheese, mozzarella, white dairy (such as milk, buttermilk and yoghurt) and ingredients. In addition, the partnership provides benefits in terms of efficiency and expertise, for example with respect to sustainability.

During the year, the Supervisory Board, at every meeting, also discussed opportunities for organic and inorganic growth and portfolio choices. In July 2025, FrieslandCampina reached an agreement with Bonafarm Group to sell its Romanian operations. The proposed sale is subject to regulatory approvals and is expected to be completed in 2026. In December 2025, FrieslandCampina announced that it intended to acquire a US-based whey protein isolate producer, Wisconsin Whey Protein, and this transaction was completed on 2 January 2026. This has significantly increased FrieslandCampina's whey protein production capacity. This transaction, which is in line with the strategy of the Ingredients business group, has been extensively discussed with and approved by the Supervisory Board.

During the year, after each ESG Committee meeting, the Supervisory Board was briefed on the integrated sustainability programme and climate plan.

The Company's and member financing, prepared in the Audit and Risk Committee, was also elaborately discussed. The more regular topics were also discussed during the meetings. Among other things, the Supervisory Board discussed the financial position, targets for the coming year, partnerships and progress on major investment projects. Internal risk management also received due attention, with mitigation plans regarding FrieslandCampina's biggest risks being discussed on a regular basis. The strategy on innovation and Research & Development was also explained and discussed with the Supervisory Board. The Supervisory Board was informed of and approved the internal auditor's Audit Plan and activities. In February 2025, the Supervisory Board discussed the 2024 financial statements and the text of the annual report with the Executive Board and the external auditor. Both documents were subsequently approved by the Supervisory Board. In addition, the external auditor explained the report on the findings for the first half-year. The auditor's management letter was discussed by the Supervisory Board with the Executive Board.

In 2025, the Supervisory Board paid special attention to various issues:

- The progress made in the area of sustainability, safety and digital security.
- Following the explosion at the Borculo plant (the Netherlands), the Supervisory Board discussed mitigating measures and lessons learned at length with management.
- The Supervisory Board was informed about how the Executive Board monitors the effective implementation of investment projects.
- Activities in the area of potential acquisitions and partnerships were regularly discussed by the Supervisory Board.
- The Supervisory Board was extensively briefed on market developments, market shares and innovations in the markets that are important to the Company.
- The Supervisory Board received an update on the design of the GBDS (Global Business and Digital Solutions) programme, which concerns the new, integrated organisational and transformational approach within FrieslandCampina focused on process optimisation, digitalisation and efficiency improvements. This is a multi-year, multi-functional programme that brings together Global Business Services, Global IT and the Optimus programme (the Supervisory Board-approved SAP upgrade) into a single operating model.
- The Supervisory Board also discussed a comprehensive strategic risk management analysis.
- The Supervisory Board approved the remuneration policy for the Executive Board and Executive Team, as well as the Supervisory Board, effective 1 January 2026.
- The Supervisory Board approved the objectives of Executive Board members and other Executive Team members.
- The Supervisory Board approved the proposed changes to the Executive Team and appointed Eugène Willemsen, Cor Hoogeveen, Herman Bakhuis, Sandra Stuijk-Pelkmans and Trienke Elshof-Witteveen as members of the Supervisory Board effective 16 December 2025 and Betty Eeckhaut effective 1 January 2026.
- The Company's people strategy was discussed, including talent development, talent retention within the Company and succession planning.

The Supervisory Board evaluates its work and that of individual members annually. The evaluation also covers the activities of the Supervisory Board's committees. The evaluation looks at various aspects, such as the material characteristics of the activities, cooperation between the committees and the Executive Board, potential changes to the committees' composition, and the development of knowledge and skills. These evaluations are regularly guided by an independent expert.

For 2025, the Supervisory Board conducted an internal self-assessment, guided by an internal expert on talent and leadership development. During 2025, an internal evaluation together with the Cooperative had already led to an adjustment in governance, whereby the personal union between the Cooperative Board and the Supervisory Board was restored as of 16 December 2025. The evaluation that took place in February 2025 led to an improvement of the Supervisory Board's agenda setting approach, with an additional focus on strategic issues. These themes are also reflected in various deep dives that are being organised.

## Supervisory Board committees

The Supervisory Board has established three committees that advise the Supervisory Board on specific issues and help prepare decisions. These are the Audit and Risk Committee, the Remuneration, Nomination and Governance Committee and the ESG Committee. The duties of these committees are laid down in the committee regulations, which are part of the Supervisory Board's regulations. An overview of these duties is available on the website and in the 'Corporate governance' section on page 131.

### Audit and Risk Committee

During the year under review, the Audit and Risk Committee met five times in the presence of management, including the CFO and the officers responsible for the relevant corporate services departments. At all meetings, the external auditor was present to explain specific agenda items. There was also regular contact between committee members and with management, outside the meetings. After each meeting, the Chair of the Audit and Risk Committee reported to the Supervisory Board on the committee's findings. In addition, the Audit and Risk Committee met with the external auditor twice during the year under review, outside the presence of the Executive Board.

During the year under review, the Audit and Risk Committee discussed the financial statements and the 2024 annual report, as well as the external auditor's report on the financial statements and the Executive Board's statement of responsibility included in the 2024 annual report. When discussing the company's results, the annual and half-year reports, the committee paid attention to reporting aspects. These included:

- The results of the goodwill impairment test and the impairment test following the changed segment structure.
- Reporting on cost savings through the implementation of Performance+.
- The processing of disposals.
- The tax position.
- Mitigating currency risks.
- The valuation of tangible and intangible fixed assets.

In addition, the committee received regular updates on the preparations for the CSRD implementation. This included the governance, data collection and internal management processes set up for this purpose. Finally, the committee discussed a number of internal investigations, including responses from the first, second and third lines and the mitigating and corrective actions taken.

The Audit and Risk Committee discussed the planned work of the external auditor, based on the external auditor's audit plan approved by the Supervisory Board. In this reporting year, the 2025 half-year report, the external auditor's 2025 half-year report and, in particular, its interim audit findings were discussed in detail. In addition, in the reporting year the Committee approved, on five occasions, the engagements awarded by the Company to both the current and the incoming external auditor, insofar as these related to safeguarding the external auditor's independence. In addition, in the reporting year the Committee approved, on five occasions, the engagements awarded by the Company to both the current and the incoming external auditor, insofar as these related to safeguarding the external auditor's independence. The Audit and Risk Committee was of the view that the external auditor maintained its independence.

Each year, the Audit and Risk Committee discusses and approves the internal auditor's audit plan and advises the Supervisory Board on this. At each meeting, the internal auditor reports to the committee on its work performed, key findings and progress on actions taken on previous recommendations. In addition, the Audit and Risk Committee was briefed on the functioning of the internal control framework, findings related to privacy and the conduct of audits. The Committee found that the effectiveness of internal control assessments is up to par.

Managers of Accounting, Treasury, Pensions, IT, Tax, Legal and Privacy regularly briefed the Audit and Risk Committee on their work. The finance departments of the Retail & Americas and Specialised Nutrition business groups also presented insights into their business performance and risk management.

The outcome of the analysis of the key business risks and the activities being carried out to mitigate these risks were also reported. Non-financial reporting and preparation for existing and expected laws and regulations on non-financial reporting were also discussed in detail. This included discussions on reporting and due diligence obligations on sustainability and other ESG topics, and how the organisation is set up to embed this effectively within the company. The process related to the double materiality analysis, as well as its outcomes, was explained in detail to the Audit and Risk Committee. Compliance with the FrieslandCampina Compass Code of Conduct and the performance indicators that are monitored in this respect, such as the degree to which employees are aware of the underlying programme, were also discussed. The activities of the good business conduct programme were also explained, as well as material Speak Up matters, including the measures taken and how fraud is prevented by adopting an integrated approach within the company.

FrieslandCampina applies the Dutch laws and regulations applicable to public-interest organisations. According to these regulations, an accounting firm is allowed to audit and sign a company's financial statements for a maximum of 10 consecutive years. As this term expired for PricewaterhouseCoopers (PwC) after the 2025 financial statements were signed, the Audit and Risk Committee carried out an intensive selection process for the appointment of a new external auditor effective from the 2026 financial year. This process led to a recommendation to the Supervisory Board in December 2024 to nominate EY as the new external auditor. The General Meeting of Shareholders, on the recommendation of the Supervisory Board, in December 2024 decided to appoint EY as FrieslandCampina's external auditor, effective from the 2026 financial year. During the year under review, the transition to this new external auditor was extensively discussed and prepared, including a review of the independence of the new external auditor.

In February 2026, the Audit and Risk Committee discussed the 2025 annual report and financial statements. Also discussed were the external auditor's report on the financial statements and the Executive Board's statement of responsibility, included in the annual report.

## Remuneration, Nomination and Governance Committee

The Remuneration, Nomination and Governance Committee met eight times during the year under review. After each meeting, the Chair of the Committee reported to the Supervisory Board on its deliberations. In addition, there was frequent mutual consultation and there was regular contact with management, in particular with the CEO, the CPO and various Human Resources employees. They were also invited to attend specific meeting agenda items. Committee members also met several times with the Central Works Council.

The Remuneration, Nomination and Governance Committee dealt with various remuneration issues during the year under review. As usual, the Committee prepared the Supervisory Board's decision-making on the achievement of the variable remuneration objectives over the previous year by the members of the Executive Board. In addition, the Committee discussed proposals for the Executive Board's objectives for the year under review. The performance of the Executive Board members was also discussed. The conclusions were shared with individual board members. Furthermore, the Committee and the Supervisory Board discussed the Board's new governance structure effective 16 December 2025, whereby the personal union was restored, and all members of the Cooperative Board were also appointed as members of the Supervisory Board. The Supervisory Board also approved the update of the Supervisory Board's regulations, including its profile, to enable this personal union.

During the year under review, the Remuneration, Nomination and Governance Committee evaluated the remuneration and remuneration policy for the members of the Executive Board and the Executive Team, as well as the Supervisory Board's remuneration policy. This policy was adopted by the General Meeting on the recommendation of the Supervisory Board, after consulting the Remuneration, Nomination and Governance Committee.

The people strategy, talent development, talent retention within the Company and succession planning, which were discussed with the entire Supervisory Board, were also extensively discussed in advance with the committee. The Chair of the Remuneration, Nomination and Governance Committee consulted regularly with the management board of the Central Works Council during the year under review.

At the Members' Council meeting of 19 February 2026, the details of the remuneration of the members of the Executive Board and the members of the Supervisory Board for 2025 will be presented by the Chair of the Remuneration, Nomination and Governance Committee.

## ESG Committee

The ESG Committee met three times in 2025. After each meeting, the Chair of the Committee reported on its deliberations to the Supervisory Board. The Committee reviewed the sustainability strategy and specific targets in detail several times. This involved monitoring whether these targets were being met. The ESG committee also received regular updates on the valorisation of sustainability initiatives by the various business groups.

The dealings with and the response to various action groups and stakeholder representatives, for example Friends of the Earth, were regularly discussed with the committee. Experts explained the developments around regenerative agriculture and its potential impact on the Cooperative and its member dairy farmers. This explanation was presented from both the Company's and the Cooperative's perspective. The Committee also received regular updates from Finance and Legal, among others, on the progress of sustainability reporting and the steps being taken to implement CSRD and the CSDD Directive. This included a detailed discussion of the results of the double materiality analysis and the KPIs that will be used for reporting purposes.

The integrated ESG strategy, with concrete KPIs regarding nutrition, people and planet, was discussed with the Committee. Deep dives were also held on the water roadmap, social sustainability and the reduction of 'Scope 3 other' greenhouse gas emissions. The scores and an update of the sustainability criteria within the quality and sustainability programme for member dairy farmers (Foqus planet) were also discussed with the Committee. As part of the social sustainability strategy, the people objectives and the diversity and inclusion objectives were also discussed in detail with the Committee.

## Attendance during meetings

Below is the attendance of the Supervisory Board members at meetings during the year under review. Supervisory Board members who were unable to attend a meeting shared their input with the Chair in advance. As of 11 March 2025, members of the Cooperative Board appointed as members of the Supervisory Board effective 16 December 2025 attended Supervisory Board meetings as well as committee meetings as observers. The table below only reflects when a member of the Supervisory Board or a relevant Committee was present during a meeting in the year under review. In addition to the formal meetings, many informal meetings took place during the year under review on such issues as the proposed merger with Milcobel and other strategic topics.

### Attendance at meetings

| Members of the Supervisory Board | Meetings Supervisory Board (9) | Meetings Audit and Risk Committee (5) | Meetings Remuneration, Nomination and Governance Committee (7) | ESG Committee Meetings (4) |
|---|---|---|---|---|
| **S.S.U. Attema** | 12/12 | | 8/8 | 1/1 |
| **N. den Besten** | 12/12 | 5/5 | 4/4 | 3/3 |
| **W. Duursma** | 12/12 | 3/3 | | 2/2 |
| **E. Jellema** | 2/2 | 1/1 | 3/3 | |
| **P.H.M. Hofsté** | 11/12 | 5/5 | | 3/3 |
| **H.W.J. Schipper** | 5/7 | | 5/5 | |
| **M. Vaesen** | 10/12 | | | 3/3 |
| **J.B.P. Coopmans** | 12/12 | 5/5 | 8/8 | |
| **J.W. Berendsen** | 11/12 | 5/5 | | |

## Composition of the Executive Board and diversity

The composition of the Executive Board as of 13 February 2026 is reported on page 269. During the year under review, the Executive Board consisted of four members: the CEO, CFO, CSCO and CSO. All members of the Executive Board are also part of the Executive Team. The composition of the Executive Team is reported on pages 269 and 270.

### Diversity

FrieslandCampina also strives for a balanced composition for the Executive Board and the Executive Team, as stipulated in its policy on diversity, equality and inclusion. A good mix of experience, background, knowledge and independence helps both teams function optimally. In addition, the objective is to achieve a proper gender balance. The aim is for both the Executive Board and the Executive Team to have at least 30 percent men and at least 30 percent women. In the reporting year, women made up 25 percent of the Executive Board. As of 31 December 2025, the proportion of women on the Executive Team was 23 percent.

FrieslandCampina prefers to recruit internal candidates for the Executive Board and Executive Team. It is therefore important that there is also sufficient female talent available within the layers below the Executive Board. In future (re)appointments, the aim will be to attain a gender balance. The composition of the Executive Team is reported on page 269. With an active policy on diversity, equality and inclusion, FrieslandCampina wants to further increase the proportion of women in management positions.

## Financial statements and profit appropriation

At the Supervisory Board meeting of 13 February 2026, the Supervisory Board, together with the Executive Board, discussed the 2025 financial statements prepared by the Executive Board. Based on the recommendation of the Audit and Risk Committee, the Supervisory Board approved and signed the financial statements. PwC audited the financial statements and issued an unqualified audit opinion.

The consolidated result for 2025 amounts to 328 million euros and is earmarked as follows: 51 million euros will be reserved as interest compensation for holders of member bonds (2024: 64 million euros), 8 million euros will be paid to the provider of the cooperative loan (2024: 10 million euros), 16 million euros will be paid to perpetual bond holders (2024: 10 million euros), 71 million euros is allocated to non-controlling interests (2024: 73 million euro) and 182 million euros will be added to the retained earnings, including the non-controlling interests directly attributable to the shareholder, Zuivelcoöperatie FrieslandCampina U.A. (2024: 164 million euros).

For 2025, member dairy farmers will receive a supplementary cash payment of 1.31 euros per 100 kilograms of milk supplied. The General Meeting of Shareholders will be asked to discharge the members of the Executive Board for their management during the 2025 financial year. The discharge of the Supervisory Board for the supervision of the Executive Board over 2025 will also be submitted to the General Meeting of Shareholders.

On 10 March 2026, the Members' Council of Zuivelcoöperatie FrieslandCampina U.A. will be asked to grant approval of the decision to adopt the 2025 financial statements of Royal FrieslandCampina N.V. This decision is taken by the Supervisory Board of the Cooperative, which exercises the Cooperative's shareholders' rights and, in this capacity, functions as the General Meeting of Shareholders of the Company.

## In conclusion

The FrieslandCampina Supervisory Board is grateful to the Executive Board, the Executive Team and all FrieslandCampina employees for their tremendous efforts and commitment in 2025. It was once again a year marked by challenging market conditions, a year that demanded a great deal from everyone. Their dedication and resilience have significantly contributed to this year's good results.

**Supervisory Board**
Amersfoort, 13 February 2026

# Remuneration

As a multinational company with operations in 30 countries, FrieslandCampina competes for talent on the international stage. It is therefore critical that our executive remuneration policy aligns with our purpose, ambitions and the requirements of a global enterprise that relies on talent to innovate, perform and drive the next generation of growth.

As a company, we are confident we have a policy that drives performance and can support the recruitment, engagement and retention of qualified and experienced Executive Board, other Executive Team members and Supervisory Board members. Developments in 2025 are set out in the report below from the Remuneration, Nomination and Governance Committee of the Supervisory Board (RNGCo).

## The landscape

As noted elsewhere in this report, the dairy industry is under increasing scrutiny from governments and society, particularly when it comes to sustainability impacts and sustainability efforts. As a result, the industry is transitioning rapidly, and FrieslandCampina intends to be at the forefront of these changes.

## Transparency

When it comes to executive remuneration, FrieslandCampina continues to follow the three-year transparency plan we introduced in 2021. The aim with this is to provide more detailed information on our remuneration principles, policies and the actual remuneration of our Executive Board, other members of the Executive Team and the Supervisory Board.

## Remuneration review

In line with our remuneration policy, the biennial review of the remuneration of the Executive Board and other Executive Team members was done per the end of 2024. The new salaries are reflected in this annual report. The next review will be done per the end of 2026, effective as per 1 January 2027.

## 1. Remuneration at a glance

The Executive Board Remuneration Policy is designed to drive performance and support the recruitment, engagement and retention of qualified and experienced Board members. The short- and long-term interests of FrieslandCampina are captured in five foundational remuneration principles.

### Remuneration principles of the Executive Board and other Executive Team members remuneration policy

The remuneration principles have been established in consultation with the Supervisory Board and several stakeholders. The main goal is for them to serve as a foundation for the remuneration design and its application in policies and practices.

#### Connected to the business strategy

The design of the incentives aims to reward the successful implementation of the company's strategy. We do this by linking the objectives of the incentive plans to our business strategy and the sustainable creation of long-term value for the company. The mixture of short- and long-term incentives balances the focus on near-term performance with longer-term interests.

#### Competitiveness

The compensation of the Executive Board and other Executive Team members at FrieslandCampina is based on an annual base salary that reflects the market median of the reference peer companies, plus moderate variable remuneration to reflect the company's cooperative context. The benchmark used to calculate this comprises an integrated benchmark group of relevant Dutch labour-market companies and international sector-specific companies.

As a result, the overall total direct compensation is around the 25th percentile of the relevant market reference group. This aligns with our cooperative structure and so translates into relatively modest compensation compared to the relevant market benchmarks. At the same time, it still enables FrieslandCampina to compete for executive talent in an international talent market.

**Links to company performance**
The short-term variable compensation aims to drive both commercial and financial results and to align the interest of employees, FrieslandCampina and the Cooperative. The long-term variable compensation is linked to the interest of our member dairy farmers, long-term financial performance, and sustainability.

**Focus on sustainability**
The long-term variable compensation is linked to three-year goals comprising financial and non-financial targets, with a strong weighting on sustainability objectives. The target levels of the sustainability objectives are tied to our sustainability strategy and are set at the beginning of each long-term incentive plan.

**Internal consistency and equity**
The RNGCo of the Supervisory Board continuously monitors and evaluates the performance and incentives to be awarded to the Executive Board. Based on the proposal of the RNGCo, the Supervisory Board determines the incentives to be granted to the Executive Board.
The short-term and long-term incentive frameworks, and the standards for assessing performance, are consistent with those that apply to other FrieslandCampina employees.

## Overview of key remuneration elements

The remuneration principles described above translate into the following key remuneration elements of the executive remuneration policy:

**Annual base salary**
This rewards the main responsibilities of the role in question and aims to pay at the median of the relevant market reference group. This fixed compensation element is paid monthly, in cash.

**Short-term incentive plan (STIP)**
This incentive plan is tied to a set of company objectives derived from FrieslandCampina's annual strategic plan. The personal objectives are no longer part of the STIP for the Executive Board, nor for any other employees of FrieslandCampina. The payout depends on the achievement of company objectives (winning in the market, generating cash and expanding our margins) by the end of the performance year, and on a thorough financial-performance assessment. This variable incentive is paid out once a year, in cash.

**Long-term incentive plan (LTIP)**
This incentive plan is tied to FrieslandCampina's purpose, with the focus on *A good living for our farmers, now and for generations to come*.

The LTIP is based on the performance of three objectives:
1. Milk performance price paid to our farmers, with a 50 percent weighting.
2. A set of sustainability objectives, with a 30 percent weighting.
3. Return on capital employed, with a 20 percent weighting.

The LTIP covers a three-year performance period and pays out following a thorough performance assessment of the objectives – qualitative and quantitative – by the RNGCo. This variable cash incentive is paid out at the end of the three-year performance period.

**Pensions and other benefits**
The purpose of pensions and other benefits is to provide income protection and support in retirement, to reimburse costs related to the execution of the role, and to provide a company car or alternative mobility solution.

**Termination of employment**

Executive Board and other Executive Team members are entitled to a severance payment should the company decide to terminate their employment for any non-urgent reason, as set out in Section 7:678 of the Dutch Civil Code. The severance payment amounts to one all-in gross annual base salary.

## Variable remuneration target levels and performance bandwidth

### Variable remuneration target levels

| | Short-term incentive plan (STIP) as percentage of base salary | Long-term incentive plan (LTIP) as percentage of base salary |
|---|---|---|
| **Executive board** | | |
| Chief Executive Officer | 60% | 100% |
| Chief Financial Officer | 50% | 85% |
| Chief Supply Chain and Research & Development Officer | 50% | 65% |
| Chief Sustainability Officer | 50% | 50% |

Both variable remuneration schemes include a performance bandwidth: minimum, at target and maximum performance. The bandwidth determines the payout as a percentage of the target level, as follows:

- A minimum performance is achieved when the outcome of company objectives is below target but above the minimum level of the plan. If the performance is assessed and considered to be below the minimum level, the variable remuneration payout is zero.
- At-target performance is achieved when the outcome of the company objectives is in line with the plan.
- A maximum performance is achieved when the outcome of the company objectives is above the target level. Performance above the maximum level is capped, so there is no remuneration payout above the maximum.

Performance outcomes that fall between minimum, at target and maximum performance result in intermediate payouts, on a linear scale.

### Performance bandwidth, as percentage of target level

| | Minimum | At target | Maximum |
|---|---|---|---|
| **Variable for remuneration scheme** | | | |
| STIP | 50% | 100% | 150% |
| LTIP | 75% | 100% | 125% |

## 2. Relevant market reference group for remuneration of the Executive Board

The remuneration package of the Executive Board is assessed against a reference market group. This enables FrieslandCampina to arrive at a competitive remuneration package. This market comparison is carried out every other year using a Dutch labour-market reference group and an international sector-specific group.

### Integrated benchmark group (17 companies)

| | |
|---|---|
| Agropur | KPN |
| AkzoNobel | Lactalis |
| Arla Foods | Nutreco |
| Danone | Randstad |
| DMK | Refresco |
| Fonterra | Sodiaal |
| Heineken | VION Food Group |
| JDE Peet's | Wolters Kluwer |
| Kerry Group | |

# 3. Remuneration of the Executive Board and other Executive Team members related to the 2025 performance year

## Executive Board

The table below shows the remuneration of the Executive Board members (for the period they were part of the Executive Board) for the 2025 performance year.

Overall, the Executive Board demonstrated a good performance over 2025, which is reflected in the good company performance.

- STIP: The performance of all Executive Board members on STIP targets over 2025 resulted in incentive payouts above target for the year.
- LTIP: The Executive Board received LTIP payouts based on eligibility and their pro-rata participation as Executive Board members in 2025. LTIP is a multi-year performance scheme and based on a multifactor scorecard.

## Executive Team

The Executive Team consists of 13 members, including the executive board. The total remuneration of the Executive Team, excluding the Executive Board, amounts to 9.1 million euros. This amount includes the annual base salary, variable compensation (STIP and LTIP), pensions and other benefits of the nine Executive Team members. As of 1 March 2025, the Executive Team is expanded with one additional member, that brings the total members to nine.

In thousand euros

| Executive Board | J.D. van Karnebeek | J.G. Janssen | D.A. Cutter | M. Einwachter | **Total 2025** | Total 2024 |
|---|---|---|---|---|---|---|
| Annual base salary | 1,067.5 | 705.7 | 630.0 | 440.0 | 2,843.2 | 2,675,7 |
| STIP 2025 | 723.8 | 398.7 | 346.5 | 248.6 | 1,717.6 | 2,025.7 |
| LTIP 2023-2025[1][2] | 423.2 | 398.8 | 385.3 | 51.3 | 1,258.6 | 555.8 |
| Pensions | 168.5 | 114.8 | 103.1 | 66.6 | 453.0 | 555.8 |
| Other benefits | 41.0 | 46.3 | 37.2 | 34.6 | 159.1 | 160.0 |
| **Total remuneration payout[3]** | **2,424.0** | **1,664.3** | **1,502.1** | **841.1** | **6,431.5** | **5,934.3** |

[1] Actual LTIP payout from the 2023-2025 plan that ended in 2025 and pays out in 2026. The LTIP award has been adjusted to pro-rata participation as Executive Board member during the plan 2023-2025.
For disclosure of LTIP cost in line with IFRS reporting requirements, which are 'accrual-based', see note 13.4 (page 236).
[2] R.F. van Neerbos will receive a LTIP payout of 133,322 euros in April 2026, based on his eligibility to LTIP 2023-2025 for the period he was an Executive Board member. This amount is not included in the table.
[3] Due to rounding, the totals will not always add up exactly.

| In thousand euros | 2025 | 2024 |
|---|---|---|
| **Executive Team (excl. Executive Board)** | | |
| Annual base salary | 3,888 | 3,388 |
| STIP 2025 | 2,061 | 2,290 |
| LTIP 2023-2025[1] | 1,109 | 319 |
| Pensions | 499 | 502 |
| Other benefits | 1,502 | 798 |
| **Total remuneration payout[2]** | **9,060** | **7,297** |

[1] Actual LTIP payout from the 2023-2025 plan that ended in 2025 and pays out in 2026. The LTIP award has been adjusted to reflect pro-rata participation as Executive Team member during the 2023-2025 plan. For disclosure of LTIP cost in line with IFRS reporting requirements, which are 'accrual-based', see note 13.4 (page 236).
[2] Due to rounding, the totals will not always add up exactly.

## 4. CEO pay ratio

FrieslandCampina follows the calculation guidance on pay ratio set out in the Dutch Corporate Governance Code applicable for 2025. This is understood to be the ratio between (i) the total annual remuneration of the CEO and (ii) the average annual remuneration of employees of the company and group companies whose financial data is consolidated by the company.

The concept of CEO pay ratio is specific to the company's industry, geographical footprint and organisational model. FrieslandCampina has a diverse employee population. A significant number of our businesses and employees are in emerging markets, where pay levels and structures differ compared, for example, to the Netherlands.

In addition, the company's performance has a direct impact on the variable remuneration component of the CEO's pay. This is because the relative and absolute levels are higher compared to those of most employees, and so subject to more variations. Lastly, exchange rate fluctuations can impact on the ratio.

For the reasons mentioned above, the RNGCo does not specify a preference for CEO pay ratio.

The remuneration of the CEO – and all FrieslandCampina employees – should be in line with the relevant internal and external market references and the responsibilities and experience that particular positions require.

FrieslandCampina's internal 'global' pay ratio in 2025 is 43.3 based on the remuneration of the CEO in 2025. The internal pay ratio comparing only FrieslandCampina employees in the Netherlands in 2025 is 27.9.

| Remuneration in thousand euros | Year | Remuneration CEO[1] | Average remuneration of employees[2] | Pay ratio |
|---|---|---|---|---|
| **Worldwide** | 2025 | 2,840.2 | 65.5 | 43.4 |
| | 2024 | 2,418.0 | 61.9 | 39.1 |
| | 2023 | 1,204.3 | 57.6 | 20.9 |
| | 2022 | 2,035.6 | 54.2 | 37.5 |
| | 2021 | 1,474.0 | 50.4 | 29.3 |
| **The Netherlands** | 2025 | 2,840.2 | 101.6 | 27.9 |
| | 2024 | 2,418.0 | 97.0 | 24.9 |
| | 2023 | 1,204.3 | 91.3 | 13.2 |
| | 2022 | 2,035.6 | 83.1 | 24.5 |
| | 2021 | 1,474.0 | 81.4 | 18.1 |

[1] Fixed remuneration and variable remuneration (actual STIP and LTIP cost in line with IFRS reporting requirements, which are 'accrual-based'), social contributions, pension, expense allowance, etc.) as included in the consolidated annual accounts on an IFRS basis.
[2] Total wage costs in the financial year globally and in the Netherlands respectively (after subtracting the total wage cost of for the CEO), divide this by the average number of FTEs globally and in the Netherlands respectively (minus CEO) during the financial year.

The RNGCo recognises that the (long-term) variable remuneration payout in 2025 influenced the increased CEO pay ratio in 2025 compared to 2024. The reason for this is that, starting this year, the CEO receives an LTIP.

## 5. At target remuneration of the Executive Board at the beginning of 2026

This table shows the annual base salary and at-target STIP and LTIP payouts per individual Executive Board member as per the start of 2026.

In thousand euros

| Executive Board | J.D. van Karnebeek | J.G. Janssen | D.A. Cutter | M. Einwachter |
|---|---|---|---|---|
| Annual base salary | 1,067.5 | 705.7 | 630.0 | 440.0 |
| **Variable remuneration** | | | | |
| STIP 2026 | 640.5 | 352.9 | 315.0 | 220.0 |
| LTIP 2026-2028 | 1,067.5 | 599.8 | 409.5 | 220.0 |

## 6. Remuneration of the Supervisory Board related to 2025 performance year

The table below shows the actual remuneration paid per individual Supervisory Board member related to the 2025 performance year.

| In thousand euros | Annual base remuneration | Membership committee fees | Representational and mobility costs | Total remuneration 2025 | Total remuneration 2024 | Comments |
|---|---|---|---|---|---|---|
| **Supervisory Board members – Independent members** | | | | | | |
| J.B.P. Coopmans | 85.0 | 33.0 | | 118.0 | 118.0 | |
| P.H.M. Hofsté | 70.0 | 30.0 | | 100.0 | 100.0 | |
| M. Vaesen | 70.0 | 9.5 | | 79.5 | 79.5 | |
| E. Willemsen | 3.0 | | | 3.0 | | Appointed per 16-12-2025 |
| H.W.J. Schipper | 35.0 | 6.3 | | 41.3 | 82.5 | Stepped down per 1-7-2025 |
| **Subtotal** | **263.0** | **78.8** | | **341.8** | **380.0** | |
| **Supervisory Board members and Cooperative Board members[5]** | | | | | | |
| S.S.U. Attema[1] | 265.0 | | 24.0 | 289.0 | 289.0 | |
| N. den Besten[2] | 70.0 | | | 70.0 | 70.0 | |
| H. Bakhuis[3] | 3.0 | | | 3.0 | | Appointed per 16-12-2025 |
| W. Duursma[3] | 70.0 | | | 70.0 | 4.1 | Appointed per 10-12-2024 |
| T. Elshof-Witteveen[3] | 3.0 | | | 3.0 | | Appointed per 16-12-2025 |
| C. Hoogeveen[3] | 3.0 | | | 3.0 | | Appointed per 16-12-2025 |
| S. Stuijk-Pelkmans[3] | 3.0 | | | 3.0 | | Appointed per 16-12-2025 |
| Former Supervisory Board member[3] | | | | | 41.6 | Ended per May 2024 |
| E. Jellema[2] | 13.7 | | | 13.7 | 70.0 | Stepped down per 11-3-2025 |
| **Subtotal** | **427.2** | | **24.0** | **451.2** | **474.7** | |
| **Supervisory Board member – Internal member, not part of the Cooperative Board** | | | | | | |
| J.W. Berendsen | 66.4 | 11.9 | | 78.3 | 82.5 | Stepped down per 16-12-2025 |
| **Subtotal** | **66.4** | **11.9** | | **78.3** | **82.5** | |
| **Total[4]** | **756.7** | **90.7** | **24,0** | **871.3** | **937.2** | |

[1] The Chair of the Supervisory Board does not receive additional remuneration (Membership Committee fees) for the committee work of the Supervisory Board. The annual base remuneration includes an all-in fee for the position as Chair of the Supervisory Board and of the Cooperative Board.

[2] The Vice-chair of the Cooperative Board is also a member of the Supervisory Board and receives an all-in remuneration fee of 175 thousand euros. This includes the committee work for the role on the Supervisory and Cooperative Boards. The annual base fee of 70 thousand euros represents the remuneration related to the Supervisory role. The other 105 thousand euros represents the remuneration related to the Vice-chair role of the Cooperative Board.

[3] Supervisory Board members who are also a member of the Cooperative Board (dual role) receive an all-in remuneration fee of 145 thousand euros. This includes the committee work for their (dual) role on the Supervisory and Cooperative Boards. The annual base fee of 70 thousand euros represents the remuneration related to the Supervisory Board role. The other 75 thousand euros represents the remuneration related to the Cooperative Board role.

[4] Due to rounding, the totals will not always add up exactly.

[5] Supervisory Board members who are also a member of the Cooperative Board (dual role) receive a mobility allowance which is reported in the annual report of the Cooperative Board.

## 7. Key remuneration elements of the Supervisory Board

The remuneration of the Supervisory Board aims to attract and retain individuals who have the skills and experience to monitor and guide the execution of the company's strategy to ensure long-term value creation.

### 2025 Remuneration overview of annual fees and membership committee fees

| In thousand euros | Chair[1] | Vice-chair[2] | Supervisory Board member[2] | Supervisory Board and Cooperative Board member (dual role)[3] |
|---|---|---|---|---|
| **Supervisory Board** | | | | |
| Annual base remuneration | 265.0 | 85.0 | 70.0 | 145.0 |
| Representational and mobility costs | 24.0 | | | |
| Membership committee fees | | | | |
| Audit and Risk Committee | 20.5 | | 12.5 | |
| Remuneration, Nomination and Governance Committee | 20.5 | | 12.5 | |
| ESG Committee | 15.5 | | 9.5 | |

[1] The Chair of the Supervisory Board does not receive additional remuneration (membership committee fees) for the committee work of the Supervisory Board. The annual base remuneration includes an all-in fee for the position as Chair of the Supervisory Board and of the Cooperative Board.
[2] The Vice-chair of the Supervisory Board as well as Supervisory Board members do not receive an all-in remuneration and may receive additional remuneration for membership of committees of the Supervisory Board.
[3] Supervisory Board members who are also member of the Cooperative Board (dual role) receive an all-in remuneration fee of 145 thousand euros which includes the committee work for their (dual) role at the Supervisory and Cooperative Board. The annual base fee of 70 thousand euros represents the remuneration related to the Supervisory Board role. The other 75 thousand euro represents the remuneration related to the Cooperative Board role.

### Remuneration review of annual fees and membership committee fees

The remuneration policies of both the Cooperative Board and the Supervisory Board of FrieslandCampina was reviewed in 2025. This followed the decision to change the structure to create more synergies between the two bodies. The review led to an update of the annual base fees and membership fees of both the Supervisory Board and the Cooperative Board, bringing the remuneration levels into line with the 25th percentile of the reference market.

The remuneration changes were adopted by the General Meeting as per 16 December 2025. The changes will have effect as per 1 January 2026 and are shown on the following page.

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With extra protein, ideal for fans of the familiar Chocomel taste who want a protein boost.

## 2026 Remuneration overview of annual fees and membership committee fees

| In thousand euros | Chair[1] | Vice-chair[2] | Supervisory Board member[2] | Supervisory Board and Cooperative Board member (dual role)[3] |
|---|---|---|---|---|
| **Supervisory Board** | | | | |
| Annual base remuneration | 304.0 | 96.0 | 80.0 | 180.0 |
| Representational and mobility costs | 24.0 | | | |
| Membership committee fees | | | | |
| Audit and Risk Committee | 23.5 | | 14.5 | |
| Remuneration, Nomination and Governance Committee | 23.5 | | 14.5 | |
| ESG Committee | 18.0 | | 11.0 | |

[1] The Chair of the Supervisory Board does not receive additional remuneration (membership committee fees) for the committee work of the Supervisory Board. The annual base remuneration includes an all-in fee for the position as Chair of the Supervisory Board and of the Cooperative Board.
[2] The Vice-chair of the Supervisory Board as well as Supervisory Board members do not receive all-in remuneration and may receive additional remuneration for membership of committees of the Supervisory Board.
[3] As of 1 January 2026 all Cooperative Board Members will have a dual role. Supervisory Board members who are also a member of the Cooperative Board (dual role) receive an all-in remuneration fee of 180 thousand euros. This includes the committee work for their (dual) role on the Supervisory and Cooperative Boards. The annual base fee of 80 thousand euros represents the remuneration related to the Supervisory Board role. The other 100 thousand euros represents the remuneration related to the Cooperative Board role.

An external party benchmarks the remuneration of the Supervisory Board and the compensation for special committee memberships every three year. Next Supervisory Board remuneration review will be conducted in 2028 with effective date per 1 January 2029. The benchmark comprises a specified reference group to ensure equity with peer group companies.

The reference group consists of eleven companies from among the 25 largest organisations listed on the Dutch AEX index. The criteria were: comparable revenue to FrieslandCampina; a “two-tier board” structure; and no financial services companies. The market reference group is reviewed in 2025 as part of an integrated review of the remuneration of the Supervisory Board and Cooperative Board.

| Dutch market benchmark group |
|---|
| Ahold Delhaize |
| AkzoNobel |
| ASM International |
| ASML Holding |
| Besi |
| Heineken |
| IMCD |
| KPN |
| Philips |
| Randstad |
| Wolters Kluwer |

## End of appointment

No severance payment of any kind is due should the appointment of a Supervisory Board member be terminated.

# Taxes

FrieslandCampina aims for timely, correct and full compliance with tax legislation in all jurisdictions in which it operates. The company not only aspires to follow the letter, but also the spirit of the tax legislation and regulations that apply to all its activities. This is in line with the standards and values set out in Compass: our code for good business conduct.

## Tax position in the financial statements

FrieslandCampina provides its stakeholders with reliable information. Financial as well as non-financial figures are transparent, correct, complete and up to date. Financial reporting also complies with local laws and regulations and Group accounting policies.

## Tax planning

FrieslandCampina pays taxes in the countries in which it operates in accordance with the activities of its companies (tax follows the companies) and does not make use of so-called tax havens for tax avoidance. FrieslandCampina operates in accordance with the single tax principle and tries to avoid situations involving double taxation and double non-taxation. The Company does not implement any artificial tax structures without commercial and economic reality. FrieslandCampina adopts fiscally defensible positions. The tax incentives claimed by FrieslandCampina are in line with business operations and goals and are generally available.

## Transfer pricing

Intercompany transactions are subject to internal transfer pricing guidelines. These internal guidelines are in accordance with the arm's length principles set out in the Organisation for Economic Co-operation and Development (OECD) transfer pricing guidelines. FrieslandCampina aims to document the at arm's length conduct of relevant transactions by signing bilateral or unilateral transfer pricing agreements with tax authorities. FrieslandCampina has embraced the Base Erosion and Profit Shifting (BEPS) initiative and has elaborated on this in its transfer pricing documentation to ensure compliance with published guidelines, including the Country Report.

## Tax management and risk management

FrieslandCampina's tax policy and tax control framework promote a culture of consistent, coherent and compliant tax conduct that is in accordance with laws and regulations and with the objective of creating a sustainable and predictable tax position. The company is convinced that building professional relationships with tax authorities based on mutual respect, transparency and trust contributes to this predictability. If possible, this is confirmed in a cooperative compliance regulation. In the Netherlands, FrieslandCampina's home country, the company is a participant in the Horizontal Monitoring programme of the Dutch Tax and Customs Authority. FrieslandCampina's Corporate Tax Department reports at least twice a year to the Audit and Risk Committee.

## Tax Governance Code

The Dutch Tax Governance Code was developed by the Confederation of Netherlands Industry and Employers (VNO-NCW) and is supported by several organisations in response to social pressure for responsible tax behaviour by companies. Among other things, this Code is designed to increase transparency on the tax position of Dutch (listed) companies and has now been embraced by more than 40 major Dutch multinationals. FrieslandCampina also endorses this Code and has reported in accordance with the Tax Governance Code since the 2024 financial year.

**Campina mild quark**
Made from On the Way to PlanetProof milk, produced with extra care for cows, nature and climate.

04

# Financial statements


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# Financial statements

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# Consolidated income statement

| In millions of euros | Note | 2025 | 2024 |
|---|---|---|---|
| Revenue | (6.2) | 13,393 | 12,923 |
| Cost of goods sold | (6.4) | -11,357 | -10,850 |
| **Gross profit** | | **2,036** | **2,073** |
| | | | |
| Advertising and promotion costs | (6.4) | -649 | -653 |
| Selling and general administrative costs | (6.4) | -824 | -875 |
| Other operating costs | (6.6) | -79 | -40 |
| Other operating income | (6.3) | 23 | 22 |
| **Operating profit** | | **507** | **527** |
| | | | |
| Finance income | (11.1) | 11 | 30 |
| Finance costs | (11.1) | -77 | -104 |
| Share of profit of joint ventures and associates, net of tax | (10.3) | 25 | 20 |
| **Result before tax** | | **466** | **473** |
| | | | |
| Income tax | (12.1) | -138 | -152 |
| **Result for the year** | | **328** | **321** |
| | | | |
| **Result attributable to:** | | | |
| - holders of member bonds | | 51 | 64 |
| - holders of perpetual bonds | | 16 | 10 |
| - provider of Cooperative loan | | 8 | 10 |
| - shareholder | | 221 | 305 |
| **Shareholder and other providers of capital** | | **296** | **389** |
| Shareholder as holder of non-controlling interests | | -39 | -141 |
| **Shareholder and other providers of capital (incl. non-controlling interests shareholder)** | | **257** | **248** |
| Other holders of non-controlling interests | | 71 | 73 |
| **Result for the year** | | **328** | **321** |

# Consolidated statement of comprehensive income

| In millions of euros | | 2025 | | 2024 |
|---|---|---|---|---|
| **Result for the year** | | **328** | | **321** |
| | | | | |
| **Items that will or may be reclassified to the income statement (net of tax):** | | | | |
| - effective portion of cash flow hedges | -4 | | -6 | |
| - currency translation differences | -122 | | 47 | |
| - share in other comprehensive income of joint ventures and associates | -2 | | 1 | |
| | | **-128** | | **42** |
| | | | | |
| **Items that will never be reclassified to the income statement (net of tax):** | | | | |
| - remeasurement of liabilities (assets) under defined benefit plans | -6 | | 5 | |
| | | **-6** | | **5** |
| | | | | |
| **Other comprehensive income, net of tax** | | **-134** | | **47** |
| **Total comprehensive income for the year** | | **194** | | **368** |
| | | | | |
| **Total comprehensive income attributable to:** | | | | |
| - shareholder and other providers of capital | 179 | | 426 | |
| - shareholder as holder of non-controlling interests | -39 | | -141 | |
| **Shareholder and other providers of capital (incl. non-controlling interests shareholder)** | | **140** | | **285** |
| - other holders of non-controlling interests | | 54 | | 83 |
| | | **194** | | **368** |

# Consolidated statement of financial position

| At 31 December, in millions of euros | Note | 2025 | 2024 |
|---|---|---|---|
| **Assets** | | | |
| Property, plant and equipment | (8.1) | 3,353 | 3,387 |
| Intangible assets | (8.2) | 1,185 | 1,269 |
| Biological assets | (8.3) | 10 | 12 |
| Deferred tax assets | (12.2) | 148 | 156 |
| Joint ventures and associates | (10.3) | 131 | 123 |
| Long-term employee benefits | (9.1) | 12 | 13 |
| Other financial assets | (8.4) | 39 | 34 |
| **Non-current assets** | | **4,878** | **4,994** |
| | | | |
| Inventories | (7.1) | 1,723 | 1,851 |
| Trade and other receivables | (7.2) | 1,572 | 1,743 |
| Income tax receivables | | 30 | 32 |
| Other financial assets | (8.4) | 72 | 119 |
| Cash and cash equivalents | (11.2) | 834 | 1,051 |
| Assets held for sale | (10.2) | 58 | 3 |
| **Current assets** | | **4,289** | **4,799** |
| **Total assets** | | **9,167** | **9,793** |

| | Note | 2025 | 2024 |
|---|---|---|---|
| **Equity** | | | |
| Issued capital | (11.5) | 370 | 370 |
| Share premium | (11.5) | 731 | 731 |
| Other reserves | (11.5) | -472 | -361 |
| Retained earnings | (11.5) | 1,470 | 1,435 |
| **Equity attributable to shareholder** | | **2,099** | **2,175** |
| Member bonds | (11.5) | 922 | 930 |
| Perpetual bonds | (11.5) | 314 | 375 |
| Cooperative loan | (11.5) | 144 | 146 |
| **Equity attributable to other providers of capital** | | **1,380** | **1,451** |
| **Equity attributable to providers of capital** | | **3,479** | **3,626** |
| Non-controlling interests shareholder | (11.5) | 7 | -134 |
| **Equity directly attributable to providers of capital** | | **3,486** | **3,492** |
| Other non-controlling interests | (11.5) | 298 | 294 |
| **Total equity** | | **3,784** | **3,786** |
| | | | |
| **Liabilities** | | | |
| Long-term employee benefits | (9.1) | 148 | 185 |
| Deferred tax liabilities | (12.2) | 47 | 42 |
| Provisions | (9.2) | 71 | 77 |
| Interest-bearing borrowings | (11.3) | 992 | 1,288 |
| Other financial liabilities | (11.4) | 22 | 17 |
| **Non-current liabilities** | | **1,280** | **1,609** |
| | | | |
| Interest-bearing borrowings | (11.3) | 298 | 255 |
| Trade and other payables | (7.3) | 3,516 | 3,867 |
| Income tax payables | | 189 | 187 |
| Provisions | (9.2) | 50 | 63 |
| Other financial liabilities | (11.4) | 22 | 26 |
| Liabilities held for sale | (10.2) | 28 | |
| **Current liabilities** | | **4,103** | **4,398** |
| | | | |
| **Total liabilities** | | **5,383** | **6,007** |
| **Total equity and liabilities** | | **9,167** | **9,793** |

# Consolidated statement of cash flows

| In millions of euros | Note | 2025 | 2024 |
|---|---|---|---|
| **Operating activities** | | | |
| **Result before tax** | | **466** | **473** |
| Adjustments for: | | | |
| - interest | (11.1) | 64 | 81 |
| - depreciation of property, plant and equipment and amortisation of intangible assets | (8.1) (8.2) | 379 | 381 |
| - impairments of non-current assets and reversals thereof | (8.1) (8.2) | 9 | 79 |
| - share of profit of joint ventures and associates | (10.3) | -25 | -20 |
| - other finance income and costs | | 4 | -37 |
| - result from divestments | | -23 | -2 |
| **Total adjustments** | | **408** | **482** |
| Movements in: | | | |
| - inventories | | 58 | -222 |
| - receivables | | 67 | -123 |
| - liabilities | | -151 | 574 |
| - long-term employee benefits | | -40 | -10 |
| - provisions | (9.2) | -15 | -92 |
| **Total movements** | | **-81** | **127** |
| **Cash flows from operating activities** | | **793** | **1,082** |
| Dividend received | | 14 | 11 |
| Income tax paid | | -126 | -117 |
| Interest paid | | -76 | -93 |
| Interest received | | 10 | 17 |
| **Net cash flows from operating activities** | | **615** | **900** |

| | Note | 2025 | 2024 |
|---|---|---|---|
| **Investing activities** | | | |
| Investments in property, plant and equipment and intangible assets | | -388 | -450 |
| Disposals of property, plant and equipment, intangible assets and assets held for sale | | 27 | 8 |
| Loans issued and repayments received | | 50 | -4 |
| **Net cash flows used in investing activities** | | **-311** | **-446** |
| **Financing activities** | | | |
| Dividend paid | | -50 | -85 |
| Interest paid to holders of member bonds | | -59 | -65 |
| Interest paid to holders of perpetual bonds | | -5 | -8 |
| Issue perpetual bonds | | | 300 |
| Repayment of perpetual bonds | | -72 | -228 |
| Interest-bearing borrowings drawn | | 48 | 703 |
| Repayment of interest-bearing borrowings | | -253 | -656 |
| Repayment of lease liabilities | | -58 | -57 |
| Payment of put option liabilities | (11.4) | -7 | |
| Settlement of derivatives and other | | -24 | 130 |
| **Net cash flows from/used in financing activities** | | **-480** | **34** |
| **Net cash flow** | | **-176** | **488** |
| Cash and cash equivalents at 1 January[1] | | 1,034 | 538 |
| Net cash flow | | -176 | 488 |
| Currency translation differences on cash and cash equivalents | | -27 | 8 |
| **Cash and cash equivalents at 31 December[1]** | | **831** | **1,034** |

[1] Cash and cash equivalents also includes overdrafts that are repayable on demand and form an integral part of the cash management of FrieslandCampina.

# Consolidated statement of changes in equity

| In millions of euros | | | | | | | | | | | | | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | Other reserves | | | | | | | |
| | Issued capital | Share premium | Member bonds | Perpetual bonds | Cooperative loan | Cash flow hedge reserve | Currency translation reserve | Retained earnings | Equity attributable to providers of capital | Non-controlling interests shareholder | Equity directly attributable to providers of capital | Other non-controlling interests | Total equity |
| **At 1 January** | **370** | **731** | **930** | **375** | **146** | **-7** | **-354** | **1,435** | **3,626** | **-134** | **3,492** | **294** | **3,786** |
| | | | | | | | | | | | | | |
| **Comprehensive income:** | | | | | | | | | | | | | |
| - result for the year | | | 51 | 16 | 8 | | | 221 | **296** | -39 | **257** | 71 | **328** |
| - other comprehensive income | | | | | | -4 | -107 | -6 | **-117** | | **-117** | -17 | **-134** |
| **Total comprehensive income for the year** | | | **51** | **16** | **8** | **-4** | **-107** | **215** | **179** | **-39** | **140** | **54** | **194** |
| | | | | | | | | | | | | | |
| **Transactions with providers of capital recognised directly in equity:** | | | | | | | | | | | | | |
| - dividends paid | | | | | | | | | | | | -50 | **-50** |
| - interest paid | | | -59 | -5 | -10 | | | | **-74** | | **-74** | | **-74** |
| - repayment bonds and loan | | | | -72 | | | | | **-72** | | **-72** | | **-72** |
| - capital adjustment | | | | | | | | -180 | **-180** | 180 | | | |
| **Total transactions with providers of capital** | | | **-59** | **-77** | **-10** | | | **-180** | **-326** | **180** | **-146** | **-50** | **-196** |
| | | | | | | | | | | | | | |
| **At 31 December** | **370** | **731** | **922** | **314** | **144** | **-11** | **-461** | **1,470** | **3,479** | **7** | **3,486** | **298** | **3,784** |

| In millions of euros | | | | | | | | | | | | | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | Other reserves | | | | | | | |
| | Issued capital | Share premium | Member bonds | Perpetual bonds | Cooperative loan | Cash flow hedge reserve | Currency translation reserve | Retained earnings | Equity attributable to providers of capital | Non-controlling interests shareholder | Equity directly attributable to providers of capital | Other non-controlling interests | Total equity |
| **At 1 January** | **370** | **731** | **931** | **301** | **302** | **-1** | **-392** | **1,125** | **3,367** | **7** | **3,374** | **296** | **3,670** |
| **Comprehensive income:** | | | | | | | | | | | | | |
| - result for the year | | | 64 | 10 | 10 | | | 305 | **389** | -141 | **248** | 73 | **321** |
| - other comprehensive income | | | | | | -6 | 38 | 5 | **37** | | **37** | 10 | **47** |
| **Total comprehensive income for the year** | | | **64** | **10** | **10** | **-6** | **38** | **310** | **426** | **-141** | **285** | **83** | **368** |
| **Transactions with providers of capital recognised directly in equity:** | | | | | | | | | | | | | |
| - dividends paid | | | | | | | | | | | | -85 | **-85** |
| - interest paid | | | -65 | -8 | -16 | | | | **-89** | | **-89** | | **-89** |
| - issue perpetual bonds | | | | 300 | | | | | **300** | | **300** | | **300** |
| - repayment bonds and loan | | | | -228 | -150 | | | | **-378** | | **-378** | | **-378** |
| **Total transactions with providers of capital** | | | **-65** | **64** | **-166** | | | | **-167** | | **-167** | **-85** | **-252** |
| **At 31 December** | **370** | **731** | **930** | **375** | **146** | **-7** | **-354** | **1,435** | **3,626** | **-134** | **3,492** | **294** | **3,786** |

# Notes to the consolidated financial statements

## 1. Reporting entity

Royal FrieslandCampina N.V. has its registered office in Amersfoort, the Netherlands. The address is: Stationsplein 4, 3818 LE, Amersfoort, the Netherlands. The Company is registered in the Chamber of Commerce's Trade Register, No. 11057544. The consolidated financial statements for the year ended 31 December 2025 comprise the financial statements of Royal FrieslandCampina N.V. and its subsidiaries (jointly referred to as FrieslandCampina).

Zuivelcoöperatie FrieslandCampina U.A. ('Cooperative') is the sole shareholder of Royal FrieslandCampina N.V.

FrieslandCampina processes over 9 billion kilograms of member milk annually into a wide range of dairy products containing valuable nutrients for consumers. In the professional market, FrieslandCampina is a key producer and supplier of dairy products to bakeries, restaurants, bars and fast-food chains. FrieslandCampina also produces and supplies high quality ingredients for manufacturers in the food industry and pharmaceutical sector.

## 2. Basis of preparation

The consolidated financial statements are:

- prepared in accordance with IFRS Accounting Standards as adopted by the European Union (EU). Where applicable, these also comply with the financial reporting requirements included in Part 9 of Book 2 of the Dutch Civil Code. The Company income statement is presented in accordance with the exemption of article 2:402 of the Dutch Civil Code;
- prepared by the Executive Board of the Company and authorised for issue by the Executive Board and the Supervisory Board on 13 February 2026, to be made available for publication on 18 February 2026. On 3 March 2026 the financial statements will be submitted for approval to the General Meeting of Shareholders of Royal FrieslandCampina N.V. being Zuivelcoöperatie FrieslandCampina U.A., represented by its Board;
- prepared on a historical cost basis, except for the following material items in the statement of financial position:
  - derivatives measured at fair value;
  - net pension liability (asset) under the defined benefit pension plan, measured at the fair value of the plan assets less the present value of the accrued pension entitlements;
- prepared on a going concern basis;
- presented in Euro, the functional currency of the Company;
- rounded to the nearest million, unless stated otherwise.

## 3. Significant accounting estimates and judgements

The preparation of the consolidated financial statements in accordance with IFRS Accounting Standards as adopted by the European Union (EU) requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The actual results may differ from management's estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis, taking into account the opinion and advice of (external) experts. These estimates and assumptions include the sustainability-related developments.

The following notes contain the most significant estimates and judgements:

| Notes | Significant accounting estimates and judgements |
|---|---|
| 6.2 and 7.3 | Sales discounts deducted from revenue |
| 6.4 | Foqus planet premium |
| 7.1 | Net realisable value of inventories |
| 8.1 and 8.2 | Impairments |
| 8.1 and 8.2 | Useful life of property, plant and equipment and intangible assets |
| 8.1 | Lease terms and the projected use of right-of- use assets |
| 12.2 | Utilisation of tax losses and deferred tax assets and valuation of uncertain tax positions |
| 9.1 | Measurement of defined benefit obligations |
| 9.2 and 13.2 | Provisions and contingent liabilities |
| 10.1, 11.4 and 11.7 | Key assumptions applied to determine the fair value of business combinations and financial instruments |

The judgement of whether an entity exercises control over another entity is carried out in accordance with the principles set out in note 5a) Basis of consolidation.

## Climate change

In preparing the consolidated financial statements management has considered the impact of climate change on the financial position, including, among other factors the measurement of non-current assets, determination of useful life of assets and recognition of provisions. The impact of climate change and the initiatives, also including the expected financial impact have been explained in detail in the Report of the Executive Board under Environmental, Social and Governance.

The following specific points were considered:

- New or stricter regulations may lead to a decline in milk production when they are aimed at reducing the volume of milk produced. The manner and pace of implementation determine how quickly dairy farms can adapt. A reduction in milk production may require adjustments to the production network and changes in partnerships, while such regulations may also result in additional costs, for example through the pricing or taxation of emissions. Lower milk supply will also have an impact on member financing through milk certificates and thus the financing of the Company.
- FrieslandCampina has amongst other developed greenhouse gas and water reduction plans for the supply chain Production locations. Investments are needed to meet the 2030 target reductions. Management expects that net impact on cash flows and result will not be material, because the required investments will remain at the same historical level due to replacement investments and additional costs to meet the targets with suppliers can be charged to the market.

## 4. Changes in accounting policies

### a) New and revised standards, amendments and interpretations as applied by FrieslandCampina

The new and revised standards, amendments and interpretations that came into effect for periods beginning on or after 1 January 2025, where applicable, have been applied for the first time in 2025. These include:

- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability: The revised standard does not have any impact yet on the consolidated financial statements of FrieslandCampina.

### b) New and revised standards, amendments and interpretations issued but effective for the financial year starting on or after 1 January 2026 without early adoption

Multiple amendments to standards and interpretations that are effective for annual periods starting after 1 January 2026, have not been early adopted in these consolidated financial statements. The following amendments are expected to have an impact on the consolidated financial statements of FrieslandCampina:

- IFRS 18 Presentation and Disclosure in Financial Statements: This new standard replaces IAS 1 Presentation of Financial Statements and is effective for annual reporting periods starting on or after 1 January 2027. The standard introduces the following important requirements;
  - Entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations. In addition, entities are required to present a newly defined subtotal: operating profit. This does not affect the entity's net profit.
  - The standard requires disclosure of Management Performance Measures (MPMs), which are performance metrics defined by management.
  - Furthermore, the operating profit subtotal should be used as the starting point for the indirect method cash flow statement.

FrieslandCampina is currently investigating the potential impact of this new standard, specifically with respect to the revised structure and presentation of the statement of profit or loss and the statement of cash flows. Furthermore, it is assessed what the impact is for the way information is grouped and presented in the financial statements, including items currently disclosed under the label 'other'.

## 5. General accounting policies

The accounting policies described in these consolidated financial statements have been applied consistently to all periods presented in these consolidated financial statements and have also been applied consistently by all FrieslandCampina's entities.

### a) Basis of consolidation

The consolidated financial statements consist of the financial information of the Company and its subsidiaries.

Subsidiaries are entities over which FrieslandCampina has control. Subsidiaries are fully recognised in the consolidated financial statements from the date that control commences until the date that control ceases.

Intra-group balances and transactions and any unrealised gains and losses arising from intra-group transactions are eliminated when preparing the consolidated financial statements. Unrealised gains arising from transactions with associates and joint ventures are eliminated to the extent of FrieslandCampina's interest in the entity. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

**Accounting judgements**

Determining whether an entity has control over another entity sometimes requires additional judgement, in particular where the direct interest is not decisive:

- FrieslandCampina has a direct interest of 50% in DFE Pharma GmbH & Co. KG. In addition, FrieslandCampina has an interest of 51% in FrieslandCampina Engro Pakistan Ltd. FrieslandCampina has control over both entities established through various factors, including but not limited, a majority in the management board, the entities dependence on the know-how, brands and supply of goods made available by FrieslandCampina. These entities are therefore fully consolidated with the recognition of a non-controlling interest.
- FrieslandCampina holds a 74.53% interest in Het Kaasmerk B.V. and a 60% interest in United Dutch Arizona Dairy Inc. Although FrieslandCampina holds more than 50% of the shares in these entities, it has no control over these entities based on the agreements. These interests are accounted for using the equity method.
- FrieslandCampina is the managing partner of the limited partnerships Velder C.V. and FC C.V., which comprise all FrieslandCampina's business activities in the Netherlands, except for the production and invoicing activities. The activities of Velder C.V. and FC C.V. are highly integrated and inextricably linked to those of FrieslandCampina N.V. As managing partner, FrieslandCampina N.V. controls the activities of both limited partnerships. Both entities are therefore fully consolidated, inclusive of a non-controlling interest that is directly attributable to the shareholder. On the basis of mutual contractual agreements regarding compensation as managing partner, the distribution of results between Zuivelcoöperatie FrieslandCampina U.A. and the managing partner is appropriation to Zuivelcoöperatie FrieslandCampina U.A. of 99.9% of the results of Velder C.V. and FC C.V. in case of a profit and 100% in the event of a loss.

For the following entity, the direct interest differs from the attribution to the shareholder and non-controlling interests:

- FrieslandCampina has an 89.56% interest in CMG Grundstücksverwaltungs- und Beteiligungs- GmbH and is entitled to 100% of the results of this company based on an agreement. Assets and liabilities of this entity are fully consolidated with the recognition of a non-controlling interest for the invested capital.

## b) Foreign currency translation

**Foreign currency transactions**

Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rates on the reporting date, derived from the market in which transactions are expected to be settled. Transactions denominated in foreign currencies are translated at the exchange rate on the date of the transaction.

Non-monetary balance sheet items valued at historical cost in foreign currencies are translated at the exchange rates on the date of the initial transaction. Non-monetary items valued at fair value in foreign currencies are translated using the exchange rates on the date on which the fair value was determined.

Foreign currency differences arising on translation are recognised in the income statement, except for the following differences, arising on the translation of:

- available-for-sale equity investments;
- a financial liability designated as a hedge of the net investment in a foreign operation;
- qualifying cash flow hedges to the extent the criteria for hedge accounting are met.

These differences are recognised in equity via other comprehensive income.

**Foreign operations**

Assets and liabilities of foreign subsidiaries are translated at the exchange rates on the reporting date. Their income and expenses are translated at the exchange rates on the date of the transaction. Foreign currency translation differences are recognised in other comprehensive income and presented in the currency translation reserve in equity. If however, the foreign operation is a subsidiary that is not 100% owned by FrieslandCampina, the relevant proportion of the translation difference is allocated to non-controlling interests.

When control, significant influence or joint control in a foreign operation is lost due to a (partial) disposal, the cumulative amount in the translation reserve related to that foreign operation is reclassified to the income statement as part of the gain or loss on disposal. When FrieslandCampina disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is classified as a non-controlling interest. When FrieslandCampina disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to the income statement.

If the settlement of a monetary receivable from or obligation to a foreign activity is neither planned nor likely in the foreseeable future, this is considered as a net investment in the foreign activity. Currency translation differences arising through the translation of a receivable or liability that is classified as a net investment in a foreign activity are recognised in other comprehensive income and accounted for in the currency translation differences reserve in equity. When this receivable or liability is repaid, the portion of the currency translation differences reserve related to this net investment is transferred to the income statement.

The following exchange rates have been used in the preparation of the consolidated financial statements:

| | | 2025 |
|---|---|---|
| | At year-end | Average |
| US dollar | 1.17 | 1.13 |
| Chinese yuan | 8.20 | 8.12 |
| Philippine peso | 69.21 | 64.99 |
| Hong Kong dollar | 9.14 | 8.81 |
| Indonesian rupiah (1,000) | 19.57 | 18.63 |
| Malaysian ringgit | 4.76 | 4.84 |
| Nigerian naira | 1,696.67 | 1,718.47 |
| Pakistan rupee | 329.03 | 317.98 |
| Singapore dollar | 1.51 | 1.48 |
| Thai baht | 36.98 | 37.12 |
| Vietnamese dong (1,000) | 30.88 | 29.42 |

| | | 2024 |
|---|---|---|
| | At year-end | Average |
| US dollar | 1.04 | 1.08 |
| Chinese yuan | 7.56 | 7.78 |
| Philippine peso | 60.39 | 61.98 |
| Hong Kong dollar | 8.04 | 8.44 |
| Indonesian rupiah (1,000) | 16.81 | 17.15 |
| Malaysian ringgit | 4.66 | 4.95 |
| Nigerian naira | 1,598.74 | 1,603.41 |
| Pakistan rupee | 288.32 | 301.30 |
| Singapore dollar | 1.41 | 1.45 |
| Thai baht | 35.53 | 38.17 |
| Vietnamese dong (1,000) | 26.39 | 27.10 |

### c) Cash flows

The cash flow statement is prepared using the indirect method. Cash flows in foreign currencies have been translated into euros at the exchange rates prevailing on the transaction date.

The cash flows used in financing activities designated to the Cooperative did not lead to a direct cash flow but were settled with the current account within cash flow from operating activities.

## 6. Operating activities

### 6.1 Segmentation

As of 2025, FrieslandCampina has processed changes regarding the extent to which costs, especially corporate activities, are allocated to business units. Comparative figures are adjusted to reflect this change.

The business has been divided in business groups, led by the executive team. FrieslandCampina distinguishes the following seven market-oriented business groups:

- **Europe** | Has a broad portfolio of consumer brands with strong positions in the home markets being the Netherlands and Belgium, as well as in other countries, such as Greece, Hungary and the United Kingdom.
- **Retail & Americas** | Supplies cheese and other dairy products to retailers in countries including Germany, France, Italy, Spain, and North and South America. It does so under private labels and in-house brands, through partnerships with retailers, discounters and through our cheese trading entity Velder.
- **Middle East, Pakistan & Africa** | Targets consumer markets in the Gulf region, Pakistan, Nigeria and Ivory Coast, among others, with partly locally produced dairy products.
- **Asia** | Sells a wide range of branded products – generally produced locally – in consumer markets in countries such as Indonesia, the Philippines, Malaysia, Thailand and Vietnam.
- **Ingredients** | Focuses on specialised functional ingredients for infant, sports, active lifestyle and medical nutrition.
- **Specialised Nutrition** | Sells infant nutrition under the brand name Friso on consumer markets in mainland China and in Hong Kong, Vietnam, Malaysia, Greece and Mexico.
- **Professional** | Focuses on dairy products and solutions for professionals in the food industry, such as restaurants, fast-food chains, bakers, confectioners and pastry chefs. It also focuses on buying and selling commodity dairy products for industrial customers.

The business groups are also the operating segments. In 2025, a change was implemented regarding the business group Professional (known in 2024 as Professional & Trading). In 2024 Professional and Trading, were considered separate operating segments which were combined into a single reporting segment given the similarity in customers and product portfolio. Based on adjustments in the management structure of the business group Professional and the way in which the Executive Board, as the chief operating decision maker, evaluates performance and allocates resources, Trading and Professional have been merged into one operating segment as of 2025, which aligns with the reporting segment.

Corporate activities, Global Business & Digital Services and discontinued operations are recognised as Other, since these activities cannot be classified under the market-oriented business groups.

In addition to the seven market-oriented business groups and the Other activities, Global Supply Chain is reported as a segment. Global Supply Chain manufactures products for the business groups and includes the majority of the production sites in the Netherlands, Belgium and Germany, as well as the global purchasing function. The result of Global Supply Chain is allocated to the seven market-oriented business groups.

## Segmentation by business group

| | | | | | | | | | | | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Europe | Retail & Americas | Middle East, Pakistan & Africa | Asia | Ingredients | Specialised Nutrition | Professional | Global Supply Chain | Other | Elimination | Total |
| **Revenue third parties** | 1,696 | 2,038 | 1,360 | 1,510 | 1,486 | 1,349 | 3,924 | 30 | | | **13,393** |
| Internal deliveries[1] | 1 | 24 | | 25 | 160 | 37 | 803 | 2,311 | | -3,361 | |
| **Total revenue** | **1,697** | **2,062** | **1,360** | **1,535** | **1,646** | **1,386** | **4,727** | **2,341** | | **-3,361** | **13,393** |
| | | | | | | | | | | | |
| Operating result before allocation | 44 | 17 | 53 | 93 | 249 | 370 | -63 | -88 | -168 | | **507** |
| GSC allocation | 12 | 1 | -11 | -13 | -37 | -33 | -7 | 88 | | | |
| **Operating result** | **56** | **18** | **42** | **80** | **212** | **337** | **-70** | | **-168** | | **507** |
| Finance income and costs | | | | | | | | | | | **-66** |
| Result from joint ventures and associates | | | | | 2 | | | | 23 | | **25** |
| **Profit before tax** | | | | | | | | | | | **466** |
| Operating result as % net revenue from third parties | 3.3 | 0.9 | 3.1 | 5.3 | 14.3 | 25.0 | -1.8 | | | | **3.8** |
| Carrying amount of assets employed in operating activities[2] | 405 | 394 | 607 | 1,152 | 474 | 482 | 692 | 3,781 | 334 | -452 | **7,869** |
| Carrying amount of other assets | | | | | | | | | | | **1,298** |
| **Total assets** | | | | | | | | | | | **9,167** |
| | | | | | | | | | | | |
| Liabilities resulting from operational activities[3] | 237 | 187 | 333 | 680 | 85 | 445 | 225 | 1,181 | 881 | -452 | **3,802** |
| Other liabilities | | | | | | | | | | | **1,581** |
| **Total liabilities** | | | | | | | | | | | **5,383** |
| | | | | | | | | | | | |
| Investments in property, plant and equipment and intangible assets[4] | 12 | 3 | 16 | 32 | 7 | 4 | 2 | 287 | 16 | | **379** |
| Depreciation of property, plant and equipment and amortisation of intangible assets | -14 | -10 | -19 | -46 | -8 | -6 | -2 | -222 | -52 | | **-379** |
| Impairment of non-current assets | | -1 | -1 | -4 | | | | -11 | -2 | | **-19** |
| Reversal of impairment of non-current assets | 9 | | | | | | | 1 | | | **10** |
| Carrying amount of share in joint ventures and associates | | | | | 28 | | | 1 | 102 | | **131** |

[1] Internal deliveries are accounted for in a similar way as transactions with third parties.
[2] Relates to carrying amount of assets excluding deferred tax assets, joint ventures and associates, loans granted, securities, long-term receivables, corporate income tax receivables, receivables from Zuivelcoöperatie FrieslandCampina U.A., cash and assets held for sale.
[3] Relates to long-term employee benefits, provisions, derivative payables, trade payables and other liabilities, excluding liabilities to Zuivelcoöperatie FrieslandCampina U.A.
[4] Relates to investments in property, plant and equipment and intangible assets, excluding investments related to right-of-use assets.

| | | | | | | | | | | | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Europe | Retail & Americas | Middle East, Pakistan & Africa | Asia | Ingredients | Specialised Nutrition | Professional | Global Supply Chain | Other | Elimination | Total |
| **Revenue third parties** | 1,637 | 1,872 | 1,347 | 1,618 | 1,452 | 1,218 | 3,739 | 37 | 3 | | **12,923** |
| Internal deliveries[1] | 5 | 15 | | 28 | 169 | 33 | 928 | 2,061 | | -3,239 | |
| **Total revenue** | **1,642** | **1,887** | **1,347** | **1,646** | **1,621** | **1,251** | **4,667** | **2,098** | **3** | **-3,239** | **12,923** |
| | | | | | | | | | | | |
| Operating result before allocation | 32 | 12 | 60 | 85 | 220 | 260 | 111 | -110 | -143 | | **527** |
| GSC allocation | -10 | -6 | -46 | -10 | -3 | -31 | -4 | 110 | | | |
| **Operating result** | **22** | **6** | **14** | **75** | **217** | **229** | **107** | | **-143** | | **527** |
| Finance income and costs | | | | | | | | | | | **-74** |
| Result from joint ventures and associates | | | | | 1 | | | | 19 | | **20** |
| **Profit before tax** | | | | | | | | | | | **473** |
| Operating result as % net revenue from third parties | 1.3 | 0.3 | 1.0 | 4.6 | 14.9 | 18.8 | 2.9 | | | | **4.1** |
| Carrying amount of assets employed in operating activities[2] | 450 | 395 | 646 | 1,295 | 481 | 459 | 783 | 3,746 | 432 | -450 | **8,237** |
| Carrying amount of other assets | | | | | | | | | | | **1,556** |
| **Total assets** | | | | | | | | | | | **9,793** |
| | | | | | | | | | | | |
| Liabilities resulting from operational activities[3] | 274 | 193 | 381 | 823 | 103 | 434 | 289 | 1,237 | 927 | -450 | **4,211** |
| Other liabilities | | | | | | | | | | | **1,796** |
| **Total liabilities** | | | | | | | | | | | **6,007** |
| | | | | | | | | | | | |
| Investments in property, plant and equipment and intangible assets[4] | 11 | 2 | 19 | 90 | 10 | 3 | | 297 | 27 | | **459** |
| Depreciation of property, plant and equipment and amortisation of intangible assets | -14 | -12 | -19 | -42 | -8 | -7 | -3 | -220 | -56 | | **-381** |
| Impairment of non-current assets | -9 | -3 | | -6 | | -1 | | -58 | -3 | | **-80** |
| Reversal of impairment of non-current assets | | | | | | | | 1 | | | **1** |
| Carrying amount of share in joint ventures and associates | | | | | 27 | | | 1 | 95 | | **123** |

[1] Internal deliveries are accounted for in a similar way as transactions with third parties.
[2] Relates to carrying amount of assets excluding deferred tax assets, joint ventures and associates, loans granted, securities, long-term receivables, corporate income tax receivables, receivables from Zuivelcoöperatie FrieslandCampina U.A., cash and assets held for sale.
[3] Relates to employee benefits, provisions, derivative payables, trade payables and other liabilities, excluding liabilities to Zuivelcoöperatie FrieslandCampina U.A.
[4] Relates to investments in property, plant and equipment and intangible assets, excluding investments related to right-of-use assets.

## Geographic information

| | 2025 | | 2024 | |
|---|---|---|---|---|
| | Revenue third parties | Carrying amount of non-current operating assets | Revenue third parties | Carrying amount of non-current operating assets |
| The Netherlands | 5,904 | 2,990 | 5,576 | 2,991 |
| Rest of Europe[1] | 2,858 | 631 | 2,693 | 635 |
| Asia and Oceania[2] | 3,674 | 811 | 3,680 | 918 |
| Africa and the Middle East | 764 | 55 | 765 | 54 |
| North and South America | 193 | 51 | 209 | 58 |
| | **13,393** | **4,538** | **12,923** | **4,656** |

[1] This primarily includes the countries of establishment Belgium, Germany. France and Greece.
[2] This primarily includes the countries of establishment China, Indonesia, Malaysia, Pakistan and Thailand.

The revenue is separated according to the country in which the operating company is located. The carrying amount of non-current operating assets relates to property, plant and equipment and intangible assets.

### Accounting policies

The identified operational segments concern the parts of FrieslandCampina for which separate financial information is available that is frequently evaluated by the Executive Board, as the chief operating decision maker on allocation of resources and assessment of performance.

Pricing within a segment takes place on a business-like, objective basis. The segmented results, assets and liabilities comprise items that are directly attributable to a segment and that can also be attributed on a reasonable basis. Unallocated items primarily consist of jointly used assets and liabilities and joint costs.

## 6.2 Revenue

### Revenue by geographical location of customers

| | 2025 | | 2024 | |
|---|---|---|---|---|
| | | % | | % |
| The Netherlands | 3,229 | 24 | 2,997 | 23 |
| Rest of Europe | 4,320 | 32 | 4,103 | 32 |
| Asia and Oceania | 4,156 | 31 | 4,144 | 32 |
| Africa and the Middle East | 1,161 | 9 | 1,129 | 9 |
| North and South America | 527 | 4 | 550 | 4 |
| | **13,393** | **100** | **12,923** | **100** |

Revenue primarily consists of the sale of goods with settlement of the performance obligation by FrieslandCampina at a point in time and not over time.

### Accounting estimates and judgements

FrieslandCampina makes estimates when determining discount accruals in revenue at year-end. Refer to note 7.3 for more explanation on how discount accruals are estimated.

### Accounting policies

*Revenue*

Revenue from the sale of goods is recognised based on the transaction price of the received or receivable payment. The transaction price is determined taking into account returns, trade discounts and volume rebates. Revenue is recognised in the income statement when settlement of the contractual performance obligation took place. This is the case when, often via a executed sales agreement, control over the goods has been transferred to the customer, associated costs and possible return of goods can then be estimated reliably and there is no continuing control over or involvement with the goods and the amount of revenue can be measured reliably.

*Discounts*

Discounts are recognised as a reduction of revenues, if it is probable that the discount will be granted and the discount amount can be measured reliably. When sales discounts are yet to be paid over past performance obligations already fufilled, a liability is recognised in the balance sheet.

## 6.3 Other operating income

| | **2024** | 2024 |
|---|---|---|
| Income from the sale of non-current assets and assets held for sale | 23 | 2 |
| Settlement contingent asset | | 4 |
| Gains on exchanging foreign currencies in Nigeria | | 10 |
| Other operating income | | 6 |
| | **23** | **22** |

**Income from the sale of non-current assets and assets held for sale**

This income relates for an amount of EUR 16 million to the sale of assets from production facilities in Rotterdam, Dronrijp and Den Bosch (all located in the Netherlands) that were closed in prior years and for an amount of EUR 5 million to the sale of a brand right in Central America.

**Gains from exchanging foreign currencies in Nigeria**

In 2024, the gains from exchanging foreign currencies in Nigeria, mainly related to the release of an obligation to exchange Naira's to US dollars. Of this release, EUR 10 million was recognised in Other operating income and EUR 15 million was recognised in Finance income and expenses. Refer to note 11.1 for exchange costs relating to financing elements.

**Other operating income**

The Other operating income in 2024 mainly related to the insurance compensation because of the fire at the production site in Lochem (the Netherlands) in 2023.

### Accounting estimates and judgements

In order to determine currency results on receivables and payables in respect of Nigeria, FrieslandCampina has made estimates for the future availability of US dollars, the expected volume of US dollars to be exchanged and the development of the local market rate in relation to the official exchange rate in Nigeria.

### Accounting policies

Other income consists of income that, according to the management, is not the direct result of normal business operations and/or that is so significant in terms of nature and size that it must be considered separately for a proper analysis of the underlying result.

Other income regarding sale of property, plant and equipment is recognised in profit or loss when control over the sold asset is transferred to the buyer. The amount recognised as other income equals the proceeds obtained from the buyer minus the carrying value of the sold asset. Other income related to contingent asset is recognised in profit or loss when the amount received has become virtually certain.

## 6.4 Operating expenses

| | 2025 | 2024 |
|---|---|---|
| Milk from member dairy farmers | -5,322 | -4,769 |
| Cost of other raw materials, consumables and commodities | -3,355 | -3,399 |
| Employee benefit expenses | -1,243 | -1,207 |
| Depreciation of property, plant and equipment and amortisation of intangible assets | -379 | -381 |
| Impairments of property, plant and equipment, intangible assets and assets held for sale | -12 | -31 |
| Advertising and promotion costs | -649 | -653 |
| Transportation costs | -570 | -578 |
| Service costs from third parties and agency staff costs | -268 | -287 |
| Energy costs | -283 | -270 |
| Other | -749 | -803 |
| **Total of the cost of goods sold, advertising and promotion costs and selling, general and administrative costs** | **-12,830** | **-12,378** |

For Employee benefit expenses refer to note 6.5.

Foreign exchange results related to operational activities are included in the cost of goods sold or in the appropriate component of operating expenses. In 2025, FrieslandCampina included a positive foreign exchange result in operating profit of EUR 2 million (2024: EUR 18 million negative).

The costs of depreciation of property, plant and equipment and amortisation of intangible assets include EUR 54 million (2024: EUR 55 million) depreciation for right-of-use assets, refer to note 8.1.1.

Part of other operating expenses are lease expenses of EUR 34 million (2024: EUR 31 million). These costs are primarily related to the short-term leases of forklift trucks, variable expenses for storage locations and the lease of low-value assets, including pallets, industrial clothing and office supplies.

In addition, other operating expenses include employee related costs, office costs and costs for repairs and maintenance.

In 2025 research and development expenses amount to EUR 78 million (2024: EUR 95 million), of which EUR 54 million relates to employee benefit expenses (2024: EUR 66 million).

For an explanation of impairments, refer to notes 8.1, 8.2 and 10.2. Impairments are recognised in the cost of goods sold or in the selling, general and administrative costs, unless related to restructuring. For these impairments, refer to note 6.6 Other operating costs.

### Accounting policies

Expenses are recognised based on accrual accounting. This means that expenses are recognised when the product is received or the service is provided, regardless of when cash outflow takes place.

*Cost of goods sold*

Cost of goods sold primarily comprises the purchase of goods (including milk from the member dairy farmers and other raw materials and consumables), production costs (including personnel costs, depreciation of production facilities and impairments) and related transport and logistics costs.

Cost of raw materials, consumables and commodities that are a component of cost of goods sold are determined according to the first-in-first-out principle. The costs include the currency translation differences on trade receivables and payables as well as differences in the measurement of related derivatives.

*Advertising and promotion costs*
Advertising and promotion costs mainly comprise expenditure for marketing and consumer campaigns.

*Selling, general and administrative costs*
Selling, general and administrative costs comprise mainly the costs of the sales organisation, outbound transport costs, research and development costs, general costs and administrative costs.

*Government grants*
Government grants are recognised at fair value when there is reasonable assurance that the conditions for the grants are complied with and the grants will be received. When a grant relates to an expense item it is systematically deducted from the costs incurred over the period that are necessary to match the grant to the costs that it is intended to compensate. Government grants that reimburse the costs of an asset are deducted from the carrying amount of the asset. By reducing the depreciation expense this grant is accounted for in the income statement as income over the period of the expected useful life of the asset to which the grant relates.

*Lease agreements*
Lease payments on short-term lease contracts, lease contracts on low-value assets and the variable portion of lease payments are recognised in the profit and loss account in the period to which the payment relates. These are not capitalised as right-of-use assets or lease liabilities within the requirements of IFRS 16. Short-term lease contracts have a term of less than 12 months. The variable portion of lease payments depends on the use of the asset.

Accounting estimates and assumptions

*Cost of goods sold*
In determining the cost of goods sold, FrieslandCampina applies estimates, including the Foqus planet premium paid to member dairy farmers. This premium forms part of the total milk payment and is linked to the individual members' sustainability performance, as assessed under the Foqus planet programme. Since final performance data become available only after the end of the financial year, it is necessary to estimate the expected premium as at the balance sheet date. This estimate is based on a sample of available performance data, external sources, and historical trends.

## 6.5 Employee benefit expenses

| | | **2025** | | 2024 |
|---|---|---|---|---|
| | | % | | % |
| Wages and salaries | -1,035 | 83 | -996 | 82 |
| Social security charges | -112 | 9 | -111 | 9 |
| Pensions and other long-term employee benefits | -103 | 8 | -108 | 9 |
| **Gross employee benefit expenses** | **-1,250** | **100** | **-1,215** | **100** |
| Capitalised | 7 | | 8 | |
| **Net employee benefit expenses** | **-1,243** | | **-1,207** | |

Personnel costs as a result of restructurings are included in Other operating costs, refer to note 6.6.

## Employees by business group (average number of FTEs)

| | 2025 | | 2024 | |
|---|---|---|---|---|
| | | % | | % |
| Europe | 1,476 | 8 | 1,518 | 8 |
| Retail & Americas | 748 | 4 | 733 | 4 |
| Middle East, Pakistan & Africa | 2,075 | 11 | 2,160 | 11 |
| Asia | 4,198 | 22 | 4,456 | 23 |
| Ingredients | 627 | 3 | 627 | 3 |
| Specialised Nutrition | 923 | 5 | 926 | 5 |
| Professional | 557 | 3 | 555 | 3 |
| Global Supply Chain | 6,753 | 35 | 6,746 | 34 |
| Corporate, Global Business & Digital Services and other | 1,718 | 9 | 1,855 | 9 |
| | **19,075** | **100** | **19,576** | **100** |

## Employees by geographical region (average number of FTEs)

| | 2025 | | 2024 | |
|---|---|---|---|---|
| | | % | | % |
| The Netherlands | 7,547 | 40 | 7,692 | 39 |
| Rest of Europe | 3,416 | 18 | 3,474 | 18 |
| Asia and Oceania | 7,080 | 36 | 7,336 | 37 |
| Africa and the Middle East | 860 | 5 | 905 | 5 |
| North and South America | 172 | 1 | 169 | 1 |
| | **19,075** | **100** | **19,576** | **100** |

### Accounting policies

Personnel expenses are recognised when the related service is provided. For more details on accounting policies related to Pensions and other long-term employee benefits refer to note 9.1.

## 6.6 Other operating costs

| | 2025 | 2024 |
|---|---|---|
| Restructuring costs and release of restructuring provisions | -9 | 25 |
| Impairments of non-current assets (and reversals thereof) due to restructuring | 10 | -47 |
| Implementation costs for upgrade ERP systems | -48 | -6 |
| Other operating costs | -32 | -12 |
| | **-79** | **-40** |

### Restructurings

Other operating costs include expenses resulting from restructurings, including restructuring costs and impairments.

In 2025, provisions were recognised for restructuring costs arising from restructuring measures intended to further optimise the organisation and achieve cost efficiencies. The total costs associated with these restructuring activities included in other operating costs amount to EUR 22 million.

From the provision for the Expedition 2030 transformation programme, an amount of EUR 6 million was released in 2025, due to adjusted estimates, mainly due to more employees than expected who could be redeployed internally.

In 2024, FrieslandCampina announced taking new steps in the optimisation of the production network, resulting in among others concentration of activities at production site Leeuwarden (the Netherlands) and closure of the cheese production site in Born (the Netherlands).
The related costs for restructuring provisions and impairments of non-current assets have been recognized under Other operating costs. In 2025 a portion of these items was reversed, mainly because more employees than originally expected were reassigned internally and higher proceeds are expected of impaired non-current assets.

For further information on the provisions for restructuring costs, refer to note 9.2.
For impairments of non-current assets, refer to note 8.1.

**Implementation costs for upgrade ERP systems**
In 2024 FrieslandCampina initiated the replacement of its existing ERP platform with SAP S/4HANA, a cloud-based software solution. The project is aimed at establishing a future-proof and integrated IT landscape that supports operational processes and enables further digitalisation. The costs associated with this project are fully recognised in the income statement and amount to EUR 45 million in 2025 (2024: EUR 4 million).

**Other operating costs**
The other operating costs mainly relate to costs for strategic projects.

On 4 July 2025, an incident occurred at the site of the production facility in Borculo, the Netherlands. The incident resulted in material damage only. The section used for the production of infant nutrition has been temporarily taken out of operation. The extent of the damage and the degree to which it is covered by insurance are currently being assessed. In relation to this incident, impairments of non-current assets amounting to EUR 4 million have been recorded in Other operating costs.

In addition, the costs related to the settlement of the defined benefit pension plan, following the buy-out by Achmea Pension & Life Insurance N.V., have been recognised under other operating expenses. For further details, reference is made to note 9.1.

Accounting estimates and judgements
For a large restructuring, management assesses the timing of the costs to be incurred. Based on timing, an estimate of costs is made.

In considering the nature of an item, management's assessment includes, both individually and collectively, whether the item is outside the ordinary activities of the business, specific circumstances surrounding the item, whether there is probability of recurrence and whether the item is unusual due to its size.

Accounting policies
Other operating costs comprise costs that, in management's opinion, do not directly arise from the ordinary activities of the business and/or are significant by virtue of their size or nature, such that their separate presentation provides a better understanding of the underlying business performance.

# 7. Working capital

## 7.1 Inventories

| | **2025** | 2024 |
|---|---|---|
| Raw materials and consumables | 546 | 588 |
| Finished goods and commodities | 1,177 | 1,263 |
| | **1,723** | **1,851** |

During 2025 inventories were written down for a total of EUR 104 million (2024: EUR 120 million). The write-down of inventories is recognised in cost of goods sold.

No inventories are pledged as collateral for liabilities.

Accounting estimates and judgements
The main accounting estimate relating to the valuation of inventories is determining the estimated net realisable value.

Accounting policies
Inventories are measured at the lower of cost and estimated net realisable value. The cost of inventories is based on the first-in first-out principle and includes expenditure incurred in acquiring the inventories, production or conversion costs, and other costs incurred in bringing them to their existing location and condition. In the case of manufactured inventories, cost includes an appropriate share of production overheads based on normal operating capacity. The net realisable value is the estimated selling price less the estimated costs of completion and selling expenses.

*Acquisition of inventories resulting from a business combination*

The fair value of inventories acquired in a business combination is determined based on the estimated selling price in the ordinary course of business less the estimated cost of completion and sale plus a reasonable profit margin based on the effort required to complete and sell the inventories.

## 7.2 Trade and other receivables

| | **2025** | 2024 |
|---|---|---|
| Trade receivables | 1,304 | 1,376 |
| Provision for doubtful debts and other receivables | -18 | -28 |
| Receivables from Zuivelcoöperatie FrieslandCampina U.A. | | 45 |
| Other receivables | 39 | 19 |
| | **1,325** | **1,412** |
| Receivables related to tax (excluding income tax) and social security contributions | 88 | 161 |
| Prepayments | 159 | 170 |
| | **1,572** | **1,743** |

### Provision for doubtful debts and other receivables

| | **2025** | 2024 |
|---|---|---|
| At 1 January | -28 | -28 |
| Charged to the income statement | -5 | -5 |
| Released to the income statement | 12 | 4 |
| Trade receivables written off | 3 | 1 |
| **At 31 December** | **-18** | **-28** |

The additions and releases of the provision for doubtful debts and other receivables have been included in the cost of goods sold. Receivables are written off and charged to the provision when they are no longer expected to be collected.

Trade and other receivables are non-interest-bearing and are generally due between 10 and 90 days.

In various countries, FrieslandCampina has mitigated the credit risk related to trade debtors by taking out credit insurance and bank guarantees. At the end of 2025, this secured position amounted to EUR 26 million (2024: EUR 31 million). No trade receivables have been pledged.

### Maturity schedule trade and other receivables

| | | | **2025** | | | 2024 |
|---|---|---|---|---|---|---|
| | Gross | Write-down | Net | Gross | Write-down | Net |
| Within payment term | 1,170 | -1 | **1,169** | 1,267 | -3 | **1,264** |
| Overdue by less than 3 months | 143 | -3 | **140** | 144 | -6 | **138** |
| Overdue by 3 - 6 months | 10 | -3 | **7** | 8 | -3 | **5** |
| Overdue by more than 6 months | 20 | -11 | **9** | 21 | -16 | **5** |
| | **1,343** | **-18** | **1,325** | **1,440** | **-28** | **1,412** |

### Accounting estimates and judgements

In determining the provision for bad debts and other receivables, FrieslandCampina uses the simplified method for applying the 'Expected Credit Loss Model'. The 'expected credit loss' on trade receivables and other receivables is determined at origination of the financial asset for the total expected lifetime of the receivable. The trade receivables and other receivables are grouped on the basis of credit risk and aging. The amount of the provision is determined for each group on the basis of historical payment behaviour information. In addition, due consideration is given to current developments that could affect the credit risk of an individual position, such as significant payment difficulties of a debtor or group of debtors, indications that a debtor may be unable to meet their payment obligations or may file for bankruptcy.

### Accounting policies

Trade and other receivables are held by FrieslandCampina to collect the related cash flows. These receivables are measured at fair value and subsequently at amortised cost minus any impairment losses. Trade and other receivables are derecognised by FrieslandCampina when substantially all risks and rewards are transferred or if FrieslandCampina does not retain control over the receivables.

## 7.3 Trade and other payables

| | **2025** | 2024 |
|---|---|---|
| Payables to member dairy farmers | 629 | 706 |
| Trade payables | 1,870 | 1,993 |
| Payables related to tax (excluding income tax) and social security contributions | 34 | 58 |
| Payables to Zuivelcoöperatie FrieslandCampina U.A. | 13 | |
| Other payables | 970 | 1,110 |
| | **3,516** | **3,867** |

**Trade payables**

The trade payables are non-interest bearing and generally have a payment term of 30 to 90 days.

**Supplier finance programme**

FrieslandCampina has set up a supplier financing programme that is offered to some of the company's key suppliers worldwide. Participation in the financing scheme by suppliers is voluntary. Participating suppliers can receive early payment of the invoices sent to FrieslandCampina by an external financing provider. If suppliers choose to receive early payment, they pay a fee to the financing provider, to which FrieslandCampina is not associated. In order to be able to pay the invoices, the goods must have been received or delivered and the invoices must be approved by FrieslandCampina. Payments to suppliers prior to the due date will be processed by the financing provider and in all cases FrieslandCampina will pay the original invoice by paying the financing provider in accordance with the original due date of the invoice. The arrangement did not include renegotiation of payment terms with suppliers. FrieslandCampina does not provide security to the financing provider.

All trade payables covered by the supplier financing arrangement are included in Trade payables. The payment terms differ per supplier and are a commercial agreement between FrieslandCampina and the supplier. Trade payables are by default settled within an average time of 65 days and trade payable included in the supplier financing programme within an average time of 80 days.

| | **2025** | 2024 |
|---|---|---|
| Carrying amount of trade payables that are part of the supplier finance programme | 229 | 253 |
| Part for which suppliers have already received payment | 180 | 198 |

**Other payables**

As part of other payables, contract liabilities of EUR 31 million (2024: EUR 27 million) are primarily related to deferred income.

### Accounting estimates and judgements

FrieslandCampina makes estimates in the determination of discount accruals to customers for realised revenue. Discounts are based on annual revenue. The transaction price and revenue are reduced by the expected discount. Conditional discounts in revenue are estimated based on accumulated experience supported by historical and current sales information. Expected sales volumes are determined taking into account (historical) sales patterns and other relevant information. A discount accrual is recognised for expected volume and discounts due to customers in relation to revenue, made until the end of the reporting period.

### Accounting policies

Trade and other payables are initially measured at fair value and subsequently at amortised cost. Trade payables are derecognised when the contractual obligation is either discharged, cancelled or expired.

# 8. Non-current assets

## 8.1 Property, plant and equipment

Property, plant and equipment are fixed assets that are owned by FrieslandCampina, as well as right-of-use (RoU) assets under a lease agreement. Owned and RoU assets are held for use in FrieslandCampina's operating activities. The table below details the historical cost per asset class and the movements during the year.

| | | | | | | 2025 |
|---|---|---|---|---|---|---|
| | Land and buildings | Plant and equipment | Other operating assets | Right-of-use assets | Assets under construction | Total |
| Cost | 1,892 | 4,466 | 521 | 329 | 457 | **7,665** |
| Accumulated depreciation and impairments | -978 | -2,780 | -368 | -152 | | **-4,278** |
| **Carrying amount at 1 January** | **914** | **1,686** | **153** | **177** | **457** | **3,387** |
| Additions | 2 | 9 | 2 | 38 | 353 | **404** |
| Disposals | | -1 | | | | **-1** |
| Currency translation differences | -29 | -36 | -3 | -3 | -8 | **-79** |
| Remeasurements | | | | 5 | | **5** |
| Transfers | 64 | 236 | 40 | | -340 | |
| Transfers to assets held for sale | -4 | -12 | -1 | -6 | -2 | **-25** |
| Depreciation | -52 | -191 | -34 | -54 | | **-331** |
| Impairments | -3 | -13 | -1 | | | **-17** |
| Reversal of impairments | | 10 | | | | **10** |
| **Carrying amount at 31 December** | **892** | **1,688** | **156** | **157** | **460** | **3,353** |
| | | | | | | |
| Cost | 1,896 | 4,495 | 527 | 321 | 460 | **7,699** |
| Accumulated depreciation and impairments | -1,004 | -2,807 | -371 | -164 | | **-4,346** |
| **Carrying amount at 31 December** | **892** | **1,688** | **156** | **157** | **460** | **3,353** |

| | | | | | | 2024 |
|---|---|---|---|---|---|---|
| | Land and buildings | Plant and equipment | Other operating assets | Right-of-use assets | Assets under construction | Total |
| Cost | 1,718 | 4,321 | 473 | 316 | 581 | **7,409** |
| Accumulated depreciation and impairments | -934 | -2,711 | -338 | -163 | | **-4,146** |
| **Carrying amount at 1 January** | **784** | **1,610** | **135** | **153** | **581** | **3,263** |
| Additions | 7 | 5 | 1 | 73 | 434 | **520** |
| Disposals | | -3 | -1 | | | **-4** |
| Currency translation differences | 3 | -1 | | 2 | 2 | **6** |
| Remeasurements | | | | 6 | | **6** |
| Transfers | 182 | 304 | 54 | 2 | -542 | |
| Depreciation | -50 | -188 | -33 | -55 | | **-326** |
| Impairments | -9 | -41 | -3 | -4 | -18 | **-75** |
| **Carrying amount at 31 December** | **914** | **1,686** | **153** | **177** | **457** | **3,387** |
| | | | | | | |
| Cost | 1,892 | 4,466 | 521 | 329 | 457 | **7,665** |
| Accumulated depreciation and impairments | -978 | -2,780 | -368 | -152 | | **-4,278** |
| **Carrying amount at 31 December** | **914** | **1,686** | **153** | **177** | **457** | **3,387** |

The additions of EUR 404 million (2024: EUR 520 million) mainly relate to production capacity expansions and replacement investments in the Netherlands, and in 2024 to new production locations in Indonesia and Malaysia as well.

The impairments mainly relate to the closure of production lines in the Netherlands, the Borculo incident (refer to note 6.6 Other operating costs for more details) and obsolete assets.

The reversal of impairment losses is based on a higher recoverable amount of certain assets, primarily due to an increase in the expected value in use.

The investments include capitalised borrowing costs amounting to EUR 6 million (2024: EUR 5 million). The applicable average interest rate is 4.5% (2024: 4.0%).

### Accounting estimates and judgements

Estimates are required to determine the (remaining) useful lives of fixed assets. Useful lives are determined based on an asset's age, the frequency of its use, repair and maintenance policy, technology changes in production, redundancies or changes due to climate risks and expected restructuring. FrieslandCampina estimates the expected residual value per asset item. The residual value is the higher of the expected sales price (based on recent market transactions of similar sold items) and its material scrap value.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives. FrieslandCampina believes that straight-line depreciation most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

## Accounting policies

*Recognition and measurement*

Property, plant and equipment are measured at cost less accumulated depreciation, accumulated impairment losses and remeasurement of lease liabilities. The cost price includes any costs directly attributable to the acquisition of the asset.

The cost price of self-constructed assets comprises:

- costs of materials and direct labour costs;
- any other costs directly attributable to making the asset ready for use;
- costs directly attributable in obtaining right-of-use assets;
- if FrieslandCampina has an obligation to remove the asset, an estimate of the cost of dismantling and removing the items;
- capitalised borrowing costs.

If parts of property, plant and equipment have different useful lives, the parts are accounted for as separate components of property, plant and equipment. The result on the disposal of property, plant and equipment is determined on the basis of a comparison of the proceeds from the sale and the carrying amount of the property, plant or equipment. Expected losses on the sale of property, plant and equipment are recorded prior to the sale by means of a write-down to net realizable value. Any gain resulting from the sale is recognised separately in the income statement as Other operating income.

*Acquisition of property, plant and equipment resulting from a business combination*

The fair value of property, plant and equipment recognised as a result of a business combination is the estimated amount for which property could be exchanged on the acquisition date between a willing buyer and a willing seller in an arm's length transaction based on negotiations wherein the parties had each acted knowledgeably. The fair value of land, buildings and equipment is based on the market approach and cost approaches using quoted market prices for similar items when available and depreciated replacement costs when appropriate. Depreciated replacement costs reflect adjustments for physical deterioration as well as functional and economic obsolescence.

*Costs after initial recognition*

Costs after initial recognition are capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to FrieslandCampina. Ongoing repair and maintenance costs are expensed as incurred.

*Depreciation*

Property, plant and equipment are depreciated on a straight-line basis in the income statement over the estimated useful life of each component.

Property, plant and equipment are depreciated from the date that they are installed and are ready for use.

The estimated useful lives for the current year of significant property, plant and equipment and other operational assets are as follows:

| | |
|---|---|
| Land | not depreciated |
| Buildings | 15-30 years |
| Plant and equipment | 5-30 years |
| Other operational assets | 3-20 years |

Depreciation methods, useful lives and residual values are reviewed at each reporting date and if appropriate, adjusted.

### 8.1.1 Right-of-use assets

The table below gives the book value and depreciation costs per category of the right-of-use assets. Leases in the land and buildings category mainly relate to office buildings and storage locations. Leases in the plant and equipment category mainly relate to production lines, trucks and forklifts. The category Other operating assets mainly concern car leases.

| | 2025 | | 2024 | |
|---|---|---|---|---|
| | Carrying amount at 31 December | Depreciation current year | Carrying amount at 31 December | Depreciation current year |
| Land and buildings | 85 | -30 | 106 | -31 |
| Plant and equipment | 41 | -11 | 47 | -11 |
| Other operating assets | 31 | -13 | 24 | -13 |
| | **157** | **-54** | **177** | **-55** |

#### Accounting estimates and judgements

FrieslandCampina has applied estimates and judgements with an impact on the recognition and measurement of right-of-use assets and lease liabilities. This includes an assessment of the incremental borrowing rate, service components and facts and circumstances that could create an economic incentive to utilise the extension options of lease arrangements. The assessment of whether FrieslandCampina is reasonably certain to exercise such options, impacts the lease term, which as a result could affect the amount of lease liabilities and right-of-use assets recognised.

#### Accounting policies

A contract contains a lease if it provides the right to control the use of an identified asset for a period of time in exchange for an amount payable to the lessor.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the group. At the commencement date of the lease, the leased asset is measured at the present value of the lease liability. Short-term leases, low-value leases and leases with a variable amount are recognised as lease expenses directly in the income statement.

*Depreciation*

Leased assets are depreciated on a straight-line basis over the shorter of the lease term and their useful lives unless it is reasonably certain that FrieslandCampina will obtain ownership at the end of the lease term, in which case the leased asset is depreciated over the useful life of the asset.

Right-of-use assets are depreciated from the commencement date of the lease agreement.

## 8.2 Intangible assets

Intangible assets within FrieslandCampina are mainly goodwill, brands, customer related intangibles such as customer lists and software. The majority of intangible assets have been recognised by FrieslandCampina as part of acquisitions. Refer to the table below for the historical cost per asset class and the movements during the year including amortisation.

| | | | | | 2025 |
|---|---|---|---|---|---|
| | Goodwill | Trademarks, customer relations and patents | Software | Intangible assets under construction | Total |
| Cost | 1,233 | 300 | 565 | 15 | **2,113** |
| Accumulated amortisation and impairments | -204 | -153 | -487 | | **-844** |
| **Carrying amount at 1 January** | **1,029** | **147** | **78** | **15** | **1,269** |
| Additions | | | | 13 | **13** |
| Currency translation differences | -30 | -17 | | | **-47** |
| Transfers | | | 15 | -15 | |
| Amortisation | | -13 | -35 | | **-48** |
| Impairments | | | -2 | | **-2** |
| **Carrying amount at 31 December** | **999** | **117** | **56** | **13** | **1,185** |
| | | | | | |
| Cost | 1,203 | 271 | 565 | 13 | **2,052** |
| Accumulated amortisation and impairments | -204 | -154 | -509 | | **-867** |
| **Carrying amount at 31 December** | **999** | **117** | **56** | **13** | **1,185** |

| | | | | | 2024 |
|---|---|---|---|---|---|
| | Goodwill | Trademarks, customer relations and patents | Software | Intangible assets under construction | Total |
| Cost | 1,224 | 324 | 557 | 21 | **2,126** |
| Accumulated amortisation and impairments | -204 | -165 | -453 | -2 | **-824** |
| **Carrying amount at 1 January** | **1,020** | **159** | **104** | **19** | **1,302** |
| Additions | | | | 13 | **13** |
| Currency translation differences | 9 | 6 | | -1 | **14** |
| Transfers | | | 16 | -16 | |
| Amortisation | | -15 | -40 | | **-55** |
| Impairments | | -3 | -2 | | **-5** |
| **Carrying amount at 31 December** | **1,029** | **147** | **78** | **15** | **1,269** |
| | | | | | |
| Cost | 1,233 | 300 | 565 | 15 | **2,113** |
| Accumulated amortisation and impairments | -204 | -153 | -487 | | **-844** |
| **Carrying amount at 31 December** | **1,029** | **147** | **78** | **15** | **1,269** |

Impairments mainly relate to assets assessed as no longer in use or no longer present. Amortisation costs of intangible fixed assets are allocated to the items in the income statement based on their purpose of use.

## Accounting estimates and judgements

*Goodwill*

The cash flow projections used in the value in use calculations for goodwill impairment testing contain various judgements and estimations as described in the key assumptions for the value in use calculations. Such judgements and estimates are subject to change because of changing economic conditions and climate impact and actual cash flows may differ from forecasts.
The below additional considerations have been applied by FrieslandCampina regarding the potential financial impact of the macroeconomic environment and uncertainties including increasing inflationary pressures worldwide:

- Changes in the interest rate environment are taken into consideration when determining the discount rates.
- Terminal growth rates do not exceed the long-term annual inflation rate of the country or region, thus excluding any increased inflation growth experiences in the short-term.
- Sensitivity scenarios are applied to the key assumptions used in the impairment testing.

Management has considered the impact of climate change scenarios on the estimates of future cash flows, including committed capex and expenditure. Management has assumed in the forecasts that the development of the milk supply will decrease slightly. Management expects the impact on cash flows to be minimal, as necessary investments can be made through replacement investments.

Cash generating units to which goodwill has been allocated for the impairment test are combined in such a way that the level at which impairment testing is performed reflects the lowest level within FrieslandCampina at which goodwill is monitored for the purpose of internal reporting. Goodwill acquired in a business combination is allocated to the cash generating units expected to benefit from the synergies of that combination.

*Other intangible assets*

Estimates are required to determine the (remaining) useful life of other intangible fixed assets. Amortisation is recognized in the income statement on a straight-line basis over the estimated useful lives.

## Accounting policies

*Goodwill*

Goodwill that arises on the acquisition of subsidiaries is presented as an intangible asset. For the measurement of goodwill at initial recognition, refer to the basis of consolidation for business combinations. Goodwill is measured at cost less accumulated impairment losses. In respect of investments that are not being consolidated, the carrying amount of goodwill is included in the carrying amount of the joint venture or associate and any impairment loss is allocated to the carrying amount of the joint venture or associate as a whole.

Goodwill is tested annually, each year at the same date, for impairment. An impairment loss is recognised if the carrying amount of an asset or cash generating unit where the asset is part of, exceeds its recoverable amount.

The recoverable amount of a cash generating unit is the greater of its value in use and its fair value less costs of disposal. When assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the asset or cash generating unit. The value in use is determined on the basis of long-term plans.

Impairment losses are recognised in the income statement. Impairment losses recognised in respect of cash generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash generating unit, and then to reduce the carrying amounts of the other assets in the entity on a pro rata basis.

An impairment loss in respect of goodwill is not reversed.

*Other intangible assets*

Other intangible assets which are acquired by FrieslandCampina and which have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

Expenses for configuration and customisation of the software, are only capitalised when and insofar as FrieslandCampina has control over the underlying asset.

For an asset, the recoverable amount is also the higher of the value in use and the fair value minus costs to sell. In determining value in use, the present value of estimated future cash flows is calculated using a pre-tax discount rate that reflects both current market valuations of the time value of money and the specific risks associated with the asset. The value in use is determined on the basis of, with due consideration to the role of the asset or the division in the milk processing.

For the impairment test, assets that cannot be individually tested are grouped into the smallest distinguishable group of assets that generate cash flows from continued use that are broadly independent of the incoming cash flows of other assets or cash-generating units.

An impairment loss on other assets is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of amortisation, if no impairment loss had been recognised.

*Cloud computing arrangements (Software-as-a-Service)*

FrieslandCampina uses cloud solutions that are provided as Software-as-a-Service (SaaS). These arrangements do not grant control over the underlying software, and therefore do not result in an identifiable intangible asset within the scope of IAS 38 Intangible Assets. Expenditures related to configuration, implementation, data migration, process design, and integration of SaaS solutions are accounted for in accordance with IAS 38 and the IFRS Interpretations Committee agenda decision of April 2021:

- Costs that do not result in an intangible asset controlled by FrieslandCampina are not capitalised.
- These costs are expensed in the profit and loss account when the services are received or the activities are performed.
- Directly attributable internal costs are treated in the same manner.

*Research and development*

Expenditure on research activities undertaken with the prospect of gaining new technical knowledge and understanding is recognised in the income statement as incurred. Development activities include the drawing-up of a plan or design for the production of new or significantly improved products or processes. Development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and FrieslandCampina intends to and has sufficient resources to complete development to use or sell the asset. The expenditure capitalised includes the cost of materials, direct labour, overhead costs directly attributable to preparing the asset for its intended use and capitalised borrowing costs. Other development expenditure is recognised in the income statement as incurred. Capitalised development expenditure is measured at cost less accumulated amortisation and accumulated impairment losses.

*Acquisition of intangible assets resulting from a business combination*
The fair value of patents and trademark names acquired in a business combination is based on the discounted estimated royalty payments that are expected to be avoided as a result of the patents or trademarks being owned. The fair value of customer relationships acquired in a business combination is determined using the multi-period excess earnings method. The fair value of other intangible assets is based on the discounted cash flows expected to be derived from the use and eventual sale of the assets.

*Costs after initial recognition*
Costs after initial recognition are capitalised only when they increase the future economic benefits embodied in the specific asset to which they relate. All other expenditure is recognised in the income statement as incurred.

*Amortisation*
Intangible assets other than goodwill are amortised on a straight-line basis in the income statement over their estimated useful lives calculated from the date that they are available for use.

The estimated useful life for the current year for the main categories of intangible assets is as follows:

| | |
|---|---|
| Trademarks and patents | 10-40 years |
| Customer relations | 5-20 years |
| Software | 5-7 years |

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

*Impairment of non-financial assets*
The carrying amounts of FrieslandCampina's non-financial assets, other than biological assets, inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any trigger for impairment. If such a trigger exists, the asset's recoverable amount is estimated.

**Goodwill impairment test**
FrieslandCampina carries out the goodwill impairment test during the fourth quarter of each year and also whenever there is a trigger for impairment of goodwill. Goodwill is monitored and tested at operational segment level, as cash generating units. The goodwill impairment test calculates per segment the recoverable amount, which is the value in use, and compares it with the carrying amount.

For a description of the business groups and segments, refer to note 6.1 Segmentation.

The table below indicates how the goodwill is allocated to the cash generating units.
No goodwill has been allocated to the business group Retail & Americas. The key assumptions used in calculating the value in use per segment include the below:

| | 31 December 2025 | Assumptions | 2025 |
|---|---|---|---|
| | Goodwill | % Growth rate terminal value | % Pre-tax discount rate |
| Europe | 147 | 2.1 | 8 |
| Middle East, Pakistan & Africa | 156 | 5.9 | 15 |
| Asia | 255 | 2.2 | 7 |
| Ingredients | 113 | 2.5 | 8 |
| Specialised Nutrition | 231 | 2.0 | 5 |
| Professional | 97 | 2.1 | 7 |
| | **999** | | |

| | 31 December 2024 | Assumptions | 2024 |
|---|---|---|---|
| | Goodwill | % Growth rate terminal value | % Pre-tax discount rate |
| Europe | 147 | 2.2 | 7 |
| Middle East, Pakistan & Africa | 169 | 5.9 | 16 |
| Asia | 272 | 2.4 | 9 |
| Ingredients | 113 | 2.5 | 8 |
| Specialised Nutrition | 231 | 2.1 | 6 |
| Professional | 97 | 2.3 | 8 |
| | **1,029** | | |

When determining the value in use, a compensation for corporate and cooperative costs and results is determined per segment, on the basis of relative profitability (result before interest and taxes) of the respective segments. The corporate and cooperative costs and results relate to:

- Corporate costs and results;
- cost and results of Global Supply Chain;
- result of units that fulfill a cooperative role when processing member milk.
  This compensation, mainly for the activities related to the procurement and selling of commodity dairy products for internal and industrial customers within the business group Professional, is allocated to the other segments and serves to cover the loss in processing member milk into commodity dairy products, as all milk supplied by member dairy farmers must be processed.

Cash flows are projected based on actual operating results and the approved business plan for 2026-2028 for each segment. Cash flows thereafter are extrapolated using an expected annual volume growth rate per country, which is based on external sources. The key assumption used in the projections for annual impairment testing is margin development per year, based on actual experience and management's long-term projections. The margin development in the business plan assumes that the low commodity prices versus the milk price will recover in the upcoming year.

The discount rate for each segment is based on observable data in the market and is determined before tax.

For the period after 2028, a growth rate has been used that is equal to the expected long-term inflation rates, as is common market practice.

### Sensitivity to changes in assumptions

The outcome of the goodwill impairment test of all segments shows that the values in use exceed the carrying amounts of the segments.

In addition to the annual impairment test, sensitivity analyses were performed to assess the impact of changes in key assumptions. This assessment is based, among other things, on a 0.5% lower growth rate terminal value, a 1% increase in the discount rate, and a scenario in which the operating result per segment remains flat on 2026 projection during the forecast period. The sensitivity analyses indicate that none of these individual changes to the significant assumptions result in a situation where the carrying amount of a segment exceeds its recoverable amount.

## 8.3 Biological assets

The biological assets relate to dairy livestock in Pakistan for an amount of EUR 10 million (2024: EUR 12 million). On 31 December 2025, FrieslandCampina has 4,099 mature cows, which can produce milk (2024: 3,979) and 2,782 immature cows that are being raised to produce milk in the future (2024: 2,982).

### Accounting estimates and judgements

The fair value of the livestock is determined by an independent valuer based on the best available estimates for livestock with similar characteristics.

### Accounting policies

The dairy livestock is valued at fair value less the cost to sell. Profit or loss resulting from changes to the fair value less the cost to sell is recognised in the income statement.

## 8.4 Other financial assets

| | 2025 | 2024 |
|---|---|---|
| **Non-current other financial assets** | | |
| Loans issued | 20 | 22 |
| Derivatives | 1 | 3 |
| Other | 18 | 9 |
| | **39** | **34** |
| | | |
| **Current other financial assets** | | |
| Derivatives | 13 | 4 |
| Other | 59 | 115 |
| | **72** | **119** |

The average interest rate on loans issued at the end of 2025 is 4.6% (2024: 5.1%). For EUR 18 million of the loans issued, the maturity date is after 2028.

For information regarding derivatives, refer to note 11.7.

Other current other financial assets mainly relate to deposits with banks due to prepayments to banks and distributors in Nigeria to obtain US dollars over time. The economic situation in Nigeria resulted in limited availability of US dollars, needed to pay international trade creditors. As far as these US dollars become available within three months, the prepayments are classified as (restricted) cash. When these US dollars become available after three months, the prepayments are classified as other current other financial assets.

### Accounting estimates and judgements

The provision for expected credit losses relating to other financial assets is not significant at the end of 2025.

### Accounting policies

*Non-derivative financial assets*

*Recognition and derecognition*

FrieslandCampina initially recognises loans and receivables on the date that they are originated. All other financial assets (including assets designated as at fair value through profit or loss) are recognised initially on the trade date, which is the date that FrieslandCampina becomes a party to the contractual provision of the instrument.

FrieslandCampina derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

*Right to offset*

*Financi*al assets and liabilities are offset and the net amount is presented in the statement of financial position if, and only if, FrieslandCampina has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and the liability simultaneously.

*Classification*

The classification of loans, receivables and deposits is dependent on the business model for managing the assets and the contractually cash flows. When the contractual cash flows represent solely payments of principal and interest on the principal amount outstanding, and when in the business model the assets are held to collect, the loans, receivables and deposits are classified at amortised cost. Otherwise, loans, receivables and deposits are classified as fair value through other comprehensive income or as fair value through profit or loss.

The classification of securities is dependent on an irrevocable decision by FrieslandCampina to classify the instrument on initial recognition as a fair value through other comprehensive income or as fair value through profit or loss.

*Financial assets measured at fair value through profit or loss*
A financial asset is classified as stated at fair value through profit or loss if it is classified as such on initial recognition or if the financial asset is reclassified as a financial asset held for sale. Directly attributable transaction costs are recognised as an expense in the income statement when they are incurred. Financial assets measured at fair value through profit or loss are measured at fair value and any changes in that fair value are recognised in the income statement.

*Financial assets at amortised cost*
Loans granted, long-term receivables, trade receivables and other receivables and deposits are financial instruments with fixed or determinable payments that are not listed on an active market.

On initial recognition such assets are stated at fair value plus any directly attributable transaction costs.

After initial recognition, the loans and receivables are stated at amortised cost in accordance with the effective interest method, less any impairments.

*Impairments*
Impairments of financial assets are based on the estimated risk of non-payment and the expected loss. To be able to determine these values, FrieslandCampina makes use of projections that are based on past history, existing market conditions and future conditions. These values are determined each year at the end of the financial year.

The following assets fall under the 'Expected Credit Loss Model':
a) trade receivables and other receivables;
b) loans granted at amortised cost;
c) non-current receivables.

In determining the provision for doubtful debts and other receivables, FrieslandCampina applies the simplified approach under the 'Expected Credit Loss Model', refer to note 7.2.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. If an event occurring after the balance sheet date causes the amount of impairment loss to decrease, this decrease is reversed through the income statement.

For loans granted and non-current receivables, in case of a low credit risk, a provision is made on the basis of the expected credit losses over the coming 12 months. In case of a significant increase in credit risk, a provision is made on the basis of the lifetime expected credit losses. FrieslandCampina determines the impairment of loans granted at amortised cost on an annual basis. A low credit risk is assumed in case there were no defaults of payment in the past and the counterparty has sufficient funds at its disposal to meet the contractual payment obligations.

# 9. Long-term employee benefits and provisions

## 9.1 Long-term employee benefits

| | | | 2025 | | | 2024 |
|---|---|---|---|---|---|---|
| | Assets | Liabilities | | Assets | Liabilities | |
| Net pension liability | 12 | 117 | **105** | 13 | 159 | 146 |
| Other long-term employee benefits | | 31 | **31** | | 26 | 26 |
| | **12** | **148** | **136** | **13** | **185** | **172** |

Effective 1 January 2020, all employees in the Netherlands, with the exception of employees involved in production operations and invoicing activities, have joined FC C.V. All other employees continue to be employed by FrieslandCampina Nederland B.V. The expenses under long-term employee benefits recognised in the income statement, as well as the remeasurement of the net pension liability, are distributed pro rata between the employees involved in production operations and invoicing activities (FrieslandCampina Nederland B.V.) and the other employees (FC C.V.).

**Other long-term employee benefits**

The other long-term employee benefits mainly consist of long-term bonuses for senior management and jubilee provisions.

**Net pension liability**

Pension situation Dutch employees covered by the Collective Labour Agreement for the dairy sector

As of 1 January 2015, all Dutch employees who are covered by the Collective Labour Agreement (CLA) for the dairy sector accrue their pension benefits in defined contribution plans as specified below.

| Annual pensionable salary | Pension plans for Dutch employees covered by the CLA for the dairy sector as of 1 January 2015 |
|---|---|
| Up to EUR 82,490 | Collective defined contribution plan based on a fixed contribution and executed by the industry wide pension fund for the dairy sector ('Bedrijfstakpensioenfonds voor de Zuivel' (BPZ)) |
| Between EUR 82,490 and EUR 137,800 | Individual defined contribution plan, adminstered by a premium pension institution (Cappital Pensioen, formerly Aegon Cappital PPI) |
| Above EUR 137,800 | Net pension savings plan, administered by the same premium pension institution (Cappital Pensioen, formerly Aegon Cappital PPI) |

As of 1 January 2015, the accrual of pension benefits in the pension plan for former Campina employees, administered in a company pension fund (Stichting Pensioenfonds Campina), and the accrual of pension benefits in the pension plan for former Friesland Foods employees and FrieslandCampina employees hired in the period between 1 January 2009 up to and including 31 December 2014, administered by an insurance company (Avéro Achmea) in a segregated investment fund, has ceased.

**Pension plan entitlements accrued until 2015 for former Campina employees (SPC)**
The pension plan entitlements accrued until 2015 for former Campina employees concern a defined benefit plan. This pension plan contains ultimo 2025 90% (2024: 45%) of the total gross pension liability. The pension entitlements accrued up to 2015 by active participants are, through collective labor agreement arrangements (the most recent CLA is valid until 2025), increased annually by a fixed indexation for as long as the employment continues (up to January 1, 2035 at the latest). From 2015 through 2020, this indexation amounted to 1.75%. As of January 1, 2021, this indexation amounts to 1.25%. The purchase of this indexation has been placed with an insurer (Aegon) under a full guarantee contract without profit sharing, whereby the indexation is increased with a fixed purchase for post-retirement indexation.

FrieslandCampina has an obligation to settle a number of smaller guarantee schemes pursuant to the execution agreement.

A legal proceeding is ongoing between Stichting Pensioenfonds Campina (SPC) and FrieslandCampina regarding the termination of an administration agreement without compensation. FrieslandCampina has increased the present value of the gross pension obligation to include an estimate of the damages. The legal procedure is still pending.

Upon reaching agreement with the pension fund, FrieslandCampina will have a 'settlement of the full plan'. At that moment the present value of the gross obligation pursuant to the pension benefits ('gross pension liability') and the fair value of the plan assets will be released from the balance sheet because FrieslandCampina will no longer be exposed to risks. This will not affect the income statement because the expected net pension liability (the gross pension liability minus the fair value of plan assets) at the moment of settlement amounts to nil.

**Pension plan entitlements accrued until 2015 for former Friesland Foods employees and FrieslandCampina employees (Avéro)**
The pension plan entitlements accrued until 2015 for former Friesland Foods employees and FrieslandCampina employees concern a defined benefit plan.

On May 8, 2025, the obligations and pension assets related to the pension entitlements were transferred to Achmea Pension & Life Insurance N.V. (AP&L) through a buy-out. As a result of the buy-out the Avéro insurance contract has been terminated. Prior to the transfer, FrieslandCampina made an additional contribution of EUR 10 million to settle the conditional top-up obligation. A new execution agreement was concluded with AP&L, under which the pension assets held in the fund will be allocated as follows:

- a one-off additional indexation of 1.75% granted for participants whose employment ended before 9 May 2025;
- a fixed annual indexation of 1.25% for all participants for the period from 2026 through 2035;
- the establishment of an indexation reserve to provide indexation perspective from 2036 onwards.

As a result of the buy-out, the funding of the pension entitlements has been fully transferred to AP&L which now bears all associated risks. The financial impact of this plan adjustment and settlement has been recognized in the income statement and amounts to EUR 3 million.

As a result of the buy-out, the top-up risk in case the coverage ratio would fall below 100% has been eliminated.

At the end of 2024, this plan accounted for 50% of the total gross pension liability. This plan, which was applicable until May 8 2025, is disclosed in more detail hereafter.

| | |
|---|---|
| **Plan characteristics** | From 2015 the regular pension accrual has been terminated. Accrued benefits until 2015 for active participants are increased annually in accordance with the provisions of the CLA (a new 5-year Pension CLA has been agreed in 2021 for the period 1 January 2021 to 31 December 2025) by a fixed rate for as long as employment has been continued (until 1 January 2035 at the latest). For the years 2015 to 2020 this indexation rate was 1.75%. As of 1 January 2021, the annual fixed indexation for active participants has been reduced to 1.25%. Conditional indexation is applicable for non-active participants. |
| **Pension administrator** | An insurance company (Avéro Achmea), in a segregated investment fund via a guarantee contract. |
| **Funding agreements** | Each year FrieslandCampina pays a premium, calculated based on market value, for the indexation of the pensions of active participants.<br>As per 1 December 2023, the insurance contract has changed from a contract based on fixed interest rate to a contract based on market interest rate. If the coverage ratio is lower than the contractually agreed 100% for longer than 18 consecutive months from the end of a calendar year, FrieslandCampina has the obligation to pay a supplementary premium in order to restore the coverage ratio to 100%. At the end of 2024 the coverage ratio based on market interest rate was 99.8% determined on the basis of the principles specified in the insurance contract. |
| **Supervision and governance** | The insurer is responsible for holding sufficient resources to pay out all accrued benefits. This is supervised by DNB (Dutch Central Bank). The investment policy for the insurance contract is determined by the insurer in consultation with FrieslandCampina. |
| **Participants** | Approximately 31% of the participants are active employees of FrieslandCampina, 41% are former employees and 28% are pensioners. The average duration of the pension liabilities is approximately 14 years. |
| **Most significant risks** | The most significant risk is that the coverage ratio at the end of a calendar year drops below 100%. If that situation continues for more than 18 consecutive months, FrieslandCampina has the obligation to pay a supplementary premium in order to restore the coverage ratio to 100%. |

**Early retirement scheme for Dutch employees covered by the CLA for the dairy sector (RVU)**
As of 1 September 2022, Dutch employees who perform heavy duties are able to retire earlier, under certain conditions. This early retirement scheme only applies to employees who have been employed by FrieslandCampina for at least 35 years, who work in shifts and/or perform consignment shifts structurally and in a fixed rhythm. It is possible to stop working up to 36 months before the state pensionable age. The employee will then receive a so-called 'RVU benefit'. The RVU-scheme was extended by 2 years in 2024 up to 31 December 2027. For the extension, an additional provision was charged to the income statement. In 2026 the minimum service years condition will be lowered from 35 years to 30 years. At year-end 2025, the RVU-scheme accounts for approximately 1% (2024: 0%) of the total gross pension liability.

**Dutch employees covered by the CLA for 'Het Partikulier Kaaspakhuisbedrijf'**
Effective 1 January 2021, the accrual of pension benefits for FrieslandCampina employees who are covered by the CLA for 'Het Partikulier Kaaspakhuisbedrijf' is administered by 'Pensioenfonds PGB'. This plan qualifies as a defined contribution plan.

At year-end 2025, this defined contribution plan contains rounded 0% (2024: 0%) of the total gross pension liability.

**Foreign employees**
In respect of FrieslandCampina's foreign activities, both defined contribution and defined benefit plans are applicable. The most important defined benefit pension plans are the plans in Germany. These are primarily unfunded pension plans based on salary, length of service and fixed amounts that, at the end of 2025, accounted for 4% (2024: 2%) of FrieslandCampina's total gross pension liability. The accrued benefits are increased each year with a maximum of the price inflation. This is a conditional entitlement depending on the financial position of the relevant company.

At the end of 2025, the plans in the other countries accounted for 6% (2024: 3%) of the total gross pension liability.

For a defined benefit plan of FrieslandCampina in North America, administered by an industrywide pension fund, there may be future risks in case a mass withdrawal of contributing employers with the largest share in the industry pension fund, like FrieslandCampina, occurs. At year-end 2025 the risk is considered to be negligible.

**Assumptions**

Due to the large amounts, the table below indicates the assumptions applied in performing the calculations of (movements in) the gross pension liability, the fair value of plan assets and the relevant components of the pension costs for FrieslandCampina's Dutch pension plans as recognised in the consolidated statement of financial position and income statement.

| Assumptions[1] | 2025 | 2024 |
|---|---|---|
| | % | % |
| Discount rate | 4.3 | 3.6 |
| Wage inflation | n.a. | n.a. |
| Price inflation | 2.0 | 2.0 |
| Indexation | | |
| - active employees | 1.4 | 1.3 |
| - former employees and pensioners | 4.7 | 3.1 |
| | | |
| **Life expectancy** | **in years** | **in years** |
| - man / woman age 65 at end of year | 20,7 / 23,6 | 20,6 / 23,4 |
| - man / woman age 65 in 20 years' time | 22,9 / 25,7 | 22,8 / 25,6 |

[1] The percentages shown concern the above-referenced defined benefit schemes for the pension entitlements of employees in the Netherlands, which represent 90% (2024: 95%) of the gross pension liability and 94% (2024: 98%) of the fair value of plan assets.

The applied discount rate is based on the yield of high-quality corporate bonds and takes into account the duration of the defined benefit obligation for each plan individually. The Mercer Yield Curve is used for setting the discount rate for the pension plans in the Netherlands, Germany and Greece.

| Movement in and specification of net pension liability | Gross pension liability | | Fair value of plan assets | | Net pension liability | |
|---|---|---|---|---|---|---|
| | **2025** | 2024 | **2025** | 2024 | **2025** | 2024 |
| **At 1 January** | **3,020** | **3,014** | **-2,874** | **-2,854** | **146** | **160** |
| **Included in the income statement** | | | | | | |
| Operating expenses: | | | | | | |
| Current service cost | 5 | 7 | | | 5 | 7 |
| Pension plan adjustment | -1,345 | 3 | 1,348 | | 3 | 3 |
| Interest expense or income | 71 | 104 | -67 | -99 | 4 | 5 |
| Administration costs | | | | 1 | | 1 |
| **Total** | **-1,269** | **114** | **1,281** | **-98** | **12** | **16** |
| **Recognised in equity** | | | | | | |
| Remeasurement of the net pension liability by: | | | | | | |
| Return on plan assets, excluding the interest income and adjusted guaranteed value | | | 175 | -30 | 175 | -30 |
| Changes in financial assumptions | -166 | 97 | | | -166 | 97 |
| Changes in demographic assumptions | | -9 | | | | -9 |
| Experience adjustments | -4 | -64 | | | -4 | -64 |
| **Total remeasurement gain or loss** | **-170** | **24** | **175** | **-30** | **5** | **-6** |
| Currency translation differences | -5 | 1 | 3 | -1 | -2 | |
| **Total** | **-175** | **25** | **178** | **-31** | **3** | **-6** |
| **Other** | | | | | | |
| Contributions paid by the employer to the plan | | | -56 | -24 | -56 | -24 |
| Benefits paid | -119 | -133 | 119 | 133 | | |
| **Total** | **-119** | **-133** | **63** | **109** | **-56** | **-24** |
| **At 31 December** | **1,457** | **3,020** | **-1,352** | **-2,874** | **105** | **146** |
| **Classification** | | | | | | |
| Non-current assets (Long-term employee benefits) | | | | | **12** | 13 |
| Non-current liabilities (Long-term employee benefits) | | | | | **117** | 159 |

At the end of financial year 2025, EUR 70 million of the EUR 1,457 million gross pension liability has not been funded (2024: EUR 99 million of EUR 3,020 million). The contributions to the plans of EUR 56 million are the premiums paid by FrieslandCampina in 2025, of which EUR 7 million relates to the 2024 financial year.

### Income and expenses under long-term employee benefits recognised in the income statement

| | **2025** | 2024 |
|---|---|---|
| Current service cost | -5 | -7 |
| Pension plan adjustment | -3 | -3 |
| Interest expense or income | -4 | -5 |
| Administration costs | | -1 |
| **Defined benefit cost recognised in the income statement** | **-12** | **-16** |
| Pension costs for defined contribution plans | -100 | -99 |
| Employees' share in pension costs | 11 | 11 |
| **Pension costs recognised in the income statement** | **-101** | **-104** |
| Expenses under other long-term employee benefits | -4 | -4 |
| **Expenses under long-term employee benefits recognised in the income statement** | **-105** | **-108** |

FrieslandCampina expects to contribute EUR 23 million into its defined benefit plans in 2026, of which EUR 5 million relates to the year 2025. In 2026, FrieslandCampina expects to contribute EUR 120 million into its defined contribution plans, primarily related to the collective and individual defined contribution plans for Dutch employees.

### Disaggregation of the fair value of plan assets into asset categories

| | 2025 | | | 2024 | | |
|---|---|---|---|---|---|---|
| | % | % | % | % | % | % |
| | Company pension fund | Insurance contract | Foreign pension schemes | Company pension fund | Insurance contract | Foreign pension schemes |
| **Equities** | | | | | | |
| - North America | 10 | | | 7 | | |
| - Europe | 2 | | | 2 | | |
| - Japan | 1 | | | 1 | | |
| - Other | 1 | | | 2 | | |
| | | | | | | |
| **Fixed income** | | | | | | |
| - Investment grade (BBB- rating or higher) | 17 | | | 24 | | |
| - Non-investment grade (rating below BBB-) | 3 | | | 6 | | |
| | | | | | | |
| **Other investments** | 61 | | 5 | 5 | | 2 |
| | | | | | | |
| **Guaranteed value of insurance contract** | | | | | 51 | |
| **Total** | **95** | | **5** | **47** | **51** | **2** |

At year-end 2025, the plan assets in the company pension fund (SPC) and the guaranteed value of the insurance contract amount to 95% and 0% of the total plan assets respectively (2024: 47% and 51%). As a result of the buy-out the Avéro insurance contract has been terminated.

At the end of 2025, the interest rate risk relating to the liabilities of the company pension fund is hedged for 100% of which governments bonds (currency risk is fully hedged) contribute for 34% and interest rate swaps for 66%. The collateral of the swap portfolio is invested in a well-diversified AAA-rated cash fund. For the majority of the other fixed income and the equities portfolio, the currency risk is fully hedged.

The investments in the foreign pension plans comprise 5% of the total amount (2024: 2%) and are largely related to insurance contracts.

**Sensitivity analysis**

The table below shows the impact of a change in key actuarial assumptions on the gross pension liability in respect of the Dutch pension plans.

### Effect on the gross pension liability at 31 December

| | 2025 | | 2024 | |
|---|---|---|---|---|
| | Increase | Decrease | Increase | Decrease |
| Change of 0.25% in discount rate | -39 | 41 | -95 | 100 |
| Change of 0.25% in indexation of former participants | 40 | -38 | 90 | -86 |
| Change of 1 year in life expectancy | 72 | -70 | 125 | -123 |

As a result of cross effects, changes in multiple assumptions could lead to other effects than the sum of the individual effects. In addition, the impact on the net pension liability is usually less because the effect shown in the sensitivity analysis is partly offset by a change in the indexation rate assumption for the company pension fund.

### Accounting estimates and judgements

To make the actuarial calculations for the defined benefit plans, FrieslandCampina needs to make use of assumptions for discount rates, future pension increases and life expectancy as described in this note. The actuarial calculations are made by external actuaries based on inputs from observable market data, such as corporate bond returns and yield curves to determine the discount rates used, mortality tables to determine life expectancy and inflation numbers to determine future salary and pension growth assumptions.

### Accounting policies

*Defined contribution plans*

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and has no legal or constructive obligations to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the income statement in the periods during which the related services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

The part of the pension obligation placed by FrieslandCampina with an industry-wide pension plan in the Netherlands can be qualified as a defined contribution plan.

*Defined benefit plans*

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The net pension liability (or asset) in respect of defined benefit plans is calculated annually for each plan on the basis of expected future developments in discount rates, salaries and life expectancy, less the fair value of the fund investments related to the plan. The present value of the obligations is calculated actuarially using the projected unit credit method. The discount rate used is the return at the balance sheet date on high-quality corporate bonds with at least an AA credit rating and with maturity dates similar to the term of the pension obligations.
In measuring the net pension liability, the conditional top-up obligation is valued at the fair value of the required contribution (the price a third party would demand to assume the obligation in an orderly transaction at the measurement date).

The net present value per pension plan is recognised in the balance sheet as a pension liability, or as a pension asset, under long-term employee benefits.

Remeasurement of the net pension liability (asset), comprising actuarial gains and losses resulting from changes in the assumptions for calculating the pension obligation, the return on plan assets (excluding interest) and the impact of the effect of the asset ceiling (if applicable) is carried out for each individual plan and recognised in the other comprehensive income.

If the calculation of the net pension liability per pension plan results in a positive balance, the asset recognised is limited to the sum of the present value of any future repayments by the fund or lower future pension contributions.

FrieslandCampina determines the net interest expenses (or gains) resulting from the defined benefit plan by multiplying the net pension liability (or asset) with the discount rate used to measure the defined benefit plan at the start of the year. Changes in the net pension liability (or asset) during the year as a result of benefits being paid out are taken into account. The net interest expenses (or gains) and other costs related to the defined benefit plan are recognised in the income statement.

FrieslandCampina recognises results due to the adjustment (plan amendment, curtailment and settlement) of pension plans through the income statement at the time an adjustment occurs or at the moment a restructuring provision is formed.

*Other long-term employee benefits*

Frieslandcampina's other long-term employee benefits liability concerns the present value of the benefits accrued by employees during the periods in which related services are provided by employees. Remeasurements are recognised in the income statement in the period in which they occur.

## 9.2 Provisions

| | 2025 | | | 2024 | | |
|---|---|---|---|---|---|---|
| | Restructuring | Other provisions | Total | Restructuring | Other provisions | Total |
| At 1 January | 55 | 85 | **140** | 150 | 79 | **229** |
| Additions charged to the income statement | 25 | 7 | **32** | 18 | 9 | **27** |
| Release to the income statement | -13 | -3 | **-16** | -43 | -2 | **-45** |
| Currency translation differences | -1 | -3 | **-4** | -1 | 4 | **3** |
| Utilisations | -30 | -1 | **-31** | -69 | -5 | **-74** |
| **At 31 December** | **36** | **85** | **121** | **55** | **85** | **140** |
| | | | | | | |
| Non-current provisions | 1 | 70 | **71** | 6 | 71 | **77** |
| Current provisions | 35 | 15 | **50** | 49 | 14 | **63** |
| | **36** | **85** | **121** | **55** | **85** | **140** |

**Restructuring provisions**
In 2025 provisions have been recorded for an amount of EUR 25 million following announced restructurings, mainly with regard to further optimisation of the organisation and cost savings.

The additions in 2024 related among others to optimization of the production network, including concentration of activities at production site Leeuwarden (the Netherlands) and closure of the cheese production site in Born (the Netherlands).

The releases of the restructuring provisions in both 2024 and 2025 mainly relate to Expedition 2030, the transformation programme for which a provision was recognized. In addition, in 2025 part of the provisions for the optimisation of the production network was released. The release of restructuring provisions is primarily the result of more employees than originally expected being able to be reassigned internally, which led to lower-than-anticipated costs.

The restructuring provisions will result in future cash outflows. The provisions are recognised at nominal value, because their present value is not materially different.

**Other provisions**
Other provisions primarily relate to provisions for legal and arbitration proceedings and provisions for long-term illness. From time to time, FrieslandCampina is involved in legal and arbitration proceedings arising in the ordinary course of business. When specific problems occur, provisions are made as necessary. Due to the nature of the legal proceedings the timing of making use of these provisions is uncertain.

Provisions for legal and arbitration proceedings mainly relate to the provision for a business dispute between FrieslandCampina Thailand and a business-to-business client. In May 2021, the court, on the basis of its interpretation of the contract between both parties, concluded that FrieslandCampina has charged its client too much over a period of 10 years (2009-2019). In 2021 FrieslandCampina made a provision for this. On October 3, 2023, the Bangkok Commercial Court set aside on appeal the judgment of the Court of First Instance in the said business dispute. The Court of Appeal for Commercial Affairs ruled that FrieslandCampina was not liable for the alleged damage of EUR 58 million that this customer claims to have suffered. Since the customer has appealed to the Supreme Court of Thailand, the provision has not been released yet. The Supreme Court of Thailand's ruling is expected no later than 2027.

### Accounting estimates and judgements
In determining the likelihood and timing of potential cash outflows, FrieslandCampina needs to make estimates. For legal and arbitration proceedings FrieslandCampina bases its assessment on internal and external legal assistance and established precedents. Contingent liabilities are disclosed in note 13.2.

### Accounting policies
A provision is recognised in the statement of financial position when, as a result of a past event, FrieslandCampina has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are discounted using a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance costs.

*Restructuring provision*
Provisions for restructuring are formed when FrieslandCampina has formalised a detailed and formal restructuring plan and has either started implementing the restructuring plan or has announced the main aspects of the restructuring in such a way that the affected employees have a valid expectation the restructuring will take place.

*Provision for onerous contracts*
A provision for onerous contracts is recognised when the expected benefits to be derived by FrieslandCampina from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, FrieslandCampina recognises an impairment loss on the assets associated with the contract.

# 10. Acquisitions, disposals and associates

## 10.1 Acquisitions and disposals of subsidiaries and non-controlling interests

As per 1 January 2026, Zuivelcoöperatie FrieslandCampina U.A. and Milcobel CVBA have merged. Zuivelcoöperatie FrieslandCampina U.A. has transferred the majority of Milcobel's activities to Royal FrieslandCampina N.V.

In addition, on 2 January 2026 FrieslandCampina completed the acquisition of Wisconsin Whey Protein. Refer to note 13.6 Subsequent events.

### Accounting policies

*Changes of non-controlling interests*

Changes in FrieslandCampina's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (transactions with owners in their capacity as owners). Adjustments to non-controlling interests whereby control is retained are based on a proportionate amount of the net assets of the subsidiary. No adjustments are made to goodwill and no gain or loss is recognised in the income statement.

*Loss of control*

At the moment of loss of control, FrieslandCampina derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in the income statement. If FrieslandCampina retains any interest in the previous subsidiary, such interest is measured at fair value at the date control ceases. Subsequently the interest is accounted for as an associate (accounted for according to the equity method) or as an available-for-sale financial asset, depending on the level of influence retained.

*Business combinations*

Business combinations are accounted for by using the acquisition method as at the acquisition date, which is the date on which control is transferred to FrieslandCampina. FrieslandCampina is deemed to have control if, on the basis of its involvement with the entity, it is exposed to or is entitled to variable returns and has the power to influence the variable returns on the basis of its control of the entity.

FrieslandCampina measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

If the excess is negative, a bargain purchase gain is recognised immediately in the income statement. The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in the income statement. Transaction costs incurred by FrieslandCampina in connection with a business combination, which are not costs in connection with the issue of shares or bonds, are recognised in the income statement when they are incurred.

Any contingent consideration is measured at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. If the contingent consideration is classified as liability, it is remeasured. Subsequent changes in the fair value of the contingent consideration are recognised in the income statement. The interest accrued on and the adjustments made to the fair value as a result of changes to the interest accrual period are reported under finance income and costs.

Adjustments to the fair value as a result of other changes are reported under other operating costs and income.

For each business combination, FrieslandCampina elects to measure any non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets, which are generally at fair value.

## 10.2 Assets and liabilities held for sale

| | 2025 | 2024 |
|---|---|---|
| **Assets held for sale** | | |
| At 1 January | 3 | |
| Transfer from property, plant and equipment | 25 | 3 |
| Transfer from current assets | 33 | |
| Disposals | -3 | -1 |
| Reversal of impairments | | 1 |
| **At 31 December** | **58** | **3** |
| | | |
| **Liabilities held for sale** | | |
| At 1 January | | |
| Transfer from current and non-current liabilities | 28 | |
| **At 31 December** | **28** | |

On 31 July 2025, FrieslandCampina reached an agreement with Bonafarm Group regarding the sale of its Romanian operations, including brand Napolact and the production sites in Cliu-Napoca and Tárgu Mures. The transaction is expected to be completed in the first quarter of 2026, subject to regulatory approval. Accordingly, the assets and liabilities related to FrieslandCampina Romania S.A. have been classified as held for sale as at 31 December 2025.

During 2024, production at the production facility in Rotterdam ceased, and the related assets were classified as assets held for sale. In 2025 these assets have been sold for an amount of EUR 15 million (after deduction of selling costs). The proceeds from the sale have been recognized under Other operating income, refer to note 6.3.

Fully impaired assets of previously closed production facilities in Dronrijp and Den Bosch have been sold as well during 2025 at a profit of EUR 4 million.

### Accounting estimates and judgements

FrieslandCampina exercises judgement regarding whether assets or groups of assets are expected to be sold within 1 year, and the sale is highly probable.

### Accounting policies

Non-current assets (or groups of assets and liabilities that will be disposed of), whose carrying amount is expected to be recovered primarily via a sale transaction rather than through continuing use, are classified as held for sale. Immediately before being classified as such, the assets (or the components of a group of assets that will be disposed of) are remeasured in accordance with FrieslandCampina's accounting policies. Thereafter, the assets (or a group of assets and liabilities that will be disposed of) are generally measured at their carrying amount, or if this is lower, their fair value less selling costs. An impairment on a disposal group is first allocated to goodwill and then on a pro rata basis to the remaining assets and liabilities, except that no impairment is allocated to biological assets, inventories, financial assets, deferred tax assets or employee related provisions, which continue to be measured in accordance with FrieslandCampina's accounting policies. Impairment losses arising from the initial classification as held for sale or distribution and gains or losses from subsequent remeasurement are recognised through the income statement. If the gain from subsequent remeasurement exceeds the cumulative impairment loss, this difference is not included.

Once they have been classified as held for sale, intangible assets and property, plant and equipment are not amortised or depreciated. In addition, for investments recognised in accordance with the equity method, this measurement method is no longer applied once these investments are classified as held for sale.

## 10.3 Joint ventures and associates

FrieslandCampina holds interests in a number of joint ventures and associates that individually are not considered to be material. The following table shows, in aggregate, the carrying amount and the share of these joint ventures and associates in total comprehensive income.

| | | | 2025 | | | 2024 |
|---|---|---|---|---|---|---|
| | Joint ventures | Associates | Total | Joint ventures | Associates | Total |
| Carrying amount | 108 | 23 | **131** | 102 | 21 | **123** |
| | | | | | | |
| Share of: | | | | | | |
| - profit or loss, net of tax | 19 | 6 | **25** | 17 | 3 | **20** |
| - other comprehensive income | -2 | | **-2** | 1 | | **1** |
| **Total comprehensive income** | **17** | **6** | **23** | **18** | **3** | **21** |

The largest joint venture concerns the 50% interest in Betagen Holding Ltd. FrieslandCampina's interest in Betagen Holding Ltd. amounts to EUR 78 million (2024: EUR 73 million), of which EUR 30 million relates to goodwill (2024: EUR 30 million) and the share in the 2025 profit amounts to EUR 16 million (2024: EUR 16 million). In 2025 FrieslandCampina received a dividend of EUR 11 million from Betagen Holding Ltd (2024: EUR 10 million).

For a summary of the transactions with joint ventures and associates, refer to Note 13.3.

### Accounting policies

Associates are those entities in which FrieslandCampina has significant influence, but no control, over the financial and operating policies. Joint ventures are the entities in which FrieslandCampina has joint control and to which FrieslandCampina is entitled to a portion of the net assets rather than the assets and liabilities of the entity. A joint venture is a contractual arrangement whereby FrieslandCampina and other parties undertake an economic activity through a jointly controlled entity.

Joint control exists when strategic, financial and operating policy decisions relating to the activities require the unanimous consent of the parties sharing control.

Investments in associates and joint ventures are accounted for using the equity method and are recognised initially at cost. The cost of the investment includes transaction costs.

After initial recognition, the consolidated financial statements include FrieslandCampina's share of the results and the other comprehensive income of the participations from the date on which FrieslandCampina first has significant influence up to the date on which it last has significant influence or joint control. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When FrieslandCampina's share of losses exceeds its interest in an equity-accounted investee, the carrying amount of the investment, including any long-term interest that forms a part thereof, is reduced to zero and the recognition of further losses is discontinued except to the extent that FrieslandCampina has an obligation or has made payments on behalf of the investee.

# 11. Financing and capital structure

## 11.1 Finance income and costs

| | 2025 | 2024 |
|---|---|---|
| **Finance income** | | |
| Interest income | 10 | 16 |
| Foreign exchange losses on receivables and payables | 1 | 14 |
| | **11** | **30** |
| **Finance costs** | | |
| Interest expenses | -74 | -97 |
| Other finance costs | -3 | -7 |
| | **-77** | **-104** |

Interest expenses, among other things, relate to unwinding of lease liabilities of EUR 6 million (2024: EUR 6 million).

Of the foreign exchange results on receivables and payables in 2024, EUR 13 million related to Nigeria. Due to the devaluation of the official exchange rate and the improved availability of US dollars in 2024, the liability of EUR 15 million representing the difference between the rate required to obtain US dollars and the official Nigerian exchange rate was released.

The other finance costs include interest accrued and the remeasurement of the put option liability; also refer to note 11.4.

Furthermore, other finance costs comprise the amortisation of transaction costs and commitment fees for non-current borrowings of EUR 4 million (2024: EUR 4 million).

### Accounting estimates and judgements

For the estimates and judgements in relation to the remeasurement of the put option liability, refer to note 11.4.

### Accounting policies

Finance income comprises interest received on loans and receivables from third parties, positive changes to the fair value of financial assets valued at fair value through profit or loss, gains on hedging instruments that are recognised in the income statement and reclassifications of amounts previously recognised in other comprehensive income. Interest income is recognised in the income statement as it accrues, using the effective interest method, with due consideration to impairments.

Finance costs comprises interest expenses on borrowings and other obligations to third parties, including lease liabilities, unwinding the discount on provisions, fair value losses on financial assets at fair value through profit or loss, impairment losses recognised on financial assets, losses on hedging instruments that are recognised in the income statement and reclassifications of amounts previously recognised in other comprehensive income. Interest expenses are recognised in the consolidated income statement as they accrue by means of the effective interest method.

Foreign currency gains and losses from trade debtors and creditors are recognised as a component of operating profit. All other foreign currency gains and losses are reported on a net basis as either finance income or finance costs, depending on whether foreign currency movements are in a net gain or net loss position.

## 11.2 Cash and cash equivalents

| | 2025 | 2024 |
|---|---|---|
| Deposits | 224 | 216 |
| Other cash and cash equivalents | 610 | 835 |
| | **834** | **1,051** |

Funds of EUR 5 million (2024: EUR 2 million) are not freely available.

### Accounting policies

Cash and cash equivalents comprise cash at banks and in hand and short-term deposits ordinarily with original maturities of three months or less from the acquisition date.

## 11.3 Interest-bearing borrowings

The terms and conditions of outstanding borrowings are as follows:

| | | 2025 | | 2024 |
|---|---|---|---|---|
| | | Carrying amount | | Carrying amount |
| Borrowings from credit institutions | | 285 | | 493 |
| 'US Private Placement' | | 485 | | 497 |
| Schuldschein private borrowings programme | | 345 | | 345 |
| 'Commercial Paper' | | | | |
| Borrowings from member dairy farmers (variable interest) | 17 | | 15 | |
| Bank overdrafts (variable interest) | 3 | | 17 | |
| Lease liabilities (fixed interest) | 158 | | 179 | |
| Capitalised issue costs | -3 | | -3 | |
| Other | | 175 | | 208 |
| **Interest-bearing borrowings** | | **1,290** | | **1,543** |
| | | | | |
| Recognised under non-current interest-bearing borrowings | | 992 | | 1,288 |
| Recognised under current interest-bearing borrowings | | 298 | | 255 |

The nominal value of the interest-bearing borrowings does not deviate from the carrying value. The average interest paid on the interest-bearing borrowings, including the effect of the interest rate and cross currency swaps at year-end 2025, is 4.1% (2024: 5.9%). Of the lease liabilities, EUR 111 million (2024: EUR 133 million) is classified as non-current and EUR 47 million (2024: EUR 46 million) is classified as current.

No guarantees were provided for the short-term and long-term loans.

**Borrowings from credit institutions**

In 2016 FrieslandCampina agreed a loan facility at EUR 150 million with the European Investment Bank (EIB). The loan consists of three parts with fixed interest rates. Terms range from 3 to 10 years. The outstanding amount at the end of 2025 is EUR 4 million (2024: EUR 58 million).

In 2021 a credit facility was negotiated with the EIB for an amount of EUR 150 million, which was fully utilised in 2022. Repayments will take place in the period 2026 until 2029.

FrieslandCampina negotiated a loan with International Finance Corporation (IFC) in 2023 for an amount of EUR 75 million. Repayments will take place in the period 2026-2028.

In 2022, Royal FrieslandCampina N.V. successfully raised a new EUR 1.25 billion revolving credit facility ("RCF"). The facility is linked to four sustainability performance indicators, impacting the interest of the facility. Issue costs related to the part of the credit facility that is not expected to be used, are capitalised as a prepayment and are amortised over the term of the facility.
In 2023, Royal FrieslandCampina made a successful extension request to the lenders of the facility with one year to October 2028. At the same time, Royal FrieslandCampina cancelled voluntary the available revolving facility commitments with an amount of EUR 250 million to a level of EUR 1 billion. During 2024, FrieslandCampina made an additional successful extension request to the lenders of the facility with one year to October 2029. At 31 December 2025, the credit facility is not utilised (2024: EUR 0 million).

In 2023, FrieslandCampina negotiated a new loan of EUR 75 million with Kreditanstalt für Wiederaufbau - IPEX Bank for a period of 5 years, however, during 2025, this loan was fully repaid.

**'US Private Placement'**
In 2024 FrieslandCampina repaid the remaining part of the in 2012 privately placed loans with institutional investors in the United States to a total of USD 228 million.

In 2023 FrieslandCampina successfully issued US Private Placement Notes for an aggregate amount of EUR 494 million with maturity terms of 8, 10 and 12 years. Funding has taken place in February 2024. The average maturity of the transaction is 10 years. The (USD and EUR) notes are linked to two of FrieslandCampina's sustainability performance indicators. The USD repayments and interest payment obligations associated with the private placement obligations are converted into EUR obligations with a fixed interest rate through means of cross-currency swaps. The gain resulting from the revaluation of the loan to euro of EUR 11 million in 2025 has been fully offset by the hedge (2024: loss of EUR 2 million).

**Schuldschein private borrowings programme**
The outstanding green bonds (Green Schuldschein) issued by FrieslandCampina in 2016, amounted to EUR 45 million (2024: EUR 45 million). These bonds are recognised in non-current interest-bearing borrowings.

In 2023 FrieslandCampina has successfully issued a new EUR 300 million Schuldschein linked to two sustainability performance indicators. The transaction consists of three tranches which will mature after 3, 5 and 7 years.

**'Commercial Paper'**
The maximum term of the Euro Commercial Paper (ECP) issued debt securities is 12 months. At year-end 2025, there were no drawings under the ECP Programme (2024: EUR 0 million).

**Borrowings from member dairy farmers**
The borrowings from member dairy farmers amounting to EUR 17 million (2024: EUR 15 million) concern three year deposit loans held by member dairy farmers. These loans have a variable interest rate based on 6 months Euribor and are repayable on demand by the member dairy farmers against the payment of a 2.25% interest penalty.

### Accounting estimates and judgements
Please refer to Note 8.1.1 in relation to right-of-use assets and lease liabilities.

### Accounting policy
*Non-derivative financial liabilities*
The initial recognition of financial liabilities (including liabilities designated as fair value through profit and loss) is stated at transaction date. The transaction date is the date on which FrieslandCampina commits to the contractual provisions of the instrument.

The fair value, determined for the purpose of the notes, of the liabilities is determined on the basis of the discounted cash flows.

FrieslandCampina no longer recognises a financial liability in the balance sheet as soon as the performance pursuant to the relevant liability was completed, expired or released.

Financial liabilities other than derivatives consist of interest-bearing borrowings (including lease liabilities), other financial liabilities, trade payables and other liabilities. On initial recognition, such financial liabilities are stated at fair value less any directly attributable transaction costs. After initial recognition, these financial liabilities are stated at amortised cost in accordance with the effective interest method.

*Lease liabilities*

The interest-bearing borrowings include lease liabilities. At initial recognition, lease liabilities are measured at the present value of future lease payments. Lease payments consist of:

- fixed payments, including in substance fixed payments, minus contractual lease incentives;
- the exercise price of a purchase option when it is reasonably certain that FrieslandCampina will exercise this option;
- the payment of a penalty when it is reasonably certain that FrieslandCampina will terminate the lease early;
- payments that fall within the period of an extension option when it is reasonably certain that FrieslandCampina will exercise this option;
- payments that fall within the period of which it is reasonably certain that FrieslandCampina will make use of the asset, for contracts for which a contractual end-date has not been agreed upon.

When an estimate in respect of the lease payments changes, including changes in remaining lease payments based on an index or rate, the lease liability is remeasured taking into account these changes, whereby the right-of-use asset is also remeasured.

Lease payments are discounted using the interest rate implicit in the lease. When the interest rate implicit in the lease cannot be derived, the lease payments are discounted using the incremental borrowing rate that reflects the interest rate at which FrieslandCampina could have obtained a loan to finance a similar asset in the same economic environment for the same duration and with the same collateral.

The lease liability is reduced by the lease payments. The interest accrued on the lease liabilities is recognised as part of finance costs in the income statement.

**Covenant guidelines**

FrieslandCampina has to maintain at least one investment grade credit rating to have the revolving credit facility and the funds under borrowings from credit institutions and borrowings under the 2023 Schuldschein private borrowings available until their respective maturities. FrieslandCampina currently has two investment grade ratings.

In case the company does not comply with the above credit rating requirement it must ensure that it will comply with the below financial covenants:

| | |
|---|---|
| Leverage ratio: Net debt / EBITDA | < 3.5 |
| Interest coverage ratio: EBITDA / Net Interest | > 3.5 |

For the borrowings under the US private placement FrieslandCampina has to maintain a leverage of no greater than 3.5, independent of the credit rating.

For the 2016 Schuldschein private borrowings the leverage ratio and the interest coverage ratio need to comply with the above levels at all times.

All the above conditions were met.

The table below sets out the specification of the net debt at year-end, in accordance with the covenant guidelines the impact of lease liabilities is disregarded:

| | 2025 | 2024 |
|---|---|---|
| Non-current interest-bearing borrowings | 881 | 1,155 |
| Current interest-bearing borrowings | 251 | 209 |
| Receivables from Zuivelcoöperatie FrieslandCampina U.A. | | -45 |
| Payables to Zuivelcoöperatie FrieslandCampina U.A. | 13 | |
| Cash and cash equivalents | -834 | -1,051 |
| Cash and cash equivalents not freely available | 5 | 2 |
| **Net debt** | **316** | **270** |

## 11.4 Other financial liabilities

| | 2025 | 2024 |
|---|---|---|
| **Non-current other financial liabilities** | | |
| Derivatives | 15 | 8 |
| Other | 7 | 9 |
| | **22** | **17** |
| | | |
| **Current other financial liabilities** | | |
| Derivatives | 15 | 11 |
| Put option liabilities | 7 | 15 |
| | **22** | **26** |

The put option liabilities relate to the co-financing of the acquisition of a 51% interest in FrieslandCampina Engro Pakistan Ltd in 2016. FrieslandCampina issued a put option to International Finance Corporation (IFC) and the Netherlands Development Finance Company (FMO) with respect to the shares held in the Dutch legal entity holding 51% of the shares in FrieslandCampina Engro Pakistan Ltd. The shares are subdivided into type A and type B shares, whereby a cap and floor has been agreed upon in relation to the return of type A shares. The put option on type A shares has been in exercised in, the put option on type B shares has been partly exercised in 2025.

The put option liabilities amount to EUR 7 million as at 31 December 2025 (2024: EUR 15 million). In 2025 no revaluation of the put option liability was processed (2024: EUR 2 million negative, recognised under Finance costs).

For information regarding derivatives, accounting policies, estimates and judgements, and the determination of the fair value of derivatives, refer to note 11.7.

### Accounting estimates and judgements

*Non-derivative financial liabilities*

The fair value of the put option is determined based on the present value of the expected exercise price on the expected exercise date. The exercise price is primarily dependent on the profit of FrieslandCampina Engro Pakistan Ltd. before interest, taxes, depreciation and amortisation.

### Accounting policies

For the accounting policies for Non-derivative financial liabilities, refer to note 11.3.

*Put option liabilities*

The put option liabilities relating to non-controlling interests are classified as a liability, rather than a non-controlling interest, in both the balance sheet and the income statement. The interest accrued on the put option liabilities, any dividends paid to holders of the put option and adjustments to the fair value are recorded under finance income and costs.

## 11.5 Equity

**Issued capital**
The number of issued shares at both the beginning and end of the financial year was 3,702,777 shares. EUR 370 million has been paid up on these shares. The authorised capital amounts to EUR 1 billion, divided into 10,000,000 shares with a nominal value of EUR 100. The shares are held by Zuivelcoöperatie FrieslandCampina U.A.

**Share premium**
The share premium comprises primarily capital contributions by Zuivelcoöperatie FrieslandCampina U.A. of EUR 110 million in 2009 and of EUR 617 million in 2022 as a result of issuance of milk certificates by the Cooperative to its member dairy farmers.

**Member bonds**
The member bonds comprise member bonds-fixed and member bonds-free until 21 June 2024. On 21 June 2024, all member bonds-fixed are converted into member bonds-free. Member bonds have been issued by Royal FrieslandCampina N.V. to Zuivelcoöperatie FrieslandCampina U.A. and its members. The member bonds are perpetual and have no maturity date. The interest charge for the member bonds is the 6 months Euribor as at 1 June and 1 December of the relevant year plus 3.25%. The bonds are subordinated to the claims of all other existing and future creditors to the extent that these are not subordinated. Interest payments may be deferred, provided that Royal FrieslandCampina N.V. has not determined or distributed any supplementary cash payment in the 12 months prior to the annual coupon date. Deferred interest becomes payable on the date on which a supplementary cash payment is determined or distributed.

Six times per year, member bonds can be traded on an internal market. Royal FrieslandCampina N.V. has the right to annually redeem a maximum of 10% of member bonds.

From the profit over the 2025 financial year, EUR 51 million (2024: EUR 64 million) is attributed to the holders of the member bonds as an interest payment.

**Perpetual Bonds**
On 23 October 2024 FrieslandCampina issued perpetual bonds for EUR 300 million, with a fixed interest rate of 4.85% until 23 January 2030. FrieslandCampina has the right to redeem the bonds after 23 October 2029. These bonds are listed on Euronext Dublin. The perpetual bonds were issued to partially refinance the outstanding EUR 300 million perpetual bonds issued on 10 September 2020 at a fixed interest rate of 2.85%. These perpetual bonds are also listed on Euronext Dublin. Through a tender process, EUR 228 million of the outstanding perpetual bonds were repurchased on 24 October 2024 at 99.25% of the nominal value. The remaining intrinsic amount of EUR 72 million has been repaid at 100% of the nominal value in June 2025.

The perpetual bonds are subordinated to the receivables of all existing and future creditors insofar as these are not subordinated. Interest payment may be deferred. Deferred interest becomes payable on the date on which a supplementary cash payment or interest on member bonds is established or distributed.

In the 2025 financial year, EUR 16 million (2024: EUR 10 million) is attributed from the result as interest on the perpetual bonds.

**Cooperative loan**
The perpetual subordinated loan advanced to FrieslandCampina by Zuivelcoöperatie FrieslandCampina U.A. has no maturity date. The interest rate of the perpetual subordinated loan is the 6 months Euribor as at 1 June and 1 December of the relevant year plus 3.25%. The loan from the Cooperative is subordinated by the claims from all other existing and future creditors to the extent that these are not subordinated. Interest payments may be deferred, provided that Royal FrieslandCampina N.V. has not determined or distributed any supplementary cash payment in the 12 months prior to the annual interest payment date. Deferred interest becomes payable on the date on which a supplementary cash payment is determined or distributed.

EUR 8 million of the profit over the 2025 financial year (2024: EUR 10 million) is attributed to the provider of the Cooperative loan as interest payment.

In February 2024, FrieslandCampina exercised its right to repay part of the cooperative loan for an amount of EUR 150 million. The repayment and interest payment did not lead to a direct cash flow but were settled with the mutual current account within cash flow from operating activities.

**Other reserves**
The item 'Other reserves' comprises the cash flow hedge reserve and the currency translation reserve.

The cash flow hedge reserve concerns changes in the fair value of cross currency swaps and commodity swaps to the extent that they classify as effective cash flow hedges. The cashflow hedge reserve also contains rounded EUR 0 million (2024: EUR 0 million) related to terminated hedged relations.

The currency translation reserve relates to the cumulative currency translation differences of subsidiaries, as well as currency translation differences from loans granted to subsidiaries with a permanent nature.

**Retained earnings**
Retained earnings comprise the balance of accumulated profits that have not been distributed to the shareholder and the revaluation of the net pension liability. Pursuant to the Articles of Association, a decision to distribute dividends may be taken if and to the extent that equity exceeds the issued share capital plus the statutory reserves and in accordance with the other legal stipulations.

In 2025, FrieslandCampina N.V made a distribution of EUR 180 million to Zuivelcoöperatie FrieslandCampina U.A. with which the Cooperative compensated the negative equity of FC C.V.

**Reserve policy**
The 2023-2025 reserve policy stipulates that 60% of the Company's profit based on the guaranteed price, as far as it attributes directly or indirectly to the shareholder of the Company, will be added to the retained earnings. As part of the payment for milk supply, 40% of this profit can be paid out to member dairy farmers as a supplementary cash payment. In the event of a goodwill impairment greater than EUR 100 million, it may be decided to deduct the entire amount from retained earnings via the profit appropriation. In case a book profit of at least EUR 100 million is realised relating to divestments of businesses, it may be decided to add the entire amount or part of the amount to retained earnings via the profit appropriation. The reserve policy is described in the milk price regulation and is being revised every three years.

The accrual for the supplementary cash payment is part of Cost of goods sold.

After the General Meeting of Shareholders' adoption of the financial statements, the supplementary cash payments are made, if any.

**Non-controlling interests shareholder**
Since 2020 FrieslandCampina has a limited partnership structure (FC C.V.). The majority of the Company's activities in the Netherlands, except for production and invoicing activities, were brought into this C.V. In this structure, 99.9% of a profit and 100% of a loss realised by FC C.V. and equal percentages of the equity of FC C.V. are directly attributed to the Cooperative, the limited partner in FC C.V. In 2025, FrieslandCampina N.V made a distribution of EUR 180 million to Zuivelcoöperatie FrieslandCampina U.A. with which the Cooperative compensated the negative equity of FC C.V.

The non-controlling interests directly attributable to the shareholder relates to the Cooperative's share in equity that is not attributable to FrieslandCampina. This share is not limited to the interest in the above-referenced C.V., this concerns several other subsidiaries in which the Cooperative holds a minority interest.

| | 2025 | 2024 |
|---|---|---|
| | FC C.V. | FC C.V. |
| Non-controlling interest percentage | 99% | 99% |
| | | |
| Non-current assets | 495 | 503 |
| Current assets | 902 | 448 |
| Non-current liabilities | -39 | -55 |
| Current liabilities | -1,430 | -1,099 |
| **Net assets** | **-72** | **-203** |
| Carrying amount of non-controlling interest | -72 | -203 |
| | | |
| Revenue | 5,797 | 5,773 |
| | | |
| Result for the year | -49 | -157 |
| Other comprehensive income | | |
| **Total comprehensive income** | **-49** | **-157** |
| Profit allocated to non-controlling interest | -49 | -157 |
| Other comprehensive income allocated to non-controlling interest | | |
| Dividends paid out to non-controlling interest | | |
| | | |
| Net cash from/used in operating activities | -286 | 135 |
| Net cash from/used in investing activities | -31 | -73 |
| Net cash from/used in financing activities | 171 | -10 |
| **Net cash flows** | **-146** | **52** |

**Other non-controlling interests**

Other non-controlling interests concerns the share in equity that is not attributed to FrieslandCampina or the Cooperative.

The following table summarises the financial information of each of the subsidiaries in which FrieslandCampina has a material non-controlling interest, based on FrieslandCampina's accounting policy, before any intra-group eliminations and on the basis of the latest publicly available information.

| | 2025 | | | | | 2024 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | FrieslandCampina WAMCO Nigeria PLC[1] | FrieslandCampina Engro Pakistan Ltd. | DFE Pharma GmbH & Co. KG[1] | Dutch Lady Milk Industries Berhad[1] | P.T. Frisian Flag Indonesia | FrieslandCampina WAMCO Nigeria PLC | FrieslandCampina Engro Pakistan Ltd. | DFE Pharma GmbH & Co. KG | Dutch Lady Milk Industries Berhad | P.T. Frisian Flag Indonesia |
| Non-controlling interest percentage | 32.19% | 49% | 50% | 49.04% | 21.92% | 32.19% | 49% | 50% | 49.04% | 21.92% |
| Non-current assets | 35 | 111 | 115 | 142 | 255 | 35 | 132 | 115 | 142 | 303 |
| Current assets | 236 | 56 | 100 | 88 | 197 | 236 | 80 | 100 | 88 | 229 |
| Non-current liabilities | -6 | -25 | -1 | -15 | -24 | -6 | -25 | -1 | -15 | -23 |
| Current liabilities | -265 | -53 | -58 | -108 | -238 | -265 | -82 | -58 | -108 | -301 |
| **Net assets** | | **89** | **156** | **107** | **190** | | **105** | **156** | **107** | **208** |
| Carrying amount of non-controlling interest | | 44 | 144 | 52 | 42 | | 51 | 144 | 52 | 46 |
| Revenue | 308 | 328 | | 292 | 634 | 308 | 355 | | 292 | 719 |
| Result for the year | 10 | 4 | 109 | 18 | 13 | 10 | 3 | 109 | 18 | 19 |
| Other comprehensive income | 6 | -13 | | 8 | -31 | 6 | 8 | | 8 | 3 |
| **Total comprehensive income** | **16** | **-9** | **109** | **26** | **-18** | **16** | **11** | **109** | **26** | **22** |
| Profit allocated to non-controlling interest | 3 | 2 | 55 | 9 | 3 | 3 | 1 | 55 | 9 | 4 |
| Other comprehensive income allocated to non-controlling interest | 2 | -6 | | 4 | -7 | 2 | 4 | | 4 | 1 |
| Dividends paid out to non-controlling interest | | -3 | -53 | -3 | | | | -53 | -3 | -6 |
| Net cash from/used in operating activities | -148 | 37 | | 16 | 17 | -148 | 18 | | 16 | 61 |
| Net cash from/used in investing activities | -29 | -5 | | -26 | -14 | -29 | -10 | | -26 | -47 |
| Net cash from/used in financing activities | 170 | -38 | | 6 | | 170 | -10 | | 6 | -30 |
| **Net cash flows** | **-7** | **-6** | | **-4** | **3** | **-7** | **-2** | | **-4** | **-16** |

[1] As the 2025 results of FrieslandCampina WAMCO Nigeria PLC, DFE Pharma GmbH & Co. KG and Dutch Lady Milk Industries Berhad are not yet publicly available, the 2024 figures have been disclosed. Furthermore, the revenue and cash flows of DFE Pharma GmbH & Co. KG are not publicly available.

The percentages stated in the table on the previous page indicate the direct non-controlling interest held by third parties in these entities. For the entities included in the table, the indirect non-controlling interest is the same as the direct non-controlling interest, with the exception of DFE Pharma GmbH & Co. KG (DFE). FrieslandCampina's indirect interest in DFE is lower than the direct interest as a result of intermediate holding companies in which FrieslandCampina does not hold a 100% interest. The carrying amounts, total comprehensive income and dividends allocated to non-controlling interests are based on the indirect non-controlling interest.

### Accounting policies

*Share capital*

The shares are classified as equity. The share capital comprises paid-up capital and the remaining portion concerns share premium reserve.

*Other financial instruments*

Other financial instruments are classified as equity if the instruments do not have a maturity date and FrieslandCampina can defer the interest payments.

*Dividends*

Dividends are recognised as a liability in the period in which they are declared.

*Costs related to equity instruments*

Costs directly attributable to the issue of equity instruments are deducted from equity, net of tax.

## 11.6 Financial risk management

**Capital management**

FrieslandCampina strives to achieve a balance between a prudent financing and reserve policy, investment in the Company and payments to the member dairy farmers. The relationship between the reserves and the payments to member dairy farmers is reviewed every three years and approved by the Members' Council. When reviewing the policy, expected future circumstances are taken into consideration. Potential risks over which FrieslandCampina has no influence are also taken into account.

The Executive Board, under the supervision of the Supervisory Board, is responsible for and formulates the policy for FrieslandCampina's risk management and internal control measures. This policy is revised on a regular basis to ensure that it reflects changes in market conditions or activities. The internal control framework within FrieslandCampina supports the Executive Board in its monitoring tasks.

Please refer to note 11.3 'Covenant Guidelines' for the quantitative notes with respect to the financial ratios that are monitored.

**Active risk management**

Increased volatility in foreign exchange markets, currency restrictions in countries in which FrieslandCampina operates, a significant decline in economic growth in emerging markets and continuing macroeconomic and geopolitical uncertainty may have a material impact on the future results of FrieslandCampina.

FrieslandCampina pursues an active risk management policy. This includes scenario planning and measures to address any issues. Based on a continuous business process of monitoring and risk analyses, the business plans of all FrieslandCampina operating companies are adjusted where necessary and maintained on the basis of a focused package of risk-mitigating measures.

**Financial risk management**

FrieslandCampina is a multinational concern with many operating companies in various countries. This makes FrieslandCampina sensitive to various financial risks, such as credit risks, interest rate risks, liquidity risks, commodity price risk and currency translation risks. The general risk policy is aimed at identifying and analysing risks and, if necessary, mitigating these risks in such a way that possible negative financial results are prevented. Corporate Treasury has been given the mandate to implement these mitigating measures. These measures are laid down in a clearly formulated policy. Corporate Treasury reports the exposure to financial risks, including the liquidity risk, currency translation risk, interest rate risk, commodity price risk and credit risk related to financial services providers to the Treasury Committee.

FrieslandCampina's principal financial instruments are borrowings from credit institutions and institutional investors, members bonds and cash and cash equivalents. The main purpose of this mix of financial instruments is to raise funds for FrieslandCampina's operations from a variety of markets and investors. FrieslandCampina has various other financial instruments, such as trade receivables and trade payables, which arise directly from its operations. FrieslandCampina closely monitors the market risks relative to all financial instruments, mainly currency risks and interest rate risks.

FrieslandCampina also enters into derivative transactions, primarily forward exchange contracts and interest rate swaps, in order to manage the currency risks and interest rate risks arising from FrieslandCampina's operations and the financing of its operations. FrieslandCampina's policy is, and was throughout the financial year, that no trading in financial instruments takes place for speculative purposes. The main risks arising from FrieslandCampina's financial instruments are currency risks, interest rate risks, liquidity risks and credit risks.

**Netting of financial instruments**

FrieslandCampina has various financial assets and financial liabilities that are subject to offsetting or netting agreements.

FrieslandCampina has implemented multiple cash pool systems that facilitate a more efficient management of the daily working capital requirements of the participating entities. The netting mechanisms of these cash pools are managed by an external financial institution, mainly via daily clearance. As a result no difference exists between the gross outstanding amount and the net outstanding amount at the financial institution. At year-end 2025, EUR 984 million (2024: EUR 600 million) of the gross outstanding amount was reported on a net basis in the financial statements.

Derivative transactions are carried out by FrieslandCampina on the basis of standard agreements according to the International Swaps and Derivatives Association (ISDA). In general, the amounts outstanding on a daily basis can be aggregated in the same currency, resulting in a net amount. In certain circumstances, for example when an event such as a default occurs, all outstanding transactions under the agreement may be terminated, the termination value is assessed and a net amount must be paid upon settlement of the transactions. At year-end FrieslandCampina has netted a not significant amount based on ISDA settlement agreements.

**Financing programmes**

FrieslandCampina makes use of various financing programmes for trade receivables and account payables as part of its liquidity and credit risk management processes:

- A number of FrieslandCampina suppliers participates in financing programmes, whereby banks function as financing partners for these suppliers. When suppliers participate in these programmes, the supplier, at its own discretion and flexibility, has the option of receiving early payment from the financing partner on the basis of invoices sent to FrieslandCampina. The condition here is that FrieslandCampina must recognise and approve the receipt of goods or services, and irrevocably accept the obligation of paying the invoice to the financing partner on the due date. By participating in this financing programme, suppliers benefit from FrieslandCampina's creditworthiness, while FrieslandCampina is able to control its payment term (refer to note 7.3 Supplier finance programme).

- In addition, FrieslandCampina makes use of trade receivable sales programmes, whereby the trade receivables are sold to banks before the payment term expires. The risks and rewards pertaining to these trade receivables, including credit risk, are fully transferred in this respect.

FrieslandCampina itself also makes use of financing programmes provided by its customers. Under these programmes, FrieslandCampina has the option of receiving early payments.

**Currency risks**

As FrieslandCampina operates worldwide, a considerable portion of its assets, liabilities and results is sensitive to currency fluctuations. The purpose of the policy for managing transaction risks is to limit the effect of currency fluctuations on financial performance. In principle, transaction risks are hedged. The amount of hedged positions may vary due to specific product and market conditions.

Currency risks resulting from investments in foreign subsidiaries, joint ventures and associates are, in principle, not hedged. The currency risk arising from dividend receivables from foreign subsidiaries is also not hedged. The currency translation risks arising from loans to foreign subsidiaries are, in principle, hedged. By financing foreign subsidiaries in the local currency wherever possible, the risk arising from a currency mismatch between assets and liabilities is restricted.

The solvency requirements that FrieslandCampina imposes on its foreign subsidiaries do, however, result in a degree of currency translation risk.

**Exposure to currency risk**

The summary of quantitative data about FrieslandCampina's exposure to foreign currency risk provided to management based on its risk management policy was as follows (positions stated in EUR):

| | | | | | 2025 |
|---|---|---|---|---|---|
| | EUR/USD | EUR/CNY | NGN/USD | IDR/USD | EUR/HKD |
| Receivables | 219 | 187 | 52 | 25 | 5 |
| Cash and cash equivalents | -57 | 2 | 1 | | -4 |
| Liabilities | 129 | 211 | 40 | 27 | 26 |
| **Net statement of financial position** | **33** | **-22** | **13** | **-2** | **-25** |
| Forward exchange contracts | 41 | 41 | | -15 | -31 |
| **Net exposure 31 December** | **-8** | **-63** | **13** | **13** | **6** |
| | | | | | |
| **Sensitivity analysis** | | | | | |
| Impact on profit before tax | | -3 | -1 | 1 | |

| | | | | | 2024 |
|---|---|---|---|---|---|
| | EUR/USD | EUR/CNY | NGN/USD | IDR/USD | EUR/HKD |
| Receivables | 232 | 75 | 99 | 24 | 1 |
| Cash and cash equivalents | -7 | -1 | 1 | | -6 |
| Liabilities | 199 | 170 | 74 | 8 | 23 |
| **Net statement of financial position** | **26** | **-96** | **26** | **16** | **-28** |
| Forward exchange contracts | -37 | 183 | | -3 | |
| **Net exposure 31 December** | **63** | **-279** | **26** | **19** | **-9** |
| | | | | | |
| **Sensitivity analysis** | | | | | |
| Impact on profit before tax | 3 | -14 | 1 | 1 | |

*Sensitivity analysis*

FrieslandCampina is primarily sensitive to fluctuations in the US dollar exchange rate due to its sales and purchases in dollars. The largest currency pairs are EUR/USD, EUR/CNY, NGN/USD, IDR/USD and EUR/HKD. As far as the euro is concerned, this relates mainly to sales in US dollars and Chinese yuan. For the other currencies this mainly relates to the purchase of raw materials on the world market.

The table above illustrates the impact of a 5% change in the specified currency (USD, CNY and HKD) in relation to the local currency (EUR, NGN and IDR) on the profit before tax. A 5% change in exchange rate is considered a realistic possibility. This analysis is based on foreign currency exchange rate variances that FrieslandCampina considered to be reasonably possible at the reporting date. The analysis assumes that all other variables, in particular interest rates, remain constant.

Currently a 5% exchange rate movement would not lead to a material impact on the cash flow hedge reserve, which is therefore not disclosed.

**Commodity price risk**

FrieslandCampina is sensitive to price risks on future purchases and/or sales of raw materials, such as milk, milk-related positions (for example, milk powder and butter) and ingredients (for example, sugar). In addition, it is also sensitive to price risks on the fuel component of transport by road and sea.

The treasury policy sets out that a part of the forecast consumption of fuel and ingredients for limited graduated quantities can be hedged over the coming years. The price risks on raw materials are primarily hedged by taking out financial derivatives, independent of the contracts with the physical suppliers.

The total portfolio of financial derivatives that hedges these price risks is relatively limited in comparison to FrieslandCampina's total positions.

**Interest rate risk**

The objective of interest rate risk management is to limit the effect of interest rate fluctuations on profit and to reduce interest expense where possible. Interest rate derivatives are used to match the effective interest in borrowings to the intended interest rate risk profile. The treasury policy specifies that the percentage of financing characterised by a fixed interest rate, or that is fixed by means of a hedge, varies with a bandwidth of 40%-80% with a minimum time horizon of at least three full calendar years following the current year. After that the bandwidth goes down gradually in year 4 and 5 to 10%-40%.

The percentage which is characterised by a fixed interest percentage or is fixed by means of a hedge is at 31 December 2025 81% (2024: 91%). The overview below shows the situation at the end of the year:

| | **2025** | | 2024 | |
|---|---|---|---|---|
| | Carrying amount excluding hedging | Carrying amount including hedging | Carrying amount excluding hedging | Carrying amount including hedging |
| Fixed rate | 789 | 1,043 | 858 | 1,412 |
| Variable rate | 501 | 247 | 685 | 131 |
| | **1,290** | **1,290** | **1,543** | **1,543** |

FrieslandCampina carried out a sensitivity analysis based on the impact of interest rates on derivatives and other financial instruments at the end of the year. The analysis of cash and cash equivalents and liabilities with variable interest rates was carried out based on the assumption that the outstanding amount at the end of the year had been outstanding throughout the year. This sensitivity analysis indicates that, if interest had risen or fallen by 0.5%, the cumulative interest charges for the current year would not have been significantly higher or lower.

**Liquidity risk**

FrieslandCampina's objective is to maintain a good balance between the continuity and flexibility of its funding by using a range of financial instruments. Total net debt should be covered mainly by long-term borrowings and committed credit facilities, which is also maintained as a backup for short-term debt securities. FrieslandCampina manages its liquidity mainly by keeping available a significant amount of headroom under the committed credit facilities totaling EUR 2,112 million, (2024: EUR 2,328 million). Of these facilities EUR 1,000 million (2024: EUR 1,000 million) was unused at the end of 2025, which is substantially more than the minimum credit headroom of EUR 350 million required according to FrieslandCampina's financial policy.

**Cash flows on financial liabilities**

The table below gives an overview of the maturity dates of the financial liabilities of contractual nominal payments including related interest liabilities. This table does not show derivatives recognised under the current and non-current other financial assets. For derivatives recognised under the other financial liabilities the table shows both the incoming and outgoing contractual cash flows.

| | | | | | 2025 |
|---|---|---|---|---|---|
| | Carrying amount | Contractual cash flows | 2026 | 2027 - 2030 | After 2030 |
| **Non-derivative financial liabilities** | | | | | |
| Interest-bearing borrowings | 1,132 | **-1,400** | -212 | -611 | -577 |
| Lease liabilities | 158 | **-182** | -53 | -111 | -18 |
| Trade and other payables | 3,705 | **-3,705** | -3,705 | | |
| Put option liabilities | 7 | **-7** | -7 | | |
| **Derivates** | | | | | |
| Cross currency swaps - inflow | | **115** | 6 | 21 | 88 |
| Cross currency swaps - outflow | 8 | **-123** | -4 | -18 | -101 |
| Interest rate swaps - outflow | 3 | **-3** | -2 | -1 | |
| Forward exchange - inflow | | **475** | 475 | | |
| Forward exchange - outflow | 5 | **-480** | -480 | | |
| Commodity swaps - outflow | 14 | **-14** | -10 | -4 | |
| | **5,032** | **-5,324** | **-3,992** | **-724** | **-608** |

| | | | | | 2024 |
|---|---|---|---|---|---|
| | Carrying amount | Contractual cash flows | 2025 | 2026 - 2029 | After 2029 |
| **Non-derivative financial liabilities** | | | | | |
| Interest-bearing borrowings | 1,364 | **-1,727** | -284 | -718 | -725 |
| Lease liabilities | 179 | **-201** | -53 | -123 | -25 |
| Trade and other payables | 4,054 | **-4,054** | -4,054 | | |
| Put option liabilities | 15 | **-15** | -15 | | |
| **Derivates** | | | | | |
| Interest rate swaps - outflow | 7 | **-7** | | -6 | -1 |
| Forward exchange - inflow | | **561** | 561 | | |
| Forward exchange - outflow | 9 | **-570** | -570 | | |
| Commodity swaps - outflow | 3 | **-3** | -2 | -1 | |
| | **5,631** | **-6,016** | **-4,417** | **-848** | **-751** |

**Credit Risk**

FrieslandCampina is exposed to credit risk in respect of its trade receivables, cash and cash equivalents, financial assets, and derivative financial instruments. FrieslandCampina manages credit risk by systematically monitoring the credit rating of its customers at a decentralised level and financial counterparties at a central level. The strategy focuses among others on the strengthening of cash flows. Through continuous focus on creditworthiness and payment arrears of customers credit risk is being managed.

FrieslandCampina generally trades with reputable third parties with whom it maintains long-standing trading relationships. In accordance with FrieslandCampina's credit management policy, customers are categorised, and depending on their credit profile, the following risk mitigating measures have been taken:

- prepayment, paid cash on delivery or collateralisation;
- coverage by letter of credit or bank guarantee;
- credit insurance.

Thanks to the spread of geographical areas and product groups, there is no significant concentration of credit risk in FrieslandCampina's trade receivables (no single customer accounts for more than 2.3% (2024: 2.4%) of revenue). The total write-offs of trade receivables amount to 0.1% of annual revenue. For further information regarding trade receivables, refer to note 7.2.

Whenever possible, cash and cash equivalents have been deposited with first class international banks, for example those with at least a 'single A' credit rating. Over recent years, the credit rating of banks has declined across the board. Cash and cash equivalents held by subsidiaries in relatively unstable political climates are, however, subject to local country risks. To minimise these risks, FrieslandCampina follows an active dividend policy in relation to these subsidiaries. Many countries in which FrieslandCampina operates, in particular emerging markets, have a credit rating far lower than 'single A'. As a result, local banks in these countries have a correspondingly low credit rating, or no credit rating. For example, FrieslandCampina has substantial cash positions in Nigeria and to mitigate this higher credit risk, FrieslandCampina, in addition to an active dividend policy and a strict banking policy with limits for each bank, also made use of financial instruments. As part of Other financial assets, prepayments to banks and distributors in Nigeria are recorded, refer to note 11.3. The credit rating of these counterparties generally is <BBB.

Derivatives are in principle traded with financial institutions with good credit ratings, i.e. at least 'investment grade' (credit rating BBB or higher). Whenever possible, FrieslandCampina strives for offsetting in accordance with the ISDA agreements. FrieslandCampina's maximum credit risk exposure on financial assets is equal to the current carrying amount.

The overview below shows the credit ratings of outstanding cash and cash equivalents and derivative financial instruments as at 31 December:

| | **2025** | | 2024 | |
|---|---|---|---|---|
| | Cash positions | Contract volume derivatives | Cash positions | Contract volume derivatives |
| A | 803 | 1,041 | 1,010 | 1,665 |
| BBB | 12 | 183 | 10 | 205 |
| < BBB | 6 | 73 | 17 | 17 |
| No rating | 13 | 12 | 14 | |
| | **834** | **1,309** | **1,051** | **1,887** |

## 11.7 Derivatives

In the statement of financial position the hedging derivatives are recognised in current and non-current other financial assets and other financial liabilities.

| Hedging activities | | | 2025 |
|---|---|---|---|
| | Assets | Liabilities | Contract volume at year-end |
| Cross currency swaps | | 8 | 94 |
| Interest rate swaps | | 3 | 255 |
| Commodity swaps | 2 | 9 | 59 |
| **Total cash flow hedges subject to hedge accounting** | **2** | **20** | |
| Forward exchange contracts | 3 | 5 | 809 |
| Commodity swaps | 9 | 5 | 92 |
| **Derivatives not subject to hedge accounting** | **12** | **10** | |
| **Total derivatives** | **14** | **30** | |
| | | | |
| Classified as current | 13 | 15 | |
| Classified as non-current | 1 | 15 | |

| | | | 2024 |
|---|---|---|---|
| | Assets | Liabilities | Contract volume at year-end |
| Cross currency swaps | 1 | | 94 |
| Interest rate swaps | 2 | 7 | 855 |
| Commodity swaps | 1 | 3 | 57 |
| **Total cash flow hedges subject to hedge accounting** | **4** | **10** | |
| Forward exchange contracts | 3 | 9 | 862 |
| Commodity swaps | | | 19 |
| **Derivatives not subject to hedge accounting** | **3** | **9** | |
| **Total derivatives** | **7** | **19** | |
| | | | |
| Classified as current | 4 | 11 | |
| Classified as non-current | 3 | 8 | |

### Cash flow hedges

*Cross currency swaps*

By means of cross currency swaps, the USD obligations of repayment and interest payment, of the private placement totalling USD 100 million (2024: USD 100 million), have been converted into EUR obligations, with a fixed interest rate. The cross currency swaps have been concluded to hedge the cash flows and cash flow hedge accounting is applied to them. The cross currency swaps are valued at fair value. The portion of the gain or loss realised on these hedging instruments, that is designated as an effective hedge, is recognised in comprehensive income. The private placement obligations have been fixed at EUR 94 million by means of the aforementioned swaps.

For the above-referenced hedges, to which hedge accounting is applied, the hedge accounting documentation requirements are met in accordance with IFRS 9 and effectiveness tests are conducted in advance and on every reporting date to confirm that there is an economic relationship between the derivative and the hedged item. The characteristics of the cross currency swap, such as instalments, interest rates and maturity date are matched with the loan at the start of the hedging relationship.

No significant ineffectiveness in the cashflow hedges occurred in 2025. As of year-end 2025 a negative cash flow hedge-reserve of EUR 1 million (2024: EUR 3 million negative) is recognised as part of equity for active hedge relations.

The effects of the cashflow hedges on FrieslandCampina's financial position are as follows:

| | 2025 | 2024 |
|---|---|---|
| **Cross currency swaps** | | |
| Carrying amount | -8 | 1 |
| Contractual amount | 94 | 94 |
| Maturity date | 2032 | 2032 |
| Hedge ratio | 1:1 | 1:1 |
| Changes in value of outstanding hedging instruments for the purpose of determining the hedge effectiveness | -9 | -1 |
| Changes in value of hedged items for the purpose of determining the hedge effectiveness | 10 | 4 |
| Weighted average interest | 4,8% | 4,8% |

*Commodity swaps*

In 2025, FrieslandCampina has continued to partially hedge the price risk on fuel costs (diesel oil) for road transport in the Benelux region for the period 2026-2028 and continued to partially hedge the price risk on fuel costs (bunker oil) for sea transport for the period 2026-2028, to which hedge accounting is applied. For the aforementioned hedges in accordance with IFRS 9, the requirements of hedge accounting are met, and effectiveness tests are performed in advance and at reporting date, to determine whether there is an economic relationship between the derivative and the hedge instrument.

At year-end 2025, EUR 7 million negative (2024: EUR 2 million negative) has been recognised in equity as cash flow hedge reserves for active hedge relationships.

The effect of the hedges entered into on FrieslandCampina's financial position is shown in the table below:

| | 2025 | | 2024 | |
|---|---|---|---|---|
| **Commodity swaps** | **Bunker oil** | **Diesel oil** | **Bunker oil** | **Diesel oil** |
| Carrying amount | -3 | -4 | -2 | |
| Contractual amount | 34 | 25 | 29 | 28 |
| Maturity date | 2026-2028 | 2026-2028 | 2025-2027 | 2025-2027 |
| Hedge ratio | 1:1 | 1:1 | 1:1 | 1:1 |
| Weighted average contract price in EUR | 568 | 592 | 677 | 639 |

*Interest rate swaps*

In 2023, FrieslandCampina entered into new interest rate swaps to convert variable interest into fixed interest obligations, related to interest-bearing borrowings of EUR 255 million for the period 2024-2030.

For these hedges, to which hedge accounting is applied, in accordance with IFRS 9 the documentation requirements of hedge accounting are met and effectiveness tests are carried out in advance and on the reporting date, to determine whether there is an economic relationship between the derivative and the hedged instrument.

At year-end 2025, EUR 3 million negative (2024: EUR 1 million negative) has been recognised in equity as cash flow hedge reserve for active hedge relationships.

**Derivatives not subject to hedge accounting**
Derivatives not subject to hedge accounting have been contracted primarily to hedge currency risks related to anticipated sales and purchases, loans and outstanding receivables and payables. The movements in the value of the receivables and payables are largely being offset with movements in the value of derivatives. In addition, derivatives were entered into to hedge part of the price risk on future purchases and sales of milk powder and butter.

FrieslandCampina's policy is and was throughout the financial year, that no trading in financial instruments takes place for speculative purposes.

### Accounting estimates and judgements
For a description of the accounting estimates and judgements of Derivative financial instruments, refer to note 13.1.

### Accounting policies
*Derivatives (including derivatives for which hedge accounting is applied)*
FrieslandCampina holds derivatives to hedge its exposure on foreign currency risk, cash flow risks interest rate risk and price risk on commodities.

Derivatives are recognised initially at fair value where direct attributable transaction costs are recognised in the income statement as incurred. Subsequent to initial recognition, derivatives are measured at fair value and changes are accounted for as described below, depending on whether hedge accounting has been applied. When measuring derivatives, the credit risk arising from adjustments to the fair value for the credit risk of the counterparty (Credit Valuation Adjustment (CVA)) and the Company's credit risk (Debit Valuation Adjustment (DVA)) are taken into account.

The fair value of forward exchange contracts is generally determined by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract. The fair value of interest rate swaps and cross currency swaps is determined by discounting the cash flows resulting from the contractual interest rates of both sides of the transaction. The fair value takes into account the current interest rates, current foreign currency rates and the current creditworthiness of both the counterparties and FrieslandCampina itself.

The fair value of the commodity swaps is generally based on the market values issued by the brokers.

*Derivatives for which hedge accounting is applied*
FrieslandCampina applies cash flow hedge accounting on a portion of its foreign currency, interest rate and commodity derivatives.

### Assessment of the hedging relationship's effectiveness
On initial designation of the derivative as a hedging instrument, FrieslandCampina formally documents the relationship between the hedging instrument(s) and the hedged item(s), including its risk management objectives and strategy in undertaking the hedge transaction and the hedged risk, together with the methods that will be used to assess the effectiveness of the hedging relationship. At the start of the hedging relationship and on each subsequent reporting date, FrieslandCampina assesses whether the hedging instruments during the period for which the hedge was designated are expected to meet the hedge accounting criteria.

The hedging relationship can result in ineffectiveness when:
- changes in value of the hedging instrument do not match the changes in value of the hedged item due to for example the credit risk of the counterparty (CVA), the Company's credit risk (DVA) or the currency spread basis in the derivative;
- deviations between the characteristics of the hedging instrument and the hedged item.

Applying for a cash flow hedge for an anticipated transaction requires that it is highly probable that the transaction will take place and that this transaction would result in an exposure to the fluctuation of cash flows of such significance that these ultimately could affect the reported profit or loss.

### Cash flow hedges

When a derivative is designated as the hedging instrument for the variability in cash flows resulting from a particular risk associated with a recognised asset, liability, or highly probable anticipated transaction that could affect the income statement, then the effective portion of changes in the fair value of the derivative is included in the consolidated statement of other comprehensive income and presented in the hedging reserve in equity. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in the income statement.

If the hedged item is a non-financial asset, the amount accumulated in equity is included in the carrying amount of the asset when the asset is recognised. In other cases, the amount accumulated in equity is reclassified to the income statement in the same period that the hedged item affects the income statement. If the hedging instrument no longer meets the criteria for hedge accounting, expires, is sold, terminated or exercised, then hedge accounting is terminated from the date of the most recent assessment of effectiveness. If the forecasted transaction is no longer expected to occur, the balance in equity is reclassified to the income statement.

**Derivatives without application of hedge accounting**

When a derivative is not designated as a hedge relationship that qualifies for hedge accounting, all changes in its fair value are recognised immediately in the income statement.

**Derivatives designated as cash flow hedges with the application of hedge accounting**

The following table indicates the periods in which the cash flows associated with cash flow hedges are expected to occur and the fair values of the related hedging instruments.

| | | | | | **2025** |
|---|---|---|---|---|---|
| | Fair value | Expected cash flows | 2026 | 2027 - 2030 | After 2030 |
| **Cross currency swaps** | | | | | |
| Liabilities | -8 | **-10** | 1 | 3 | -14 |
| **Interest Rate swaps** | | | | | |
| Liabilities | -3 | **-3** | -2 | -1 | |
| **Commodity swaps** | | | | | |
| Assets | 2 | **2** | 1 | 1 | |
| Liabilities | -9 | **-9** | -5 | -4 | |

| | | | | | 2024 |
|---|---|---|---|---|---|
| | Fair value | Expected cash flows | 2025 | 2026 - 2029 | After 2029 |
| **Cross currency swaps** | | | | | |
| Assets | 1 | | 2 | 5 | -7 |
| **Interest Rate swaps** | | | | | |
| Assets | 2 | **2** | 2 | | |
| Liabilities | -7 | **-7** | -2 | -5 | |
| **Commodity swaps** | | | | | |
| Assets | 1 | **1** | 1 | | |
| Liabilities | -3 | **-3** | -2 | -1 | |

# 12. Tax

## 12.1 Income tax expense

| Breakdown of tax expense | 2025 | 2024 |
|---|---|---|
| Current tax expense, current year | -129 | -138 |
| Adjustment for prior years | | -16 |
| **Current tax expense** | **-129** | **-154** |
| | | |
| Deferred tax expense, current year | -3 | 3 |
| Adjustments to deferred taxes, attributable to changes in tax rates | -2 | |
| Write-down of deferred tax assets | -5 | -19 |
| Adjustment for prior years | 1 | 18 |
| **Deferred tax expense** | **-9** | **2** |
| **Income tax expense** | **-138** | **-152** |

| Effective tax rate | 2025 | | 2024 | |
|---|---|---|---|---|
| | | % | | % |
| **Profit before tax** | **466** | | **473** | |
| | | | | |
| Tax payable on the basis of the Dutch tax rate | -120 | 25.8 | -122 | 25.8 |
| Effect of different tax rates outside the Netherlands | 14 | -3.0 | 13 | -2.7 |
| Effect change in tax rates | -2 | 0.4 | | |
| Share of result of joint ventures and associates | 6 | -1.3 | 5 | -1.1 |
| Withholding tax on dividends | -8 | 1.7 | -11 | 2.3 |
| Non-deductible expenses | -26 | 5.6 | -33 | 7.0 |
| Tax-exempt income and allowances | 2 | -0.4 | 5 | -1.0 |
| Write-down of deferred tax assets | -5 | 1.0 | -12 | 2.6 |
| Adjustments to estimates relating to prior years | 1 | -0.2 | 3 | -0.7 |
| **Effective tax rate** | **-138** | **29.6** | **-152** | **32.2** |

The income tax expense amounted to EUR 138 million (2024: EUR 152 million). The effective tax rate in 2024 is 29.6% (2024: 32.2%). The decrease of income tax charges is due to lower write-down of deferred tax assets and lower non-deductible expenses. The non-deductible expenses include the movement in provisions for uncertain income tax positions.

| | 2025 | | |
|---|---|---|---|
| | Before tax | Tax expense/ income | Net of tax |
| **Income tax recognised directly in equity** | | | |
| Interest Cooperative loan | -8 | | **-8** |
| Interest perpetual bonds | -16 | | **-16** |
| Interest member bonds | -51 | | **-51** |
| | **-75** | | **-75** |
| | | | |
| **Income tax recognised in other comprehensive income** | | | |
| Movement cash flow hedge reserve | -4 | | **-4** |
| Movement currency translation reserve | -107 | | **-107** |
| Remeasurement of liabilities (assets) under defined benefit plans | -5 | -1 | **-6** |
| | **-116** | **-1** | **-117** |

| | 2024 | | |
|---|---|---|---|
| | Before tax | Tax expense/ income | Net of tax |
| **Income tax recognised directly in equity** | | | |
| Interest Cooperative loan | -10 | | **-10** |
| Interest perpetual bonds | -10 | | **-10** |
| Interest member bonds | -64 | | **-64** |
| | **-84** | | **-84** |
| | | | |
| **Income tax recognised in other comprehensive income** | | | |
| Movement cash flow hedge reserve | -6 | | **-6** |
| Movement currency translation reserve | 38 | | **38** |
| Remeasurement of liabilities (assets) under defined benefit plans | 6 | -1 | **5** |
| | **38** | **-1** | **37** |

No tax effect has been recorded on the interest recognised in equity and remeasurement of liabilities (assets) under defined benefit plans as no deferred tax asset is recognised in the Netherlands.

## 12.2 Deferred tax assets and liabilities

| | | | | | | 2025 |
|---|---|---|---|---|---|---|
| | Property, plant and equipment | Intangible assets | Employee benefits | Inventories, trade receivables, derivatives, trade payables, liabilities and provisions | Unused tax losses and facilities | Total |
| At 1 January | -24 | -43 | 7 | 128 | 46 | **114** |
| Transfers to held for sale | | | | -1 | | **-1** |
| Recognised through the income statement | -8 | 3 | 3 | 4 | -11 | **-9** |
| Recognised in equity | | | -1 | | | **-1** |
| Currency translation differences | 1 | 5 | | -6 | -2 | **-2** |
| **At 31 December** | **-31** | **-35** | **9** | **125** | **33** | **101** |

Deferred tax assets and liabilities relate to the following items of the statement of financial position:

| | Assets | Liabilities | Net |
|---|---|---|---|
| Property, plant and equipment | 5 | 36 | **-31** |
| Intangible assets | | 35 | **-35** |
| Employee benefits | 12 | 3 | **9** |
| Inventories, trade receivables, derivatives, accounts payable, liabilities and provisions | 143 | 18 | **125** |
| Unused tax losses and facilities | 33 | | **33** |
| Netting | -45 | -45 | |
| **Net deferred tax asset** | **148** | **47** | **101** |

| | | | | | | 2024 |
|---|---|---|---|---|---|---|
| | Property, plant and equipment | Intangible assets | Employee benefits | Inventories, trade receivables, derivatives, trade payables, liabilities and provisions | Unused tax losses and facilities | Total |
| At 1 January | -46 | -41 | 10 | 114 | 77 | **114** |
| Recognised through the income statement | 19 | | -3 | 10 | -24 | **2** |
| Recognised in equity | | | | -1 | | **-1** |
| Currency translation differences | 3 | -2 | | 5 | -7 | **-1** |
| **At 31 December** | **-24** | **-43** | **7** | **128** | **46** | **114** |

Deferred tax assets and liabilities relate to the following items of the statement of financial position:

| | Assets | Liabilities | Net |
|---|---|---|---|
| Property, plant and equipment | 7 | 31 | **-24** |
| Intangible assets | 1 | 44 | **-43** |
| Employee benefits | 9 | 2 | **7** |
| Inventories, trade receivables, derivatives, accounts payable, liabilities and provisions | 141 | 13 | **128** |
| Unused tax losses and facilities | 46 | | **46** |
| Netting | -48 | -48 | |
| **Net deferred tax asset** | **156** | **42** | **114** |

At the end of the financial year, the deferred tax asset on unused tax losses and facilities amounted to EUR 33 million (2024: EUR 46 million). The change in 2025 compared to previous year mainly relates to the utilisation of tax losses in Germany.

Deferred tax assets are recognised if it is probable that there will be future taxable profits within the entities against which the losses can be utilised.

No deferred tax assets have been recognised for subsequent losses (including deferred tax-deductible items), facilities and temporary differences:

| | **2025** | 2024 |
|---|---|---|
| Unrecognised tax losses | 228 | 226 |
| Unrecognised facilities | 140 | 140 |
| Unrecognised temporary differences | 189 | 183 |
| | **557** | **549** |

At the end of the financial year, the nominal value of the unrecognised tax losses amounts to EUR 1,071 million (2024: EUR 1,077 million). Of these unrecognised tax losses, EUR 47 million expire within 10 years (2024: EUR 88 million). The remaining unrecognised tax losses and facilities will not elapse under the current fiscal rules.

As of December 31, 2025 the temporary differences associated with investments, including potential withholding tax consequences on dividends, for which no deferred tax liabilities are recognised, aggregate to EUR 196 million.

## 12.3 Pillar Two taxes

FrieslandCampina is within the scope of the OECD Pillar Two model rules, with Zuivelcooperatie FrieslandCampina U.A. as the ultimate parent entity of the group. Pillar Two legislation was enacted in the Netherlands, the jurisdiction in which the ultimate parent entity is incorporated, and came into effect from 31 December 2023. The Pillar Two rules can impose a top-up tax when the GloBE effective tax rate (GloBE ETR) is below the 15% minimum rate. The top-up taxes are collected via the Qualified Domestic Minimum Top-up Tax (QDMTT), Income Inclusion Rule (IIR) or Under Taxed Profits Rule (UTPR) by imposing a top-up tax whenever the effective tax rate (ETR), determined on a jurisdictional basis under the Pillar Two rules, is below a 15% minimum rate.

FrieslandCampina performed an assessment of its estimated Pillar Two income taxes liability. The assessment of the estimated Pillar Two income taxes is based on the 2025 financial statements. For 2025, the effective tax rate of most of the jurisdictions FrieslandCampina is operating in, exceeds 15%. Also, in most of the jurisdictions in which FrieslandCampina operates the transitional safe harbour relief applies. There is a limited number of jurisdictions where the transitional safe harbour relief does not apply and top-up taxes are due. These top-up taxes are collected via either the IIR or the QDMTT.

The top-up tax relates to the FrieslandCampina operations in Hong Kong and United Arab Emirates. The top-up tax is determined at the difference between the GloBE effective tax rate for each jurisdiction and the 15% minimum rate. For 2025, the top up tax is estimated at less than EUR 1 million and is included in the current tax expense.

### Accounting estimates and judgements

FrieslandCampina operates in a high number of jurisdictions and is subject to a wide variety of taxes per jurisdiction. Tax legislation can be highly complex and subject to interpretation. As a result, FrieslandCampina is required to exercise significant judgement in the recognition of taxes payable and determination of tax contingencies.

The expectation is that the deferred tax assets can be offset against future profits. Our expectation to offset the deferred tax assets is based on long-term planning.

### Accounting policies

Tax expense comprises current and deferred tax. Current and deferred tax is recognised in the income statement except to the extent that it relates to a business combination, or items recognised directly in equity, or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustments to tax payable in respect of previous years. Current tax payable also includes any tax liability arising from the declaration of dividends.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets and liabilities in a transaction that is not a business combination and that on the transaction date does not affect accounting or taxable profit or loss;
- temporary differences related to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not be settled in the foreseeable future;
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

In determining the amount of current and deferred tax, FrieslandCampina takes into account the effect of uncertain tax positions and whether additional taxes and interest may be due. FrieslandCampina operates in several different tax jurisdictions. This leads to complex tax issues. The ultimate decision regarding these complex tax issues is often outside the control of FrieslandCampina and depends on the interpretation and legal proceedings in the relevant tax jurisdiction. FrieslandCampina believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions about future events. New information may become available that causes FrieslandCampina to change its judgement regarding the adequacy of existing tax liabilities. Such changes to tax liabilities will affect tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and if the assets and liabilities relate to taxes levied by the same tax authority, on the same taxable entity or on different tax entities, but they intend either to settle current tax liabilities and assets on a net basis or realise their tax assets and liabilities simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Unrecognised deferred tax assets are reassessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

**Pillar Two taxes**

On 23 May 2023, the International Accounting Standards Board (the Board) issued International Tax Reform – Pillar Two Model Rules – Amendments to IAS 12 which clarify that IAS 12 applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two model rules published by the OECD, including tax law that implements Qualified Domestic Minimum Top-up Taxes. FrieslandCampina is within the scope of the OECD Pillar Two model rules and adopted these amendments. FrieslandCampina applies the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to IAS 12 issued in May 2023.

# 13. Other

## 13.1 Accounting classifications and fair values

The carrying value of the financial assets and liabilities recorded in the consolidated balance sheet are stated below, as are the financial instruments measured at fair value, or with carrying amount that differ from the fair value, shown by valuation method. The fair value is the amount that would be received or paid if the receivables and/or liabilities were settled on the reporting date, without further liabilities.

The different levels of input data for the determination of the fair value are defined as follows:

**Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities;

**Level 2:** input other than quoted market prices that come under Level 1 that is observable for the asset or liability, either directly (as prices) or indirectly (derived from prices);

**Level 3:** input related to the asset or liability that is not based on observable market data (unobservable input) whereby this input has a significant impact on the outcome.

| | Note | Fair value - hedge accounting instruments | Mandatorily at FVTPL | FVOCI - equity instruments | Financial assets at amortised cost | Other financial liabilities | Total carrying amount | Level 1 | Level 2 | Level 3 | Total fair value |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | | **2025** |
| **Financial assets not measured at fair value** | | | | | | | | | | | |
| Loans issued - fixed rate | (8.4) | | | | 8 | | **8** | | 8 | | **8** |
| Loans issued - variable rate | (8.4) | | | | 12 | | **12** | | | | |
| Other financial assets | (8.4) | | | | 77 | | **77** | | | | |
| Trade and other receivables | (7.2) | | | | 1,572 | | **1,572** | | | | |
| Cash and cash equivalents | (11.2) | | | | 834 | | **834** | | | | |
| | | | | | **2,503** | | **2,503** | | | | |
| | | | | | | | | | | | |
| **Financial assets measured at fair value** | | | | | | | | | | | |
| Hedging derivatives | (11.7) | 2 | 12 | | | | **14** | | 14 | | **14** |
| | | | | | | | | | | | |
| **Financial liabilities not measured at fair value** | | | | | | | | | | | |
| Interest-bearing borrowings – fixed rate | (11.3) | | | | | 789 | **789** | | 850 | | **850** |
| Interest-bearing borrowings – variable rate | (11.3) | | | | | 501 | **501** | | | | |
| Other non-current financial liabilities | (11.4) | | | | | 7 | **7** | | | | |
| Trade and other payables | (7.3) | | | | | 3,705 | **3,705** | | | | |
| | | | | | | **5,002** | **5,002** | | | | |
| | | | | | | | | | | | |
| **Financial liabilities measured at fair value** | | | | | | | | | | | |
| Hedging derivatives | (11.7) | 20 | 10 | | | | **30** | | 30 | | **30** |
| Put option liabilities | (11.4) | | 7 | | | | **7** | | | 7 | **7** |
| | | **20** | **17** | | | | **37** | | | | |

**2024**

| | Note | Fair value - hedge accounting instruments | Mandatorily at FVTPL | FVOCI - equity instruments | Financial assets at amortised cost | Other financial liabilities | Total carrying amount | Level 1 | Level 2 | Level 3 | Total fair value |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Financial assets not measured at fair value** | | | | | | | | | | | |
| Loans issued - fixed rate | (8.4) | | | | 10 | | **10** | | 10 | | **10** |
| Loans issued - variable rate | (8.4) | | | | 12 | | **12** | | | | |
| Other financial assets | (8.4) | | | | 124 | | **124** | | | | |
| Trade and other receivables | (7.2) | | | | 1,743 | | **1,743** | | | | |
| Cash and cash equivalents | (11.2) | | | | 1,051 | | **1,051** | | | | |
| | | | | | **2,940** | | **2,940** | | | | |
| **Financial assets measured at fair value** | | | | | | | | | | | |
| Hedging derivatives | (11.7) | 4 | 3 | | | | **7** | | 7 | | **7** |
| **Financial liabilities not measured at fair value** | | | | | | | | | | | |
| Interest-bearing borrowings – fixed rate | (11.3) | | | | | 858 | **858** | | 927 | | **927** |
| Interest-bearing borrowings – variable rate | (11.3) | | | | | 685 | **685** | | | | |
| Other non-current financial liabilities | (11.4) | | | | | 9 | **9** | | | | |
| Trade and other payables | (7.3) | | | | | 4,054 | **4,054** | | | | |
| | | | | | | **5,606** | **5,606** | | | | |
| **Financial liabilities measured at fair value** | | | | | | | | | | | |
| Hedging derivatives | (11.7) | 10 | 9 | | | | **19** | | 19 | | **19** |
| Put option liabilities | (11.4) | | 15 | | | | **15** | | | 15 | **15** |
| | | **10** | **24** | | | | **34** | | | | |

The fair value is determined by discounting cash flows based on market interest rates. To calculate the fair value of the interest-bearing borrowings with a fixed interest rate an average weighted interest rate of 4.1% (2024: 4.6%) is used.

**Hedging derivatives**

The hedging derivatives are classified as Level 2 valuation method. The fair value of the forward exchange contracts is calculated by comparison with the current forward prices of contracts for comparable remaining terms. The fair value of interest rate swaps is determined on the basis of the present value based on current market data provided by Bloomberg. The fair value of the commodity swaps is based on the statement of the market-to-market valuations of the relevant counterparties based on the EEX quotations.

**Put option liabilities**

Due to the sensitivity to the results of FrieslandCampina Engro Pakistan Ltd., the measurement method for this liability has been classified as Level 3.

At the end of each financial year, the put option liability is remeasured. This did not result in a remeasurement adjustment in 2025 (2024: EUR 2 million). This remeasurement is recognised under other finance income and cost in 2024.

**Mutations and transfers**

During 2025, movements of the financial instruments classified as Level 3 were as follows:

| | 2025 |
|---|---|
| | Put option liabilities |
| Carrying amount at 1 January | 15 |
| Redemptions | -8 |
| **Carrying amount at 31 December** | **7** |

There were no transfers from or to levels 1, 2 or 3 during 2025.

| | | 2024 |
|---|---|---|
| | Contingent considerations | Put option liabilities |
| Carrying amount at 1 January | 1 | 12 |
| Redemptions | -1 | |
| Finance costs | | 1 |
| Fair value adjustment | | 2 |
| **Carrying amount at 31 December** | | **15** |

## Accounting estimates and judgements

The different methods applied by FrieslandCampina to determine the fair value require the use of estimates.

Fair values for disclosure purposes, are calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

*Derivative financial instruments*

The fair value of derivative financial instruments is based on their listed market price, if available. If a listed market price is not available, fair value is in general estimated by discounting the difference between the cash flows based on contractual price and the cash flows based on the current price for the residual maturity of the contract using observable interest yield curves, basis spread and foreign exchange rates. These calculations are tested for reasonableness by comparing the outcome of the internal valuation with the valuation received from the counterparty. Fair values include the instrument's credit risk and adjustments to take account of the credit risk of the FrieslandCampina entity and counterparty when appropriate.

*Non-derivative financial instruments*

Fair value, which is determined for disclosure purposes or when fair value hedge accounting is applied, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. Fair values include the instrument's credit risk and adjustments to take account of the credit risk of the FrieslandCampina entity and counterparty when appropriate.

## 13.2 Contingent assets and liabilities

**Contingent liabilities**

*Contingent tax liabilities*

FrieslandCampina is involved in various tax proceedings that have emerged during normal operations. In many countries, there is a high degree of complexity concerning local tax regimes. FrieslandCampina regularly carefully evaluates the probability that a tax proceeding will result in a tax liability in the form of a cash outflow, and/or whether it is necessary to recognise a provision. However, it is difficult to predict the outcome of tax proceedings with any certainty and the outcome from a tax proceeding may differ from FrieslandCampina's estimate.

Legal claims

Various claims were submitted to FrieslandCampina relating to the Company's ordinary operations. A provision is made for claims for which payment is considered probable and for which a reliable estimate can be made, refer to note 9.2. FrieslandCampina does not expect the other claims to result in liabilities that have a material impact on its financial position.

**Purchase commitments fixed assets**

At the end of the financial year, purchase commitments amounting to EUR 92 million (2024: EUR 117 million) were reported, with regard to property, plant and equipment. Of this, EUR 76 million (2024: EUR 81 million) relates to commitments for the next year.

**Bank guarantees**

At 31 December 2025, FrieslandCampina has provided bank guarantees to third parties amounting to a total of EUR 17 million (2024: EUR 17 million).

**Tax risks**

Transfer pricing uncertainties

FrieslandCampina has issued internal guidelines regarding transfer pricing policies which are in accordance with the OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations. Transfer pricing has a cross-border effect and, as a consequence, local tax authorities often focus on the impact of transfer pricing on the local result. To reduce transfer pricing risks FrieslandCampina has implemented monitoring procedures to safeguard the correct application of the transfer pricing policies. In certain countries, FrieslandCampina has proactively approached the tax authorities with the aim of seeking alignment of the applied transfer pricing policies.

**Acquisitions, partnering & divestments**
FrieslandCampina is involved in mergers and acquisitions ('M&A' transactions) whereby shares or assets are acquired or divested, or whereby partnerships are entered into. Such transactions may result in different tax risks and uncertain tax positions. Examples are the transfer of historical tax liabilities to FrieslandCampina upon an acquisition, non-deductibility of acquisition related costs and tax risks arising from the integration of the acquired activities.

Within FrieslandCampina, M&A transactions are managed by M&A teams comprising representatives from all the relevant disciplines, including tax specialists. Uncertainties regarding the tax position resulting from M&A transactions are therefore investigated and risks are mitigated if required and to the extent possible.

### Accounting estimates and judgements
FrieslandCampina is required to make an assessment of the contingent liabilities, to determine whether the risk of loss is possible but unlikely. Unforeseen circumstances create inherent uncertainties, including, but not limited to, court rulings, negotiations between parties involved, and government action.

In order to determine the likelihood and timing of a possible outflow of funds, FrieslandCampina must make estimates. FrieslandCampina also makes use of external advisors for this purpose.

### Accounting policies
Contingent liabilities are not recognised in the balance sheet because their existence can only be confirmed by the occurrence or non-occurrence of one or more uncertain future events that FrieslandCampina cannot fully control, or because the risk of loss is assessed to be not likely (<50%) or because the amount cannot be reliably determined.

Contingent assets are not included in the balance sheet because their existence is not virtually certain.

## 13.3 Transactions with related parties
Refer to note 13.4 for the remuneration of the Supervisory Board and the Executive Board.

**Zuivelcoöperatie FrieslandCampina U.A.**
Zuivelcoöperatie FrieslandCampina U.A., the shareholder of the Company, and FC C.V., represented by the managing partner FrieslandCampina B.V., have agreed that the latter will purchase the milk supplied by the Cooperative's members.

In 2025, this was over 9 billion kilograms (2024: 9 billion kilograms). The price to be paid for this milk is based on the weighted average milk price in Germany, the Netherlands, Denmark and Belgium, which represents 56 billion kilograms (2024: 56 billion kilograms) of milk in total.

To finance the assets of Royal FrieslandCampina N.V. Zuivelcoöperatie FrieslandCampina U.A. has provided a perpetual subordinated loan (at arm's length). In February 2024, FrieslandCampina exercised its right to repay part of the Cooperative loan for an amount of EUR 150 million. The remaining nominal value is EUR 140 million. In 2025, FrieslandCampina N.V. made a distribution of EUR 180 million from retained earnings to the Cooperative, which compensated the negative equity of FC C.V.

The relations are specified in the table below:

| | **2025** | 2024 |
|---|---|---|
| Interest on the Cooperative loan | 8 | 10 |
| Interest on member bonds | 2 | 4 |
| Other income | 12 | 6 |
| Receivables from Zuivelcoöperatie FrieslandCampina U.A. | | 45 |
| Payables to Zuivelcoöperatie FrieslandCampina U.A. | 13 | |
| Cooperative loan | 144 | 146 |
| Member bonds | 48 | 53 |

### Joint ventures and associates

FrieslandCampina regularly purchases and sells goods from and/or to joint ventures and associates in which FrieslandCampina has no control. The conditions under which these transactions take place are similar to transactions with third parties. The relations are specified in the tables below:

| | 2025 | 2024 |
|---|---|---|
| **Joint ventures** | | |
| Purchase of raw materials, consumables and commodities | 31 | 24 |
| Sale of raw materials, consumables and commodities | 2 | 1 |
| Payables to joint ventures | | 1 |
| | | |
| **Associates** | | |
| Purchase of raw materials, consumables and commodities | 63 | 37 |
| Sale of raw materials, consumables and commodities | 147 | 123 |
| Receivables from associates | 14 | 18 |
| Payables to associates | 5 | 6 |

### Member dairy farmers

FrieslandCampina purchases goods from member dairy farmers and has financial agreements with them. The conditions under which transactions take place are similar to transactions with third parties. The relations are specified in the table below:

| | 2025 | 2024 |
|---|---|---|
| Purchase of raw materials | 5,322 | 4,769 |
| Interest on member bonds | 49 | 60 |
| Member bonds | 874 | 877 |
| Liabilities to member dairy farmers | 646 | 721 |
| Green electricity certificates | 1 | 3 |

### Supervisory Board, Cooperative Board and Executive Board

The internal members of the Supervisory Board and the members of the Cooperative Board enter into transactions with FrieslandCampina in their capacity as dairy farmers, including the supply of milk. This results in a liability as at 31 December pursuant to milk supply allowances. These Supervisory Board and Cooperative's Board members are also holders of member bonds. The table below sets out the transactions of the member dairy farmers who were a Supervisory Board or Cooperative's Board member during the reporting period and the balance sheet positions with the members who were a Supervisory Board or Cooperative Board member as at 31 December of the reporting period:

| | 2025 | 2024 |
|---|---|---|
| Purchase of raw materials | 12 | 11 |
| Member bonds | 1 | 2 |

There were no transactions between FrieslandCampina and the Executive Board, other than remuneration. Refer to note 13.4 for the remuneration of the Supervisory Board and the Executive Board.

### Pension funds

For transactions and outstanding positions with the company pension fund and the industry wide pension fund for the dairy sector ('Bedrijfstakpensioenfonds voor de Zuivel'), refer to note 9.1.

### Accounting Policies

A related party is a person or entity that is related to the reporting entity, being Royal FrieslandCampina N.V.

A related party transaction is a transfer of resources, services or obligations between Royal FrieslandCampina N.V. and a related party, regardless of whether a price is charged.

## 13.4 Remuneration key management

In 2025, key management comprises of the Executive Board, the other members of the Executive Team and the Supervisory Board. For an overview of the composition of these bodies, please refer to the annual report. The remuneration to members that have been a member during the reporting year is:

| | **2025** | 2024 |
|---|---|---|
| Executive Team | 17.1 | 15.0 |
| Supervisory Board | 0.9 | 0.9 |
| **Total** | **18.0** | **15.9** |

### Executive Team

The remuneration of members of the Executive Team consists of a fixed component and a variable component. The variable component consists of a short-term incentive and a long-term incentive. The short-term incentive is based on a number of company objectives, derived from the strategic plan, as determined by the Supervisory Board at the beginning of the year. For further explanation with regard to the fixed and variable component, reference is made to the Remuneration report (page 144).

The organisation is led by the Executive Team.

| | **2025** | 2024 |
|---|---|---|
| **Executive Team** | | |
| Short-term remuneration | 11.5 | 11.3 |
| Long-term remuneration[1] | 3.7 | 2.6 |
| Termination benefits | 0.7 | |
| Special wage taxes[2] | 0.3 | |
| Pension plans | 0.9 | 1.1 |
| | **17.1** | **15.0** |
| Of which: remuneration of the Executive Board | **7.1** | **6.6** |

[1] The long-term remuneration relates to the costs in relation to the performance of the reporting year across three long-term incentive plans.
[2] The special wage taxes concerns a provision in 2025 for special wage taxes on termination benefits (Article 32bb of the 'Wet op de loonbelasting 1964'), payable in 2026.

### Supervisory Board

The members of the Supervisory Board received the following remuneration:

| | **2025** | 2024 |
|---|---|---|
| **Supervisory Board** | | |
| Short-term remuneration | 0.9 | 0.9 |

## 13.5 Specification of external auditor's fee

| | | | 2025 |
|---|---|---|---|
| | PricewaterhouseCoopers Accountants N.V. | Other PwC network | Total PwC network |
| Audit of the financial statements | 1.6 | 2.2 | **3.8** |
| Other audit engagements | 0.2 | 0.1 | **0.3** |
| Review of sustainability statements | 0.3 | | **0.3** |
| Tax services | 0.1 | 0.3 | **0.4** |
| | **2.2** | **2.6** | **4.8** |

| | | | 2024 |
|---|---|---|---|
| | PricewaterhouseCoopers Accountants N.V. | Other PwC network | Total PwC network |
| Audit of the financial statements | 1.5 | 2.1 | **3.6** |
| Other audit engagements | 0.3 | 0.1 | **0.4** |
| Review of sustainability statements | 0.3 | | **0.3** |
| | **2.1** | **2.2** | **4.3** |

## 13.6 Subsequent events

Effective 1 January 2026 Zuivelcoöperatie FrieslandCampina U.A. and Milcobel U.A. have merged. Zuivelcoöperatie FrieslandCampina U.A. contributed the majority of the Milcobel activities in Royal FrieslandCampina N.V. The merger creates an internationally operating dairy company with a broad product portfolio, a strong international position, wider product range and greater innovation capacity.

On 2 January 2026, FrieslandCampina acquired 100% of the equity interests in Wisconsin Whey Protein Inc. and Wisconsin Whey Protein transportation, LLC. Wisconsin Whey Protein is a leading US-based producer of whey protein isolates and will further strengthening our global position in high-quality protein ingredients.

The acquisition and merger represent a business combination in accordance with IFRS 3 Business Combinations. At the date these financial statements were authorised for issue, the initial accounting for the business combinations had not been completed. Consequently, FrieslandCampina has not been able to reliably determine the fair values of the identifiable assets acquired and liabilities assumed at the acquisition dates. As a result, the disclosures required by IFRS relating to the acquisition date fair values, goodwill, acquired intangible assets and the impact of the acquisitions on FrieslandCampina's financial performance could not be provided.

The initial accounting will be completed no later than 12 months from the acquisition date.

## 13.7 FrieslandCampina entities

A list of the principal subsidiaries, joint ventures and associates is stated underneath.

**Principal Subsidiaries, joint ventures and associates**[1]

## Principal subsidiaries

**The Netherlands**

FC C.V., Amersfoort (1%)
FrieslandCampina B.V., Amersfoort
FrieslandCampina DMV B.V., Amersfoort
FrieslandCampina Domo B.V., Amersfoort
FrieslandCampina Dutch Nutrition B.V., Amersfoort
FrieslandCampina Ingredients B.V., Amersfoort
FrieslandCampina International Holding B.V., Amersfoort
FrieslandCampina International Specialised Nutrition B.V., Amersfoort
FrieslandCampina Kievit B.V., Meppel
FrieslandCampina Nederland B.V., Amersfoort
FrieslandCampina Pakistan Holding B.V., Amersfoort (97.14%)

Velder B.V., Bodegraven
Velder C.V., Bodegraven (1%)

**Belgium**
FrieslandCampina Belgium N.V., Aalter
FrieslandCampina Belgium Cheese N.V., Aalter

**Germany**
CMG Grundstücksverwaltungs- und Beteiligungs - GmbH, Heilbronn (89.56%)
DFE Pharma GmbH & Co. KG, Goch (50%) [2]
FKS Frischkonzept Service GmbH, Viersen
FrieslandCampina Germany GmbH, Heilbronn (94.90%)
FrieslandCampina Kievit GmbH, Lippstadt
Milchverwaltung FrieslandCampina Germany GmbH, Cologne

**France**
FrieslandCampina France S.A.S., Saint-Paul-en-Jarez

**Greece**
FrieslandCampina Hellas S.A., Athens

**Hungary**
FrieslandCampina Hungária zRt, Budapest (99.99%)

**Italy**
FrieslandCampina Italy Srl, Verona

**Poland**
FrieslandCampina Poland sp. z o.o., Warsaw

**Romania**
FrieslandCampina Romania S.A., Satu Mare (97.58%)

**Spain**
FrieslandCampina Canarias S.A., Las Palmas
FrieslandCampina Iberia S.L., Barcelona

**United Kingdom**
FrieslandCampina UK Ltd., Horsham

**China**
FrieslandCampina Branding Management (Shanghai) Co. Ltd., Shanghai
FrieslandCampina (Hong Kong) Ltd., Hong Kong
FrieslandCampina Ingredients (Beijing) Co. Ltd., Beijing
FrieslandCampina Ingredients (Shanghai) Co. Ltd., Shanghai
FrieslandCampina Trading (Shanghai) Co. Ltd., Shanghai

**Philippines**
Alaska Milk Corporation, Makati City (99.43%)

**Indonesia**
PT Frisian Flag Indonesia, Jakarta (78.08%)
PT Kievit Indonesia, Jakarta

**Malaysia**
Dutch Lady Milk Industries Berhad, Petaling Jaya (50.96%)

**Pakistan**
FrieslandCampina Engro Pakistan Ltd., Karachi (51%)

**Singapore**
FrieslandCampina AMEA Pte. Ltd., Singapore

**Thailand**
FrieslandCampina Fresh (Thailand) Co. Ltd., Bangkok
FrieslandCampina (Thailand) PCL, Bangkok (99.71%)

**Vietnam**
FrieslandCampina Ha Nam Co. Ltd., Phu Ly
FrieslandCampina Vietnam Co. Ltd., Binh Duong province (70%)

**Saudi Arabia**
FrieslandCampina Saudi Arabia Ltd., Jeddah (75%)

**United Arab Emirates**
FrieslandCampina Middle East DMCC, Dubai

**Egypt**
FrieslandCampina Egypt Consulting and Trading S.A.E., Cairo

**Ghana**
FrieslandCampina West Africa Ltd., Accra

**Ivory Coast**
FrieslandCampina Ivory Coast S.A., Abidjan

**Nigeria**
FrieslandCampina WAMCO Nigeria PLC, Ikeja (67.81%)

**United States**
FrieslandCampina Ingredients North America Inc., Paramus, State: New Jersey
Jana Foods LLC., Iselin, State: New Jersey
Best Cheese Corporation, Purchase, State: New York

## Joint ventures and associates [3]

Betagen Holding Ltd., Hong Kong, China (50%)
Het Kaasmerk, Leiden, Nederland (74.53%)
Coöperatieve Zuivelinvesteerders U.A., Oudenhoorn, the Netherlands (49.90%)
Great Ocean Ingredients Pty. Ltd., Allansford, Victoria, Australia (50%)
United Dutch Arizona Dairy Inc., Tempe, State: Arizona, United States (60%)

[1] Unless where stated otherwise, it concerns a 100% interest. If the percentage is below 100%, the direct interest of the parent company in the relevant subsidiary is stated.

[2] The consolidated financial statements of Royal FrieslandCampina N.V. meet the requirements for exempting DFE Pharma GmbH & Co. KG, Goch, according to § 264b HGB from publishing financial statements and management report under German law as of 31 December 2025.

[3] FrieslandCampina does not have control over these joint ventures and associates. This consideration was based on an analysis of both the shares and the voting rights held by FrieslandCampina for the relevant joint venture or associate.

# Company statement of financial position

| At 31 December, before profit appropriation, in millions of euros | Note | 2025 | 2024 |
|---|---|---|---|
| **Assets** | | | |
| Investments in subsidiaries | (2) | 4,776 | 4,647 |
| Loans to subsidiaries | (3) | 796 | 811 |
| Other financial assets | (9) | 17 | 14 |
| **Non-current assets** | | **5,589** | **5,472** |
| | | | |
| Other receivables | (4) | 156 | 148 |
| Other financial assets | (9) | 5 | 11 |
| Cash and cash equivalents | (5) | 582 | 730 |
| **Current assets** | | **743** | **889** |
| | | | |
| **Total assets** | | **6,332** | **6,361** |

| | Note | 2025 | 2024 |
|---|---|---|---|
| **Equity** | | | |
| Issued capital | (6) | 370 | 370 |
| Share premium | (6) | 731 | 731 |
| Legal cash flow hedge reserve | (6) | -11 | -7 |
| Legal currency translation reserve | (6) | -461 | -354 |
| Legal reserve for investments in participations | (6) | 119 | 118 |
| Retained earnings | | 1,130 | 1,012 |
| Profit for the year attributable to the shareholder | (6) | 221 | 305 |
| **Equity attributable to shareholder** | | **2,099** | **2,175** |
| Member bonds | (6) | 922 | 930 |
| Perpetual bonds | (6) | 314 | 375 |
| Cooperative loan | (6) | 144 | 146 |
| **Equity attributable to other providers of capital** | | **1,380** | **1,451** |
| **Equity attributable to providers of capital** | | **3,479** | **3,626** |
| | | | |
| **Liabilities** | | | |
| Interest-bearing borrowings | (7) | 879 | 1,154 |
| Other financial liabilities | (9) | 15 | 8 |
| **Non-current liabilities** | | **894** | **1,162** |
| | | | |
| Interest-bearing borrowings | (7) | 197 | 64 |
| Trade and other payables | | 17 | 24 |
| Current liabilities | (8) | 1,736 | 1,474 |
| Other financial liabilities | (9) | 9 | 11 |
| **Current liabilities** | | **1,959** | **1,573** |
| | | | |
| **Total liabilities** | | **2,853** | **2,735** |
| **Total equity and liabilities** | | **6,332** | **6,361** |

# Company income statement

| In millions of euros | **2025** | 2024 |
|---|---|---|
| Share of profit of subsidiaries, net of tax | 242 | 360 |
| Other results, net of tax | 54 | 29 |
| **Profit for the year** | **296** | **389** |

# Notes to the company financial statements

## 1. General

### Accounting policies and notes

The Company financial statements are prepared in accordance with the legal requirements of Part 9, Book 2 of the Dutch Civil Code, making use of the option as described in article 2:362, paragraph 8 of the Dutch Civil Code regarding the application of the accounting policies for the measurement of assets and liabilities and determination of result (measurement principles) applied in the consolidated financial statements. These principles also include the classification and presentation of financial instruments, being equity instruments or financial liabilities.

The consolidated financial statements were prepared in accordance with IFRS Accounting Standards as adopted by the European Union (EU). The Company income statement is presented in accordance with the exemption of article 2:402 of the Dutch Civil Code.

Investments in subsidiaries are measured using the equity method.

A legal reserve has been formed for the retained earnings of participations where distribution is subject to restrictions.

A list of subsidiaries and other companies in which the Company participates directly or indirectly, is available for inspection at FrieslandCampina's offices and has been filed with the trade register.

## 2. Investments in subsidiaries

| | **2025** | 2024 |
|---|---|---|
| At 1 January | 4,647 | 4,244 |
| Profit for the year | 242 | 360 |
| Other comprehensive income for the year | -113 | 43 |
| **At 31 December** | **4,776** | **4,647** |

## 3. Loans to subsidiaries

| | **2025** | 2024 |
|---|---|---|
| At 1 January | 811 | 796 |
| Reclassification to other receivables | -15 | |
| Loans issued | | 15 |
| **At 31 December** | **796** | **811** |

| Maturity schedule | | | **2025** | | | 2024 |
|---|---|---|---|---|---|---|
| | 2027 - 2030 | After 2030 | Total repayment | 2026 - 2029 | After 2029 | Total repayment |
| Loans to subsidiaries | 795 | 1 | **796** | 810 | 1 | **811** |

The current portion of these issued loans is recognised under other receivables. The average interest rate of the loans to subsidiaries (both current and non-current) at the end of 2025 was 4.0% (2024: 5.3%).

## 4. Other receivables

The other receivables have a maturity of less than one year. EUR 72 million (2024: EUR 74 million) of the other receivables relates to receivable with subsidiaries resulting from sweeping of cash and cash equivalents positions within FrieslandCampina and EUR 72 million (2024: EUR 28 million) mainly relates to receivables from subsidiaries and the current portion of loans to subsidiaries. In 2024, a receivable from Zuivelcoöperatie FrieslandCampina U.A. was recorded for an amount of EUR 45 million. In 2025, this position is part of current liabilities.

An amount of EUR 11 million relates to deposits with a maturity between 3 months and a year (2024: EUR 0 million).

## 5. Cash and cash equivalents

Cash and cash equivalents are freely available.

## 6. Equity attributable to the providers of capital

The number of issued shares at both the beginning and end of the financial year was 3.702.777 shares. EUR 370 million has been paid-up on these shares. The authorised capital amounts to EUR 1 billion, divided into 10,000,000 shares with a nominal value of EUR 100. The shares are being held by Zuivelcoöperatie FrieslandCampina U.A.

The cash flow hedge reserve and the currency translation reserve are legal reserves and as such cannot be distributed. Furthermore EUR 119 million (2024: EUR 118 million) has been classified as a legal reserve for investments in participations. This legal reserve concerns, among other items, the implementation costs of the ICT standardisation programme and undistributed profits of participating interests over which distribution cannot be enforced by FrieslandCampina. The legal reserve for investments in participations will be higher in 2025 due to more undistributed profits from participating interests in 2025, partly offset by amortisation of the aforementioned implementation costs for the ICT standardisation programme (EUR 13 million).

The equity that is attributable to the providers of capital and that is included in the Company financial statements is equal to the equity attributable to the providers of capital that is included in the consolidated financial statements. Refer to note 11.5 in the consolidated financial statements for more details regarding equity.

## 7. Interest-bearing borrowings

The terms and conditions of outstanding borrowings are as follows:

| | | **2025** | | 2024 |
|---|---|---|---|---|
| | | Carrying amount | | Carrying amount |
| Borrowings from credit institutions | | 232 | | 358 |
| 'US Private Placement' | | 485 | | 497 |
| Schuldschein private borrowings programme | | 345 | | 345 |
| Borrowings from member dairy farmers (variable interest) | 17 | | 15 | |
| Bank overdrafts (variable interest) | | | 6 | |
| Capitalised issue costs | -3 | | -3 | |
| Other | | 14 | | 18 |
| **Interest-bearing borrowings** | | **1,076** | | **1,218** |
| | | | | |
| Recognised under non-current interest-bearing borrowings | | 879 | | 1,154 |
| Recognised under current interest-bearing borrowings | | 197 | | 64 |

Refer to note 11.3 of the consolidated financial statements for an explanation of the commitments made to credit institutions, 'US Private Placement' programme, Schuldschein private borrowings programme, uncommitted facilities and member dairy farmers.

The borrowings from member dairy farmers concern three-year deposit loans held by member dairy farmers. These loans are immediately repayable on demand by the member dairy farmers against payment of a penalty interest of 2.25%.

Of non-current interest-bearing borrowings, EUR 577 million (2024: EUR 725 million) has a maturity of more than 5 years.

The movement statement of interest-bearing liabilities is as follows:

| | **2025** | 2024 |
|---|---|---|
| Carrying amount at 1 January | 1,218 | 1,299 |
| Interest-bearing borrowings drawn | 3 | 573 |
| Repayment of interest-bearing borrowings | -134 | -654 |
| Transaction costs and amortisation | | -2 |
| Other | -11 | 2 |
| **Carrying amount at 31 December** | **1,076** | **1,218** |

## 8. Current liabilities

The current liabilities have a maturity of less than one year. EUR 1,056 million (2024: EUR 674 million) of the current liabilities concerns a temporary current account with subsidiaries as a result of the sweep of bank positions within FrieslandCampina. EUR 667 million (2024: EUR 800 million) is related to short term loans from subsidiaries. In addition, a liability to Zuivelcoöperatie FrieslandCampina U.A. of EUR 13 million has been recorded (2024: a receivable of EUR 45 million).

## 9. Other financial assets and liabilities

| | **2025** | 2024 |
|---|---|---|
| **Other financial assets** | | |
| Cross currency swaps | | 1 |
| Interest rate swaps | | 2 |
| Commodity swaps | 2 | 1 |
| Forward exchange contracts | 5 | 9 |
| Loans issued | 10 | 12 |
| Other | 5 | |
| | **22** | **25** |
| | | |
| **Other financial liabilities** | | |
| Cross currency swaps | 8 | |
| Interest rate swaps | 3 | 7 |
| Commodity swaps | 9 | 3 |
| Forward exchange contracts | 4 | 9 |
| | **24** | **19** |

The cross currency swaps and interest rate swaps are equal to the consolidated financial statements (refer to note 11.7 Derivatives of the consolidated financial statements). In the consolidated financial statements more commodity swaps are recognised in other financial assets than in the Company financial statements as a result of derivatives arranged by subsidiaries. As a result of derivatives arranged with subsidiaries, more forward exchange contracts are recognised in other financial assets or financial liabilities in the Company financial statements than in the consolidated financial statements. The contract volumes for the forward exchange contracts are EUR 989 million (2024: EUR 1,253 million). The granted loan concerns a variable loan with a term to the end of 2030.

# 10. Financial instruments

FrieslandCampina is sensitive to various financial risks, such as credit risks, interest rate risks, liquidity risks, commodity price risks and currency risks. The notes to the consolidated financial statements contain information regarding FrieslandCampina's exposure to each of these risks and FrieslandCampina's objectives, principles and procedures for managing and measuring these risks, refer to note 11.7 of the consolidated financial statements.

These risks, objectives, principles and procedures for the management and measurement of these risks are correspondingly applicable for the Company financial statements of FrieslandCampina. The following quantitative disclosure is also included.

## Fair value

The carrying amounts and the fair value of financial assets and liabilities are stated in the table below. The fair value is the amount that would be received or paid if the receivables and/or liabilities were settled on the reporting date, without further obligations. The fair value of most of the financial instruments recognised in the statement of financial position is virtually the same as the carrying amount.

| | **2025** | | 2024 | |
|---|---|---|---|---|
| | Carrying amount | Fair value | Carrying amount | Fair value |
| **Financial assets not measured at fair value** | | | | |
| Loans to subsidiaries | 796 | 796 | 811 | 811 |
| Loans issued | 10 | 10 | 12 | 12 |
| Other receivables | 156 | 156 | 148 | 148 |
| Other financial assets (excluding hedging derivatives) | 5 | 5 | | |
| Cash and cash equivalents | 582 | 582 | 730 | 730 |
| | **1,549** | **1,549** | **1,701** | **1,701** |
| **Financial assets measured at fair value** | | | | |
| Hedging derivatives | 7 | 7 | 13 | 13 |
| | **7** | **7** | **13** | **13** |
| **Financial liabilities not measured at fair value** | | | | |
| Interest-bearing borrowings – fixed rate | 578 | 639 | 645 | 715 |
| Interest-bearing borrowings – variable rate | 498 | 437 | 573 | 503 |
| Current liabilities | 1,736 | 1,736 | 1,474 | 1,474 |
| Trade and other payables | 17 | 17 | 24 | 24 |
| | **2,829** | **2,829** | **2,716** | **2,716** |
| **Financial liabilities measured at fair value** | | | | |
| Hedging derivatives | 24 | 24 | 19 | 19 |
| | **24** | **24** | **19** | **19** |

## 11. Commitments and contingencies

Royal FrieslandCampina N.V. has issued statements of liability in conformance with Article 2:403 of the Dutch Civil Code in respect of liabilities resulting from legal acts of FrieslandCampina B.V., FrieslandCampina International Holding B.V. and FrieslandCampina Specialised Nutrition B.V. These entities have a statement of joint and several liability in accordance with Article 2:403 of the Dutch Civil Code, issued to the majority of Dutch subsidiaries.

Royal FrieslandCampina N.V. together with the majority of Dutch operating companies forms the Royal FrieslandCampina N.V. fiscal unity for corporate income tax purposes, with Zuivelcoöperatie FrieslandCampina U.A. as parent company. Each entity calculates its own income tax expense, taking into account the effects of the fiscal unity.

The fiscal unity for value-added tax consists of Zuivelcoöperatie FrieslandCampina U.A., Royal FrieslandCampina N.V., FC C.V. and the active Dutch operating companies. On these grounds the Company is severally liable for the tax liability of the fiscal unity as a whole.

Royal FrieslandCampina N.V. is in scope of Pillar Two taxes, with Zuivelcoöperatie FrieslandCampina U.A. as the ultimate parent company of the group. For more information refer to 12.3 Taxes of the consolidated financial statements.

## 12. Remuneration of the Supervisory Board and the Statutory Directors

The remuneration of members of the Supervisory Board and the Statutory Directors is equal to the remuneration of members of the Supervisory Board and the Executive Board as disclosed in note 13.4 of the consolidated financial statements. During the year under review, the members of the Executive Board were employed by the Company.

## 13. Subsequent events

For information regarding subsequent events, refer to note 13.6 of the consolidated financial statements.

## 14. Proposed appropriation of profit attributable to the shareholder

The Supervisory Board gave its approval to the Executive Board's proposal to allocate the following amounts of the EUR 296 million profit: EUR 8 million as interest on the Cooperative's loan, EUR 51 million as interest payment to holders of member bonds and EUR 16 million as interest payment for holders of perpetual bonds. An amount of EUR 221 million is attributable to the shareholder and will be proposed to be added to retained earnings.

Amersfoort, the Netherlands, 13 February 2026

**Executive Board**

**Royal FrieslandCampina N.V.**
J.D. van Karnebeek, CEO
J.G. Janssen, CFO
D.A. Cutter
M. Einwachter

**Supervisory Board**

**Royal FrieslandCampina N.V.**
S.S.U. Attema, Chairman
J.B.P. Coopmans, Vice-Chairman
H.H. Bakhuis
N. den Besten
W. Duursma
B.M. Eeckhaut
T. Elshof-Witteveen
P.H.M. Hofsté
C.C.H. Hoogeveen
S.A.M. Stuijk - Pelkmans
M. Vaesen
E. Willemsen

# Other information

## Provisions of the Articles of Association governing profit appropriation

The provisions regarding the appropriation of profit are included in Article 28 of the Articles of Association. These can be summarised as follows: profit will be distributed after adoption of the financial statements showing such distribution to be legitimate. The profit will be at the disposal of the General Meeting of Shareholders. The General Meeting will adopt the Company's reserve policy, as included in Article 27 of the Articles of Association, on a proposal from the Executive Board approved by the Supervisory Board. Distributions chargeable to a reserve may be made on a proposal from the Executive Board, which will be subject to the approval of the Supervisory Board, pursuant to a resolution passed by the General Meeting. Unretained profit will be distributed.

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# Other information & appendices


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## Independent auditor's report

To: the general meeting and the supervisory board of Royal FrieslandCampina N.V.

# Report on the audit of the financial statements 2025

## Our opinion

In our opinion:

- the consolidated financial statements of Royal FrieslandCampina N.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 company financial statements of Royal FrieslandCampina N.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 Royal FrieslandCampina N.V., Amersfoort. The financial statements comprise the consolidated financial statements of the Group and the company financial statements.

The consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 December 2025
- the following statements for 2025: the consolidated income statement, the consolidated statements of comprehensive income, the consolidated statements of changes in equity and the consolidated statements of cash flows; and
- the notes to the financial statements, including material accounting policy information and other explanatory information

The company financial statements comprise:

- the company statement of financial position as at 31 December 2025;
- the company income statementfor 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 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 Royal FrieslandCampina N.V. in accordance with 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

Royal FrieslandCampina N.V. is a dairy company owned by member dairy farmers through Zuivelcoöperatie FrieslandCampina U.A. ('the cooperative'). These member dairy farmers supply milk and, through representation on the supervisory board, act as supervisors of Royal FrieslandCampina N.V. and as directors of the cooperative, representing shareholders. These members are important stakeholders of FrieslandCampina, which has influenced the determination of materiality as outlined in the 'Materiality' section of this audit report. 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'.

The financial year 2025 was characterised, despite challenging market conditions and geopolitical uncertainties, by a stable operating result compared to the previous year, with an increase in milksupply and a sharp decline in basic dairy prices in the second half of the year.

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 executive 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 section 'Significant estimates and judgments' of the financial statements, the executive board has outlined the estimation items and the main sources of estimation uncertainty. Due to the significant estimation uncertainty and the related higher inherent risk associated with the valuation of goodwill and valuation of tax positions, we have identified these as key audit matters as set out in the section 'Key audit matters'.

FrieslandCampina has committed to interim climate targets for 2030, as explained in the section 'Our climate goals' in the ESG report in the annual report. The company has set a concrete target of reducing greenhouse gas emissions by 30.3% for Forest Land-use and Agriculture (FLAG) and 42.1% for Energy and Industry emissions (non-FLAG) by 2030 compared to the base year 2020.

FrieslandCampina has elaborated on the uncertainties arising from climate change, as well as the actions taken and to be taken, in the risk section of the annual report. In the explanation of the materiality analysis, FrieslandCampina further discusses actions already taken and analyses yet to be performed regarding determining the financial impact of the various topics from the materiality analysis on the company. A key uncertainty concerns the future volume of milk supply due to the possible reduction of livestock in the context of nitrogen reduction in the Netherlands and prolonged drought.

The executive board has, as far as possible, taken into account the potential impact of climate change when determining assumptions and estimates in the financial statements and has elaborated on this in the section 'climate change' in the financial statements. Together with our sustainability reporting specialists, we have held discussions with FrieslandCampina's management about the impact of climate change and the climate targets on the company. In our audit, we did not identify climate change as a separate key audit matter but included it in the already identified key audit matters.

We have evaluated the potential impact of the committed net climate targets on the financial position, including the underlying assumptions and estimates, for example, regarding future cash flows in the goodwill impairment model, as well as the related disclosures in the financial statements.

We ensured that the audit teams, at both group and component level, included the appropriate skills and competences that are needed for the audit of a dairy company that operates internationally. We therefore included experts and specialists in the areas such as IT systems, valuation of goodwill, (international) tax positions, financial instruments, and pensions in our team.

The outline of our audit approach was as follows:

| |
|---|
| Overall materiality: €55 million (2024: €55 million). |
| We conducted audit work in twelve components in eleven locations.<br>We visited the component in China. Furthermore, we also held videoconferences with the accountants of the group components that were part of the group audit.<br>Audit coverage: 78% of consolidated revenue, 94% of consolidated total assets and 85% of consolidated profit before tax. |
| • Valuation of goodwill; and; and<br>• Valuation of tax positions. |

## 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* | €55 million (2024: €55 million). |
| *Basis for determining materiality* | We used our professional judgement to determine overall materiality. As a basis for our judgement, we used 1.5% of the compensation paid to the members for supplying milk. On the basis of professional judgment and the common information needs of the users, we have maximised the materiality at €55 million. |
| *Rationale for benchmark applied* | We used the compensation for milk supplies as the primary benchmark, based on our analysis of the common information needs of the users of the financial statements, in particular the member dairy farmers. The compensation for milk supplies is an important 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 million and €44 million. |

We also take 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 €1 million (2024: €1 million) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons. For misstatements that have no impact on the profit and loss account, we have agreed with the supervisory board that we will report any misstatements exceeding €10 million.

## The scope of our group audit

Royal FrieslandCampina N.V. is the parent company of a group of entities. The financial information of this group is included in the consolidated financial statements of Royal FrieslandCampina N.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, we conducted audits of the complete financial information for twelve group components in eleven countries, as these components were considered significant based on risk or size.

In determining the scope of our group audit, we specifically considered the following key elements of the group's internal control:

- Internal Control Framework: During the coordination of our group audit, we instructed the various audit teams to utilize the Internal Control Framework and provide us with their observations regarding its design and effectiveness, where relevant to the audit. In situations where it was not effective or efficient to rely on the group's internal control framework, additional substantive procedures were performed to obtain sufficient and appropriate audit evidence.
- Central IT Systems: FrieslandCampina has implemented a largely uniform ERP-system worldwide. The majority of the group's IT systems are centrally managed. With the assistance of our IT specialists, we tested the IT General Controls (ITGCs) and IT dependencies of the centrally managed ERP-system. During this audit, some non-significant findings were identified, which we addressed through additional substantive procedures. We shared the results of our audit procedures with the local audit teams.
- Shared-Service Centers: FrieslandCampina operates two shared-service centers globally. The shared-service centers in Hungary and Malaysia are audited by local audit teams, who report the results of their work for the Dutch operations to us and to the various other local audit teams.
- To guide our audit, we reviewed the results of the work and reports prepared by Corporate Internal Audit. While we do not rely on their work, we have incorporated their findings into our risk assessment where relevant.

In addition to the above elements, we considered the relative size of the revenue of the individual group components and their risk profiles.

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

| | |
|---|---|
| *Revenue* | 78% |
| *Total assets* | 94% |
| *Profit before tax* | 85% |

None of the remaining components represented more than 5% of total consolidated revenue or total consolidated balance total. 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 the Dutch components. 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 auditor's work and facilitate our direction and supervision of the component auditor 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 a site visit to the component auditor's territory), or through a combination of these, in order to monitor the progress of the component auditor's work. These ongoing communications included matters affecting the execution, completion and reporting of the group audit.
- Reviewed relevant parts of the component auditor's work including the component auditor's communication of matters relevant to our conclusion with regard to the group audit. Our review of the component auditor's work took place throughout the engagement. This included on-site and/or virtual reviews, including the review of component auditor's working papers.
- Reviewed formal written communications prepared by the component auditor for component management of the component and/or regulatory authorities of the component, that were, based on our judgment, relevant to the group audit).
- Attended certain key client meetings between the component auditor 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. This included the valuation of goodwill, significant estimates relating to the valuation of uncertain tax positions and pension positions.

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 Group's 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 of the financial statements due to fraud. During our audit, we obtained an understanding of Royal FrieslandCampina N.V. and its environment and the components of the internal control system. This included the executive board's risk assessment process, the executive 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. Please refer to the section 'Fraud & Compliance' of the report by the Executive Board for the Executive Board's fraud risk assessment and the section 'Report by the Supervisory Board' in which the supervisory board reflects on this fraud risk assessment.

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 members of the executive board and management of the business groups, the internal audit department, the compliance department, and the supervisory board to evaluate their fraud awareness. 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 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 |
|---|---|
| **The risk of management override of controls**<br>The risk of management override of controls Management is in a unique position to perpetrate fraud, because management has the ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. That is why we pay extra attention to the risk of management override of controls in:<br>• The appropriateness of journal entries and other adjustments ma de in the preparation of the financial statements.<br>• Estimates.<br>• Significant transactions, if any, outside the normal course of business for the entity.<br><br>We pay particular attention to tendencies due to possible bias of the executive board.<br><br>In this, we distinguish between transactions that are part of the normal course of business (where we assume they aim to show the highest possible result, as this is linked to bonus schemes) and special income. | When relevant to our audit, we have evaluated the design of the internal control system intended to mitigate the risk of management override of controls, and assessed the effectiveness of these measures in the processes of generating and processing journal entries and making estimates. We also paid specific attention to access controls in the IT system and the possibility that these could lead to breaches of the segregation of duties. We did not identify any significant deficiencies in internal control.<br><br>We have performed an audit that is a mix of substantive testing procedures and internal controls testing.<br><br>We selected journal entries based on risk criteria and performed specific audit procedures on these entries, including inspection of the source documentation. We also paid special attention to consolidation and elimination entries, focusing on testing entries that impact the revenue and result of the financial year.<br><br>We did not identify any significant transactions outside the normal course of business.<br><br>Additionally, we performed specific audit procedures on significant management estimates, including the analysis and forecasts underlying the valuation of intangible assets. We refer to the key audit matters for our work on these points.<br><br>We paid particular attention to the inherent risk of management bias in estimates.<br><br>Our audit procedures did not lead to specific indications of fraud or suspicions of fraud with respect to management override of internal controls. |
| **The risk of fraudulent financial reporting due to overstating the revenue**<br>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.<br><br>The Zuivelcoöperatie, and with it Royal FrieslandCampina N.V. has as its target to create as much value as possible for member dairy farmers.<br><br>The targets are also linked to a results related bonus for the management.<br><br>Thus, there is a pressure being put on the executive team to achieve the growth target for the financial year 2025 and therefore, there is a risk of a deliberate increase in revenue in the financial year. | Where relevant to our audit, we assessed the design and effectiveness of the internal control measures related to revenue reporting and in the processes for generating and processing journal entries related to the revenue.<br><br>We concluded that we, in the context of our audit, could rely on the internal control procedures relevant to this risk.<br><br>Using data analysis, we identified potential notable revenue entries in the financial year and performed substantive audit procedures on these entries by determining whether these entries are based on deliveries that actually occurred in the financial year. In addition, we performed substantive audit procedures related to the accuracy of the revenue entries in the financial year.<br><br>We performed substantive procedures on outstanding receivables at the year-end, whereby we asked debtors to confirm the balances.<br><br>At the year-end we performed specific procedures on revenue bookings in order to identify possible shifts in revenue of delivered products in the following financial year to the revenue recognised in the current financial year. Finally, we examined whether credit notes that were posted in the following financial year could be an indication of incorrect or incorrectly booked revenue in the current financial year.<br><br>Our audit procedures did not lead to specific indications of fraud or suspicions of fraud with respect to revenue recognition. |

We incorporated an element of unpredictability in our audit. We 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 executive board performed their assessment of the entity's ability to continue as a going concern for at least 12 months from the date of preparation of the financial statements.

Our procedures to evaluate the executive board's going-concern assessment included, amongst others:

- considering whether the executive board's going-concern assessment included all relevant information of which we were aware as a result of our audit and inquiring with the executive board regarding the executive board's most important assumptions underlying its going-concern assessment. ;
- evaluating the executive board's current budget including cash flows for at least 12 months from the date of preparation of the financial statements taken into account current developments in the industry 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 executive board as to its knowledge of going-concern risks beyond the period of the executive board's assessment.

Our procedures did not result in outcomes contrary to the executive board's assumptions and judgements used in the application of the going-concern assumption.

## 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 |
|---|---|
| **Valuation of goodwill**<br>Refer to note 8.2 of the financial statements.<br><br>FrieslandCampina has recorded €999 million in goodwill related to historical acquisitions.<br><br>Goodwill is tested annually at the level of the individual segments. The valuation of goodwill is complex and dependent on management estimates, which are inherently uncertain. Given the material significance of goodwill, any change in the assumptions could have a significant impact on the financial statements.<br><br>Therefore, we have identified the valuation of goodwill as a key audit matter.<br><br>The valuation of goodwill is tested based on the enterprise value, which is calculated using expected discounted cash flows. The key assumptions in this test include the discount rate, the long-term growth rate, the gross margin growth rate, and the forecasted results.<br><br>In determining the enterprise value, FrieslandCampina has allocated a compensation to cover corporate and cooperative costs and results per segment based on the relative amounts of profits (earnings before interest and taxes) of the respective segments. The allocation of these costs is subject to management estimates. | We have tested the valuation methodology and the assumptions applied in the goodwill impairment model and the underlying calculations.<br><br>With the assistance of valuation experts, we tested the discount rate and the long-term growth rate by comparing them with market information (e.g., market interest rates and inflation) and our own independent assessment. We did not identify any significant issues. For the gross margin growth rate and the forecasted results, we reconciled them with management's budgets and forecasts (the multi-year plans up to 2028).<br><br>We tested the process underlying the preparation of these budgets and forecasts and compared them with historical results, external information, and market outlooks.<br><br>We evaluated the outcome of management's estimates in prior years by comparing actual results with forecasts from previous years to assess whether the assumptions were balanced in hindsight.<br><br>We also inquired with management about the assumptions regarding climate change as explained in the section 'estimates and assumptions' and how these assumptions were incorporated by management in the testing of the valuation of goodwill and the sensitivity analyses.<br><br>We tested the allocation of corporate and cooperative costs and results to the various segments with underlying audit evidence.<br><br>Based on our audit procedures and the obtained audit evidence, we did not identify any material findings. |
| **Valuation of tax position**<br>Refer to notes 12 and 13.2 of the financial statements.<br><br>The group has subsidiaries in various countries and is therefore subject to local tax regimes. The chapter 'Taxes' in the annual report describes how FrieslandCampina handles tax positions.<br><br>Due to the complexity of different local tax regimes, the determination and local acceptance of internal transfer pricing is challenging. This determination can affect the amount of local fiscal results and the taxes payable.<br><br>The recognition and valuation of tax positions is subject to judgement as it involves interpretation of local tax legislation (including the local acceptance of the internal transfer prices as applied by FrieslandCampina).<br><br>The outcome of legal cases in the relevant tax jurisdictions is difficult to predict and can therefore deviate from the estimates. Important data for determining the deferred tax positions are the local tax percentages and settlement periods. The assumptions of the budgets used are also important for the recognised tax positions.<br><br>Deferred tax assets are recognized for deductible tax losses and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which these can be utilized.<br><br>FrieslandCampina also has deductible losses for which no deferred tax asset is recognized in the financial statements.<br><br>Due to the material size, the complexity of the various tax regimes, and the inherent estimation uncertainty, there is an increased risk of incorrect internal transfer pricing and incorrect valuation of tax positions. Based on this, we have identified the valuation of tax positions as a key audit matter. | We conducted the audit of the tax positions with the assistance of tax specialists.<br><br>Our procedures included performing a risk assessment, which involved evaluating the outcome of management's estimates from the previous year. We tested the accuracy of the internal transfer prices by reviewing and evaluating correspondence with tax authorities, internal transfer pricing documentation, and tax legislation, combined with our own independent analyses.<br><br>Our procedures were focused on determining whether the legal processes in the relevant tax jurisdictions will lead to a tax liability or provision in the financial statements. For this purpose, we assessed correspondence with the tax authorities, and we prepared our own independent analysis with support of our international tax specialists to assess the status and treatment of the procedures. We compared management's calculation with our calculation and determined that management's assessment is acceptable.<br><br>Regarding the valuation of deferred tax assets, we tested the assumptions underlying this valuation by reconciling the underlying budgets and forecasts to support the utilization of deductible tax losses.<br><br>Additionally, we verified whether the disclosures about the recognized tax positions and the realizability of the deferred tax assets contained the required information.<br><br>Based on our audit procedures and the obtained audit evidence, we did not identify any material findings. |

# 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. This means that 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 annual report

The annual report contains other information. This includes all information in the 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 directors' report 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 executive board is responsible for the preparation of the other information, including the directors' report 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 Royal FrieslandCampina N.V. by the supervisory board. This followed the passing of a resolution by the shareholders at the annual general meeting held on 30 April 2015. Our appointment has been renewed annually by shareholders and now represents a total period of uninterrupted engagement of 10 years.

# Responsibilities for the financial statements and the audit

## Responsibilities of the executive board and the supervisory board for the financial statements

The executive 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 executive 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 executive board is responsible for assessing the Company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the executive board should prepare the financial statements using the going-concern basis of accounting unless the executive board either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so. The executive 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 executive board.
- Concluding on the appropriateness of the executive 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.

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, 13 February 2026*
*PricewaterhouseCoopers Accountants N.V.*

*Original Dutch version signed by B.A.A. Verhoeven RA*

## Assurance report of the independent auditor

To: the general meeting and the supervisory board of Royal FrieslandCampina N.V.

# Assurance report with limited assurance on the non-financial information 2025

## Our conclusion

Based on our procedures performed and the assurance information obtained, nothing has come to our attention that causes us to believe that the non-financial information included in the annual report 2025 of Royal FrieslandCampina N.V. does not present fairly, in all material respects:

- the policy with regard to the non-financial information; and
- the business operations, events and achievements in that area for the year ended 31 December 2025, in accordance with the Sustainability Reporting Standards of the Global Reporting Initiative (GRI) and the applied supplemental reporting criteria as included in the section 'Reporting criteria' of our report.

### What we have reviewed

We have reviewed the non-financial information, included in the following sections of the annual report for 2025 (hereafter: the non-financial information):

- 'Introduction', excluding the sections 'FrieslandCampina worldwide';
- 'Report of the executive board' excluding the sections 'Risk management', 'Looking ahead', 'Management statement' and 'Responsibility statement';

This review is aimed at obtaining a limited level of assurance.

## The basis for our conclusion

We conducted our review in accordance with Dutch law, including Dutch Standard 3810N 'Assuranceopdrachten inzake duurzaamheidsverslaggeving' (assurance engagements relating to sustainability reporting), which is a specific Dutch Standard that is based on the International Standard on Assurance Engagements (ISAE) 3000 'Assurance engagements other than audits or reviews of historical financial information'. Our responsibilities under this standard are further described in the section 'Our responsibilities for the review of the non-financial information' of our report.

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

### Independence and quality management

We are independent of Royal FrieslandCampina N.V. in accordance with the 'Verordening inzake de onafhankelijkheid van accountants bij assuranceopdrachten' (ViO - Code of ethics for professional accountants, a regulation with respect to independence). Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA - Dutch Code of ethics for professional accountants, a regulation with respect to rules of professional conduct).

PwC applies the applicable quality management requirements pursuant to the 'Nadere voorschriften kwaliteitsmanagement' (NVKM, regulations for quality management) and the International Standard on Quality Management (ISQM) 1, and accordingly maintains

a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and other relevant legal and regulatory requirements.

### Reporting criteria

The reporting criteria applied for the preparation of the non-financial information are the Sustainability Reporting Standards of the Global Reporting Initiative (GRI) and the applied supplemental reporting criteria as disclosed in 'Explanatory notes' of the annual report.

The non-financial information is prepared in accordance with the GRI Standards. The GRI Standards applied are listed in the GRI Content Index, as disclosed in the attachment 'GRI table' of the annual report.

The absence of an established practice on which to draw, to evaluate and measure the non-financial information allows for different, but acceptable, measurement techniques and can affect comparability between entities, and over time.

Consequently, the non-financial information needs to be read and understood together with the reporting criteria applied.

## Limitations to the scope of our review

The non-financial information includes prospective information such as expectations on ambitions, strategy, plans, expectations, and estimates. Inherent to this prospective information, the actual future results are uncertain, and are likely to differ from these expectations. These differences may be material. We do not provide any assurance on the assumptions and achievability of prospective information.

In the non-financial information references are made to external sources or websites. The information on these external sources or websites is not part of the non-financial information reviewed by us. We therefore do not provide assurance on this information.

## Responsibilities regarding the non-financial information and the related review

### Responsibilities of the executive board and the supervisory board for the non-financial information

The executive board of Royal FrieslandCampina N.V. is responsible for the preparation and fair presentation of the non-financial information in accordance with the reporting criteria as included in section 'Reporting criteria', including applying the reporting criteria, the identification of stakeholders and the definition of material matters. The executive board is also responsible for selecting and applying the reporting criteria and for determining that these reporting criteria are suitable for the legitimate information needs of the intended stakeholders, considering applicable law and regulations related to reporting. The choices made by the executive board regarding the scope of the non-financial information and the reporting policy are summarised in 'Explanatory notes' of the annual report.

Furthermore, the executive board is responsible for such internal control as the executive board determines is necessary to enable the preparation of the non-financial information that is free from material misstatement, whether due to fraud or error.

The supervisory board is responsible for overseeing the company's reporting process on the non-financial information.

### Our responsibilities for the review of the non-financial information

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

Our objectives are to obtain a limited level of assurance, as appropriate, about whether the non-financial information is free from material misstatements and to issue a limited assurance conclusion in our report. The procedures vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. The level of assurance obtained in a review

(limited assurance) is therefore substantially less than the assurance obtained in an audit (reasonable assurance) in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

## Procedures performed

We have exercised professional judgement and have maintained professional skepticism throughout the review, in accordance with the Dutch Standard 3810N, ethical requirements and independence requirements. Our procedures included, amongst other things of the following:

- Performing an analysis of the external environment and obtaining an understanding of relevant sustainability themes and issues and the characteristics of the company.
- Evaluating the appropriateness of the reporting criteria applied, their consistent application and related disclosures in the non-financial information. This includes the evaluation of the company's materiality assessment and the reasonableness of estimates made by the executive board.
- Through inquiries, obtaining a general understanding of the control environment, the reporting processes, and the information systems and the entity's risk assessment process relevant to the preparation of the non-financial information, without obtaining assurance evidence about the implementation or testing the operating effectiveness of controls.
- Identifying areas of the non-financial information where misleading or unbalanced information or a material misstatement, whether due to fraud or error, is likely to arise. Designing and performing further assurance procedures aimed at determining the plausibility of the non-financial information responsive to this risk analysis. These procedures consisted among others of:
  - Inquiring of management (and/or relevant staff) at corporate level responsible for the sustainability strategy, policy and results.
  - Inquiring of relevant staff responsible for providing the information for, carrying out internal control procedures on, and consolidating the data in the non-financial information.
  - Obtaining assurance evidence that the non-financial information reconciles to underlying records of the company.
  - Reviewing, on a sample basis, relevant internal and external documentation.
  - Taking into account the data and trends.
- Reconciling the relevant financial information to the financial statements.
- Reading the information in the annual report, which is not included in the scope of our review and have considered whether there is a material inconsistency.
- Considering the overall presentation, structure and balanced content of the non-financial information.
- Considering whether the non-financial information as a whole, including the sustainability matters and disclosures, is clearly and adequately disclosed in accordance with the applicable reporting criteria.

We communicate with the supervisory board regarding, among other matters, the planned scope and timing of the review and significant findings that we identify during our review.

*Amsterdam, 13 February 2026*
*PricewaterhouseCoopers Accountants N.V.*

*Original Dutch version signed by B.A.A. Verhoeven RA*

# Other information

## Financial history

| In millions of euros, unless stated otherwise | **2025** | 2024 | 2023 | 2022 | 2021 |
|---|---|---|---|---|---|
| **Key figures** | | | | | |
| **Income statement** | | | | | |
| Revenue | 13,393 | 12,923 | 13,072 | 14,076 | 11,501 |
| Operating profit | 507 | 527 | 75 | 471 | 355 |
| Result for the year | 328 | 321 | -149 | 292 | 172 |
| **Milkprice**[1] | | | | | |
| Guaranteed price[2] | 53.77 | 49.48 | 46.26 | 55.21 | 37.84 |
| Supplementary cash payment | 1.31 | 1.21 | 0.00 | 0.90 | 0.14 |
| Foqus planet premium | 1.30 | 1.44 | 1.21 | 0.91 | 0.91 |
| Foqus planet premium adjustment prior year | -0.14 | 0.21 | | | |
| Special supplements | 0.62 | 0.61 | 0.61 | 0.33 | 0.34 |
| Quantity bonus | 0.07 | | | | |
| Milk price | 56.93 | 52.95 | 48.08 | 57.35 | 39.23 |

| In millions of euros, unless stated otherwise | **2025** | 2024 | 2023 | 2022 | 2021 |
|---|---|---|---|---|---|
| **Financial position** | | | | | |
| Balance sheet total | 9,167 | 9,793 | 9,119 | 10,037 | 9,056 |
| Equity attributable to shareholder | 2,099 | 2,175 | 1,833 | 2,616 | 1,914 |
| Equity attributable to providers of capital | 3,486 | 3,492 | 3,374 | 3,841 | 3,635 |
| Net debt (excluding lease liabilities) | 316 | 270 | 635 | 888 | 700 |
| **Cash flows** | | | | | |
| Net cash flows from operating activities | 615 | 900 | 831 | 293 | 594 |
| Net cash flows used in investing activities | -311 | -446 | -309 | -570 | -302 |
| Depreciation of plant and equipment and amortisation of intangible assets | 379 | 381 | 428 | 448 | 465 |
| **Additional information** | | | | | |
| Equity as a % of total assets | 38.0 | 35.7 | 37.0 | 38.3 | 40.1 |
| Employees (average number of FTEs) | 19,075 | 19,576 | 20,928 | 21,715 | 22,961 |
| Milk supplied by members (in millions of kg) | 9,268 | 9,050 | 9,369 | 9,502 | 9,745 |

[1] In euros per 100 kgs of milk.
[2] Excluding VAT for 2023, 2024 and 2025 at 3.58% protein and 4.45% fat, For 2021 and 2022 at 3,57% protein, 4.42% fat and 4.53% lactose.

# Milk price overview

| In euros per 100 kilos of milk | **2025** | 2024 |
|---|---|---|
| Fat price | 24.37 | 22.42 |
| Protein price | 29.40 | 27.06 |
| **Guaranteed price**[1] | **53.77** | **49.48** |
| Supplementary cash payment | 1.31 | 1.21 |
| Foqus planet premium[2] | 1.30 | 1.44 |
| Adjustment Foqus planet premium prior year[3] | -0.14 | 0.21 |
| Special supplements[4] | 0.62 | 0.61 |
| Quantity bonus[5] | 0.07 | |
| **Milk price** | **56.93** | **52.95** |

[1] Excluding VAT at 3.58% protein and 4.45% fat.
[2] Member dairy farmers receive a variable Foqus planet premium for Sustainable development, including pasture grazing, of a maximum of 3.50 euros per 100 kilograms of milk. The average premium in 2025 is 1.30 euros per 100 kilograms. This amount consists of an estimated 1.90 euros per 100 kilograms of milk and a cooperative deduction of 0.60 euros per 100 kilogram of milk. Dairy farms that supply On the way to PlanetProof milk do not receive a Foqus planet premium. The average premium in 2024 amounted to 1.44 euros per 100 kilogram of milk. This amount consisted of an estimate of 2.04 euros and a cooperative deduction of 0.60 euros per 100 kilogram of milk for 2024
[3] The difference between the estimated Foqus planet premium and the actual premium paid in the following year is shown separately. In 2025, this correction amounts to -0.14 euros due to an overestimation in 2024. In 2024, the correction was 0.21 euros per 100 kilograms of milk due to an underestimate in 2023.
[4] Special supplements concern the total amount of payments per 100 kilogrammes of milk for VLOG [non-GMO] and the On the way to PlanetProof of 0.49 euro per 100 kilogrammes of milk, and the difference between the guaranteed price paid for organic milk (66.26 euros) and regular milk (53.77 euros). On average, on all FrieslandCampina member milk, this amounts to 0.13 euro per 100 kilogrammes of milk.
[5] Starting at 1.5 million kilograms of milk supplied per year.

# Composition of the Supervisory Board

## Sybren (S.S.U.) Attema (1960)

**Chair of the Supervisory Board of Royal FrieslandCampina N.V., Chair of the Board of Zuivelcoöperatie FrieslandCampina U.A.**

Nationality Dutch

Other positions

None

## Baptiest (J.B.P.) Coopmans (1965)

**Vice-chair of the Supervisory Board of Royal FrieslandCampina N.V.**

Nationality Dutch

Occupation SVP at LibertyGlobal

Other positions

Member of TNO's Supervisory Board, Supervisory Board member De Burg Group

## Herman (H.H.) Bakhuis (1964)

**Member of the Supervisory Board of Royal FrieslandCampina N.V., Member of the Board of Zuivelcoöperatie FrieslandCampina U.A.**

Nationality Dutch

Occupation Dairy farmer

Other positions

None

## Nils (N.) den Besten (1982)

**Member of the Supervisory Board of Royal FrieslandCampina N.V., Vice-chair of the Board of Zuivelcoöperatie FrieslandCampina U.A.**

Nationality Dutch

Occupation Dairy farmer

Other positions

None

## Wietse (W.) Duursma (1979)

### Member of the Supervisory Board of Royal FrieslandCampina N.V., Member of the Board of Zuivelcoöperatie FrieslandCampina U.A.

Nationality Dutch

Occupation Dairy farmer

Other positions

None

## Betty (B.M) Eeckhaut (1977)

### Member of the Supervisory Board of Royal FrieslandCampina N.V., Member of the Board of Zuivelcoöperatie FrieslandCampina U.A.

Nationality Belgian

Occupation Farmer/dairy farmer

Other positions

None

## Trienke (T.) Elshof-Witteveen (1967)

### Member of the Supervisory Board of Royal FrieslandCampina N.V., Member of the Board of Zuivelcoöperatie FrieslandCampina U.A.

Nationality Dutch

Occupation Dairy farmer

Other positions

None

## Petri (P.H.M) Hofsté (1961)

### Member of the Supervisory Board of Royal FrieslandCampina N.V.

Nationality Dutch

Occupation Company Executive Director and Supervisory Board member

Other positions

Member of the Supervisory Board of ING Groep N.V. and Pon Holding B.V., Chair of the board of Nyenrode Foundation, Association Hendrick de Keyser and Capital Foundation, member of the board of Impact Economy Foundation and the board of Oranjefonds, member of AFM Financial Reporting and Accountancy committee and NBA stakeholders forum

## Cor (C.C.H.) Hoogeveen (1962)

### Member of the Supervisory Board of Royal FrieslandCampina N.V., Member of the Board of Zuivelcoöperatie FrieslandCampina U.A.

Nationality Dutch
Occupation Dairy farmer
Other positions
None

## Sandra (S.A.M.) Stuijk-Pelkmans (1995)

### Member of the Supervisory Board of Royal FrieslandCampina N.V., Member of the Board of Zuivelcoöperatie FrieslandCampina U.A.

Nationality Dutch
Occupation Dairy farmer
Other positions
None

## Marleen (M.) Vaesen (1959)

### Member of the Supervisory Board of Royal FrieslandCampina N.V.

Nationality Belgian
Occupation Company ExecutiveDirector
Other positions
Director at Kinepolis, director at De Eik, director at MRBB, director AIF and director UZ Leuven

## Eugène (E.) Willemsen (1967)

### Member of the Supervisory Board of Royal FrieslandCampina N.V.

Nationality Dutch
Occupation CEO PepsiCo International Beverages
Other positions
Chair U.S. Chamber's U.S.-UAE Business Program, member of advisory board of Dubai Chamber of Commerce, Chair of US-Africa Business Council at the US Chamber, and member of Executive Leadership Advisory Council of Georgetown University Dubai

### Audit and Risk Committee

Petri Hofsté, Chair

Baptiest Coopmans

Wietse Duursma

Sandra Stuijk-Pelkmans

Cor Hoogeveen

Betty Eeckhaut

### Remuneration, Nomination and Governance Committee

Baptiest Coopmans, Chair

Sybren Attema

Nils den Besten

Eugène Willemsen

Herman Bakhuis

### ESG Committee

Wietse Duursma, Chair

Petri Hofsté

Marleen Vaesen

Herman Bakhuis

Trienke Elshof-Witteveen

# Composition of the Executive Team

## Executive Board

### Jan Derck (J.D.) van Karnebeek (1967)

#### Chief Executive Officer

| | |
|---|---|
| Appointment | 1 June 2023 |
| Nationality | Dutch |
| Responsible for | Business groups<br>Corporate Communication<br>Company Secretariat & Group Legal<br>Corporate Strategy<br>Mergers & Acquisitions<br>Commercial Excellence |
| Other positions | Non-Executive Director N.S.W. BV De Eese |

### Hans (J.G.) Janssen (1967)

#### Chief Financial Officer

| | |
|---|---|
| Appointment | 1 May 2021 |
| Nationality | Dutch |
| Responsible for | Corporate Finance and Reporting, Corporate Tax, Corporate Treasury, Corporate Internal Audit, Global Business and Digital Services, Enterprise Risk Management, Corporate Real Estate, Corporate Internal Control, Corporate IT, Corporate Legal, Ethics and Compliance |
| Other positions | Member of the Supervisory Board of the TIAS School for Business and Society |

### David (D.A.) Cutter (1968)

#### Chief Supply Chain and Research & Development Officer

| | |
|---|---|
| Appointment | 3 October 2022 |
| Nationality | Australian |
| Responsible for | Corporate Supply Chain<br>Corporate Research and Development |
| Other positions | None |

### Mireille (M.) Einwachter (1979)

#### Chief Sustainability Officer

| | |
|---|---|
| Appointment | 1 August 2023 |
| Nationality | Dutch |
| Responsible for | Corporate Sustainability<br>Cooperative Affairs<br>Public Affairs |
| Other positions | Chair of Dutch Dairy Organisation (NZO), member of executive board of VNO-NCW (on behalf of NZO) |

# Other ET Members

## Patricia Snel
**Chief People Officer**

Nationality
Dutch

## Kemal Cetin
**Chief Global Business and Digital Solutions**

Nationality
Turkish and British

## Dustin Woodward
**President Europe**

Nationality
Dutch

## Tuncay Özgüner
**President Retail & Americas**

Nationality
Dutch and Turkish

## Ali Khan
**President Middle East, Pakistan & Africa**

Nationality
Pakistani

## Corine Tap
**President Asia**

Nationality
Dutch

## Anne Peter Lindeboom
**President Ingredients**

Nationality
Dutch

## Roger Loo
**President Professional**

Nationality
Dutch

## Harvey Uong
**President Specialised Nutrition**

Nationality
Filipino

As of 1 April 2026, Peter Grugeon, former CEO of Milcobel, will join the Executive Team as President Professional, succeeding Roger Loo. Roger Loo will succeed Harvey Uong as President Specialised Nutrition.

# Appendices

## GRI-tabel

| Item | Content |
|---|---|
| Statement of use | Royal FrieslandCampina N.V. has reported in accordance with the GRI Standards for the period 1 Jan – 31 Dec 2025. |
| GRI 1 used | GRI 1: Foundation 2021 |
| Sector Standard applied | GRI 13: Agriculture, Aquaculture & Fishing Sectors 2022 |
| List of material topics | 1 Climate change · 2 Biodiversity · 3 Circular packaging & waste · 4 Water · 5 Product quality & safety · 6 Own workforce · 7 Workers in the value chain · 8 Product traceability & deforestation · 9 Business conduct · 10 Nutritious & affordable products · 11 Animal health & welfare · 12 Fair relationships & pricing with (member) farmers |

| GRI Standard / other source | Disclosure | Location in report | Omission | | | |
|---|---|---|---|---|---|---|
| | | | Requirement(s) omitted | Reason | Explanation | GRI 13 ref. no. |
| **General Disclosures** | | | | | | |
| GRI 2 General Disclosures 2021 | 2-1 Organisational details | p.9<br>p.11<br>p.17<br>p.21 | A grey cell indicates something that does not apply. This only relates to the 'Omission' and 'GRI Sector Standard ref. no.' columns. | | | |
| | 2-2 Entities included in the report | p.47 | | | | |
| | 2-3 Reporting period, frequency and contact point | p.23 | | | | |
| | 2-4 Restatements of information | p.47 | | | | |
| | 2-5 External assurance | p.249 | | | | |
| | 2-6 Activities, value chain and other business relationships | p.17<br>p.21<br>p.52 | | | | |
| | 2-7 Employees | p.96 | 2-7b. iii | Information unavailable / incomplete | The required information, or part of the required information, cannot be obtained or is not of adequate quality to report. To further improve the disclosure, we will take into account the upcoming requirements from CSRD. | |
| | 2-8 Workers who are not employees | | Full requirement | Information unavailable / incomplete | The required information, or part of the required information, cannot be obtained or is not of adequate quality to report. To further improve the disclosure, we will take into account the upcoming requirements from CSRD. | |
| | 2-9 Governance structure and composition | p.127 | | | | |
| | 2-10 Nomination and selection of the highest governance body | p.127 | | | | |
| | 2-11 Chair of the highest governance body | p.265 | | | | |
| | 2-12 Role of the highest governance body in overseeing the management of impacts | p.142 | | | | |

| GRI Standard / other source | Disclosure | Location in report | Omission | | | |
|---|---|---|---|---|---|---|
| | | | Requirement(s) omitted | Reason | Explanation | GRI 13 ref. no. |
| | 2-13 Delegation of responsibility for managing impacts | p.127<br>p.128 | | | | |
| | 2-14 Role of the highest governance body in sustainability reporting | p.127<br>p.128 | | | | |
| | 2-15 Conflicts of interest | p.133 | | | | |
| | 2-16 Communication of critical concerns | p.131 | | | | |
| | 2-17 Collective knowledge of the highest governance body | p.129 | | | | |
| | 2-18 Evaluation of the performance of the highest governance body | p.130 | | | | |
| | 2-19 Remuneration policies | p.144 | | | | |
| | 2-20 Process to determine remuneration | p.144 | | | | |
| | 2-21 Annual total compensation ratio | p.145 | | | | |
| | 2-22 Statement on sustainable development strategy | p.43 | | | | |
| | 2-23 Policy commitments | p.53 | | | | |
| | 2-24 Embedding policy commitments | p.53 | | | | |
| | 2-25 Processes to remediate negative impacts | p.53 | | | | |
| | 2-26 Mechanisms for seeking advice and raising concerns | p.114 | | | | |
| | 2-27 Compliance with laws and regulations | | Full requirement | Not applicable | Based on our Double Materiality Assessment (DMA), this disclosure is not relevant to RFC's impacts as other impacts are deemed more severe. | |
| | 2-28 Membership associations | p.50 | | | | |
| | 2-29 Approach to stakeholder engagement | p.49 | | | | |
| | 2-30 Collective bargaining agreements | p.98 | 2-30b | Not applicable | Based on our Double Materiality Assessment (DMA), this disclosure is not relevant to RFC's impacts as other impacts are deemed more severe. | |

| GRI Standard / other source | Disclosure | Location in report | Omission | | | GRI 13 ref. no. |
|---|---|---|---|---|---|---|
| | | | Requirement(s) omitted | Reason | Explanation | |
| **Material Topics** | | | | | | |
| GRI 3 Material Topics 2021 | 3-1 Process to determine material topics | p.48 | | | | |
| | 3-2 List of material topics | p.51<br>p.53 | | | | |
| **1 Climate change** | | | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | p.57 | | | | 13.1.1 |
| GRI 305 Emissions 2016 | 305-1 Direct (Scope 1) GHG | p.60 | | | | 13.1.2 |
| | 305-2 Energy-indirect (Scope 2) GHG | p.60 | | | | 13.1.3 |
| | 305-3 Other indirect (Scope 3) GHG | p.60 | | | | 13.1.4 |
| | 305-4 GHG intensity | p.60 | | | | 13.1.5 |
| | 305-5 Reduction of GHG | p.58 | | | | 13.1.6 |
| | 305-6 Emissions of ozone-depleting substances (ODS) emissions | | Full requirement | Not applicable | Based on our Double Materiality Assessment (DMA), this disclosure is not relevant to RFC's impacts as other impacts are deemed more severe. | 13.1.7 |
| | 305-7 NOx, SOx & other air emissions | | Full requirement | Not applicable | Based on our Double Materiality Assessment (DMA), this disclosure is not relevant to RFC's impacts as other impacts are deemed more severe. | 13.1.8 |
| GRI 302 Energy 2016 | 302-1 Energy consumption within the organisation | p.61 | 302-1d | Not applicable | Based on our Double Materiality Assessment (DMA), this disclosure is not relevant to RFC's impacts as other impacts are deemed more severe. | |
| | 302-2 Energy consumption outside of the organisation | | Full requirement | Not applicable | Based on our Double Materiality Assessment (DMA), this disclosure is not relevant to RFC's impacts as other impacts are deemed more severe. | |
| | 302-3 Energy intensity | p.61 | | | | |

| GRI Standard / other source | Disclosure | Location in report | Omission | | | GRI 13 ref. no. |
|---|---|---|---|---|---|---|
| | | | Requirement(s) omitted | Reason | Explanation | |
| | 302-4 Reduction of energy consumption | p.61 | Full requirement | Information unavailable / incomplete | In the annual report, we explain the total reduction. | |
| | 302-5 Reductions of energy requirements of products and services | | Full requirement | Not applicable | Based on our Double Materiality Assessment (DMA), this disclosure is not relevant to RFC's impacts as other impacts are deemed more severe. | |
| **2 Biodiversity** | | | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | p.65 | | | | 13.3.1 |
| GRI 101 Biodiversity 2024 | 101-1 Policies to halt and reverse biodiversity loss | p.66 | | | | |
| | 101-2 Management of biodiversity impacts | p.67 | | | | |
| | 101-3 Access and benefit-sharing | | Full requirement | Not applicable | Based on our Double Materiality Assessment (DMA), this disclosure is not relevant to RFC's impacts as other impacts are deemed more severe. | |
| | 101-4 Identification of biodiversity impacts | p.65 | | | | |
| | 101-5 Locations with biodiversity impacts | p.67 | 101-5a / 101-5b / 101-5c | Not applicable | Based on our Double Materiality Assessment (DMA), this disclosure is not relevant to RFC's impacts as other impacts are deemed more severe. | |
| | 101-6 Direct drivers of biodiversity loss | p.67 | 101-6a / 101-6b / 101-6c / 101-6d | Not applicable | Based on our Double Materiality Assessment (DMA), this disclosure is not relevant to RFC's impacts as other impacts are deemed more severe. | |
| | 101-7 Changes to the state of biodiversity | | Full requirement | Not applicable | Based on our Double Materiality Assessment (DMA), this disclosure is not relevant to RFC's impacts as other impacts are deemed more severe. | |

| GRI Standard / other source | Disclosure | Location in report | Omission | | | GRI 13 ref. no. |
|---|---|---|---|---|---|---|
| | | | Requirement(s) omitted | Reason | Explanation | |
| | 101-8 Ecosystem services | | Full requirement | Not applicable | Based on our Double Materiality Assessment (DMA), this disclosure is not relevant to RFC's impacts as other impacts are deemed more severe. | |
| **3 Circular packaging & waste** | | | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | p.81 | | | | 13.8.1 |
| Own indicator | Recyclable packaging / Sustainable materials | p.82 | | | | |
| GRI 306 Waste 2020 | 306-1 Waste generation and significant waste-related impacts | | Full requirement | Information unavailable / incomplete | The required information, or part of the required information, cannot be obtained or is not of adequate quality to report. To further improve the disclosure, we will take into account the upcoming requirements from CSRD. | 13.8.2 |
| | 306-2 Management of significant waste-related impacts | | Full requirement | Information unavailable / incomplete | The required information, or part of the required information, cannot be obtained or is not of adequate quality to report. To further improve the disclosure, we will take into account the upcoming requirements from CSRD. | 13.8.3 |
| | 306-3 Waste generated | | Full requirement | Information unavailable / incomplete | The required information, or part of the required information, cannot be obtained or is not of adequate quality to report. To further improve the disclosure, we will take into account the upcoming requirements from CSRD. | 13.8.4 |

| GRI Standard / other source | Disclosure | Location in report | Omission | | | |
|---|---|---|---|---|---|---|
| | | | Requirement(s) omitted | Reason | Explanation | GRI 13 ref. no. |
| | 306-4 Waste diverted from disposal | | Full requirement | Not applicable | Based on our Double Materiality Assessment (DMA), this disclosure is not relevant to RFC's impacts as other impacts are deemed more severe. | 13.8.5 |
| | 306-5 Waste directed to disposal | | Full requirement | Not applicable | Based on our Double Materiality Assessment (DMA), this disclosure is not relevant to RFC's impacts as other impacts are deemed more severe. | 13.8.6 |
| **4 Water** | | | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | p.71 | | | | 13.7.1 |
| GRI 303 Water & Effluents 2018 | 303-1 Interactions with water as a shared resource | p.71 | | | | 13.7.2 |
| | 303-2 Management of water discharge-related impacts | | Full requirement | Not applicable | Based on our Double Materiality Assessment (DMA), this disclosure is not relevant to RFC's impacts as other impacts are deemed more severe. | 13.7.3 |
| | 303-3 Water withdrawal | p.71 | 303-3c | Not applicable | Based on our Double Materiality Assessment (DMA), this disclosure is not relevant to RFC's impacts as other impacts are deemed more severe. | 13.7.4 |
| | 303-4 Water discharge | | Full requirement | Not applicable | Based on our Double Materiality Assessment (DMA), this disclosure is not relevant to RFC's impacts as other impacts are deemed more severe. | 13.7.5 |
| | 303-5 Water consumption | | Full requirement | Not applicable | Based on our Double Materiality Assessment (DMA), this disclosure is not relevant to RFC's impacts as other impacts are deemed more severe. | 13.7.6 |

| GRI Standard / other source | Disclosure | Location in report | Omission | | | GRI 13 ref. no. |
|---|---|---|---|---|---|---|
| | | | Requirement(s) omitted | Reason | Explanation | |
| **5 Product quality & safety** | | | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | p.93 | | | | 13.10.1 |
| GRI 416 Customer Health & Safety 2016 | 416-1 Assessment of the health and safety impacts of product and service categories | p.93 | | | | 13.10.2 |
| | 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services | | Full requirement | Information unavailable / incomplete | The required information, or part of the required information, cannot be obtained or is not of adequate quality to report. To further improve the disclosure, we will take into account the upcoming requirements from CSRD. | 13.10.3 |
| Own Indicator | Consumer and customer complaints ratio | p.94 | | | | |
| **6 Own workforce** | | | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | p.96 | | | | |
| GRI 401 Employment 2016 | 401-1 New hires and employee turnover | p.99 | 401-1 a | Information unavailable / incomplete | The required information, or part of the required information, cannot be obtained or is not of adequate quality to report. To further improve the disclosure, we will take into account the upcoming requirements from CSRD. | |
| | 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees | | Full requirement | Not applicable | Based on our Double Materiality Assessment (DMA), this disclosure is not relevant to RFC's impacts as other impacts are deemed more severe. | |
| | 401-3 Parental leave | | Full requirement | Not applicable | Based on our Double Materiality Assessment (DMA), this disclosure is not relevant to RFC's impacts as other impacts are deemed more severe. | |

| GRI Standard / other source | Disclosure | Location in report | Omission | | | |
|---|---|---|---|---|---|---|
| | | | Requirement(s) omitted | Reason | Explanation | GRI 13 ref. no. |
| GRI 403 OHS 2018 | 403-1 Occupational health and safety management system | p.103 | | | | 13.19.2 |
| | 403-2 Hazard identification, risk assessment and incident investigation | | Full requirement | Information unavailable / incomplete | The required information, or part of the required information, cannot be obtained or is not of adequate quality to report. To further improve the disclosure, we will take into account the upcoming requirements from CSRD. | 13.19.3 |
| | 403-3 Occupational health services | | Full requirement | Information unavailable / incomplete | The required information, or part of the required information, cannot be obtained or is not of adequate quality to report. To further improve the disclosure, we will take into account the upcoming requirements from CSRD. | 13.19.4 |
| | 403-4 Worker participation, consultation and communication on occupational health and safety | p.104 | 403-4b | Not applicable | Based on our Double Materiality Assessment (DMA), this disclosure is not relevant to RFC's impacts as other impacts are deemed more severe. | 13.19.5 |
| | 403-5 Worker training on occupational health and safety | p.104 | | | | 13.19.6 |
| | 403-6 Promotion of worker health | | Full requirement | Not applicable | Based on our Double Materiality Assessment (DMA), this disclosure is not relevant to RFC's impacts as other impacts are deemed more severe. | 13.19.7 |
| | 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | | Full requirement | Not applicable | Based on our Double Materiality Assessment (DMA), this disclosure is not relevant to RFC's impacts as other impacts are deemed more severe. | 13.19.8 |

| GRI Standard / other source | Disclosure | Location in report | Omission | | | GRI 13 ref. no. |
|---|---|---|---|---|---|---|
| | | | Requirement(s) omitted | Reason | Explanation | |
| | 403-8 Workers covered by an occupational health and safety management system | p.104 | | | | 13.19.9 |
| | 403-9 Work-related injuries | | Full requirement | Not applicable | Based on our Double Materiality Assessment (DMA), this disclosure is not relevant to RFC's impacts as other impacts are deemed more severe. | 13.19.10 |
| | 403-10 Work-related ill health | | Full requirement | Not applicable | Based on our Double Materiality Assessment (DMA), this disclosure is not relevant to RFC's impacts as other impacts are deemed more severe. | 13.19.11 |
| GRI 405 Diversity & Equal Opportunity 2016 | 405-1 Diversity of governance bodies and employees | p.100 | | | | 13.15.2 |
| | 405-2 Ratio of basic salary and remuneration of women to men | p.101 | | | | 13.15.3 |
| GRI 406 Non-discrimination 2016 | 406-1 Incidents of discrimination & corrective actions | p.116 | 406-1b | Information unavailable / incomplete | The required information, or part of the required information, cannot be obtained or is not of adequate quality to report. To further improve the disclosure, we will take into account the upcoming requirements from CSRD. | 13.15.4 |
| GRI 407 Freedom of Association & Collective Bargaining 2016 | 407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk | | Full requirement | Information unavailable / incomplete | The required information, or part of the required information, cannot be obtained or is not of adequate quality to report. To further improve the disclosure, we will take into account the upcoming requirements from CSRD. | 13.18.2 |
| GRI 408 Child Labour 2016 | 408-1 Operations and suppliers at significant risk for incidents of child labour | p.106 | | | | 13.17.2 |
| GRI 409 Forced or Compulsory Labour 2016 | 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour | p.106 | | | | 13.16.2 |

| GRI Standard / other source | Disclosure | Location in report | Omission | | | GRI 13 ref. no. |
|---|---|---|---|---|---|---|
| | | | Requirement(s) omitted | Reason | Explanation | |
| **7 Workers in the value chain** | | | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | p.105 | | | | |
| GRI 408 Child Labour 2016 | 408-1 Operations and suppliers at significant risk for incidents of child labour | p.106 | | | | 13.17.2 |
| GRI 409 Forced or Compulsory Labour 2016 | 409-1 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour | p.106 | | | | 13.16.2 |
| **8 Product traceability & deforestation** | | | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | p.73<br>p.77 | | | | 13.23.1 |
| Own indicator | Certifications of source for high-risk commodities | p.77 | | | | |
| **9 Business conduct** | | | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | p113 | | | | 13.26.1 |
| GRI 205 Anti-corruption 2016 | 205-1 Operations assessed for risks related to corruption | p.113 | | | | 13.26.2 |
| | 205-2 Communication and training about anti-corruption policies and procedures | p.114 | 205-2a / 205-2b / 205-2c / 205-2d | Information unavailable / incomplete | The required information, or part of the required information, cannot be obtained or is not of adequate quality to report. To further improve the disclosure, we will take into account the upcoming requirements from CSRD. | 13.26.3 |
| | 205-3 Confirmed incidents of corruption and actions taken | p.116 | 205-3c / 205-3d | Not applicable | Based on our Double Materiality Assessment (DMA), this disclosure is not relevant to RFC's impacts as other impacts are deemed more severe. | 13.26.4 |

| GRI Standard / other source | Disclosure | Location in report | Omission | | | |
|---|---|---|---|---|---|---|
| | | | Requirement(s) omitted | Reason | Explanation | GRI 13 ref. no. |
| **10 Nutritious & affordable products** | | | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | p.87 | | | | 13.10.1 |
| Own indicator | Share of sold volume of consumer products that contain proteins, calcium and/or other minerals and vitamins and that comply with the FrieslandCampina Nutrition Standards | p.88 | | | | |
| Own indicator | Portfolio balance of consumer products intended for daily use or occasional use | p.90 | | | | |
| **11 Animal health & welfare** | | | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | p.78 | | | | 13.11.1 |
| Own indicator | Average lifespan of cows | p.78 | | | | |
| Own indicator | % member dairy farmers with average lifespan above 2018 average | p.78 | | | | |
| **12 Fair relationships & pricing with (member) farmers** | | | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | p.107<br>p.108 | | | | |
| Own indicator | Milk price member farmers | p.107 | | | | |
| | Number of local dairy farmers trained | p.108 | | | | |

**Topics in the applicable GRI Sector Standards determined as not material (GRI 13: Agriculture, Aquaculture and fishing sectors 2022)**

| Item | Content |
|---|---|
| 13.6 Pesticides use | Based on our DMA, this disclosure is not relevant to RFC's impacts as other impacts are deemed more severe. |
| 13.12 Local communities | Based on our DMA, this disclosure is not relevant to RFC's impacts as other impacts are deemed more severe. |
| 13.13 Land & resource rights | Based on our DMA, this disclosure is not relevant to RFC's impacts as other impacts are deemed more severe. |
| 13.14 Rights of Indigenous Peoples | Based on our DMA, this disclosure is not relevant to RFC's impacts as other impacts are deemed more severe. |
| 13.22 Economic inclusion | Based on our DMA, this disclosure is not relevant to RFC's impacts as other impacts are deemed more severe. |
| 13.24 Public policy | Based on our DMA, this disclosure is not relevant to RFC's impacts as other impacts are deemed more severe. |
| 13.25 Anti-competitive behaviour | Based on our DMA, this disclosure is not relevant to RFC's impacts as other impacts are deemed more severe. |

# Explanatory notes

The annual report of Royal FrieslandCampina N.V. sets out the financial results and the developments and results relating to value creation and ESG in 2025. The annual report was drawn up on 31 December 2025. The consolidated financial statements are prepared in accordance with the International Financial Reporting Standards as adopted in the European Union (EU-IFRS) and, where applicable, in accordance with Part 9, Book 2 of the Dutch Civil Code. The report is prepared in accordance with the Global Reporting Initiative (GRI) Standards (2021) and the internally used criteria for non-financial KPIs, as set out in the ESG Report (see page 42 to 117).

The 2025 milk price that the members of Zuivelcoöperatie FrieslandCampina U.A. received for the milk they supplied was determined on the basis of the FrieslandCampina 2023-2025 milk price regulation.

All amounts in this annual report are in euros, unless stated otherwise.

For more information about FrieslandCampina's developments and results, visit www.frieslandcampina.com

This annual report is a translation of the Dutch version. In case of discrepancies between versions, the Dutch text prevails. The annual report of Royal FrieslandCampina N.V. is also available on its website, www.frieslandcampina.com

The following terms, among others, are used in this annual report:

- Royal FrieslandCampina N.V. (the 'Company' or 'FrieslandCampina')
- Zuivelcoöperatie FrieslandCampina U.A. (the 'Cooperative')
- Supervisory Board of the Company (the 'Supervisory Board')
- Executive Board of the Company (the 'Executive Board')

# Colophon

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