



FrieslandCampina 
nourishing by nature

FrieslandCampina Tax Governance Report 2025



FrieslandCampina 
nourishing by nature

1. Introduction

The cows' health and welfare are the basis for high-quality milk. Day after day, FrieslandCampina's member dairy farmers look after their cows and young livestock, and work on making their farming operations more sustainable.

FrieslandCampina wants to have a positive impact on farmers, communities, and the planet. This means FrieslandCampina pursues social and environmental goals in addition to business goals. FrieslandCampina takes its tax payment obligations seriously and we consider our tax payments as a significant contribution to the communities in which we operate, and an integral part of our social value creation.

Tax legislation and regulations

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

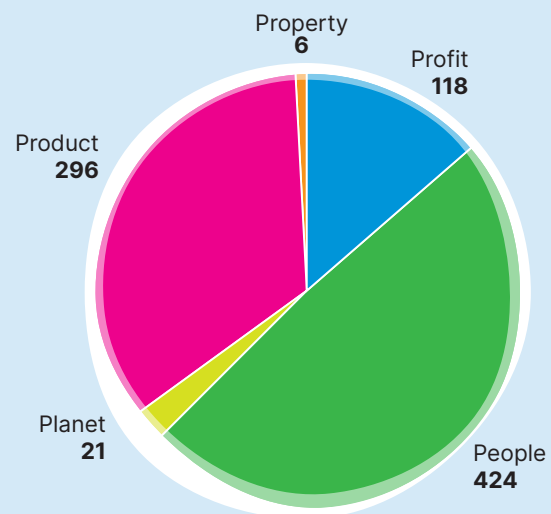
The Dutch Tax Governance Code was developed by the Confederation of Netherlands Industry and Employers (VNO-NCW) and is supported by several organisations in response to social pressure for responsible tax behaviour by companies. Among other things, this Code is designed to increase transparency on the tax position of Dutch (listed) companies and has now been embraced by more than 40 major Dutch multinationals. FrieslandCampina also endorses this Code and reports in accordance with the Tax Governance Code.

2. Total tax contribution 2025

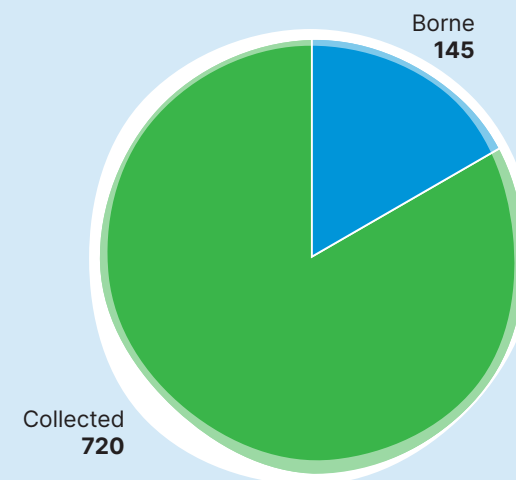
The total tax contributions amounted to EUR 865 million in 2025.

- **'Profit' taxes (borne):** Corporate income tax and withholding tax.
- **'People' taxes (collected):** Wage tax incl. social securities.
- **'Product' taxes - collected:** Value added tax/global sales tax, excise duties and customs.
- **'Property' taxes (borne):** Local property taxes.
- **'Planet' taxes - borne):** Taxes and duties levied on the supply production, use or consumption of goods or services which are potentially harmful to the environment such as packaging taxes and environmental taxes.

Taxes paid
(x million euro)



Split taxes borne vs collected
(x million euro)



3. Country overview income taxes

In 2025, we reported an effective corporate income tax rate of 23.9% and a cash tax rate of 25.8%¹. In below overview various income tax ('Profit') data has been included per country following from the 2025 country-by-country reporting of the ultimate parent entity Zuivelcoöperatie FrieslandCampina UA. Consolidated data has been used and may deviate from the statutory local financials.

The amounts in below table are presented in millions of euros (EUR) and includes all countries where FrieslandCampina reports revenues of EUR 5.000.000 or higher. Some countries show no corporate tax paid as these usually have experienced a loss either in the current period, or previous periods and local tax legislation allows offsetting of these carried forward losses against profits in later years.

Country	Financials		Activities		
	Income tax paid	Income tax expense	Production	Sales	HQ
Netherlands	14	13	✓	✓	✓
China	29	28		✓	
Germany	22	17	✓	✓	
Indonesia	4	3	✓	✓	
Belgium	12	13	✓	✓	
Thailand	12	12	✓	✓	
Malaysia	5	3	✓	✓	
Pakistan	7	5	✓	✓	
Philippines	2	4	✓	✓	
France	1	2		✓	
Hungary	2	2	✓	✓	
Greece	- 3	- 3	✓	✓	
Spain	0	1	✓	✓	
India	0	0	✓	✓	
Nigeria	2	3	✓	✓	
Romania	1	1	✓	✓	
Hong Kong ²	1	1		✓	
Italy	1	1		✓	
United Kingdom	1	1		✓	
United States of America	3	2	✓	✓	
Saudi Arabia	0	0		✓	
Japan	0	0		✓	
Morocco	0	0		✓	
Vietnam	0	0	✓	✓	
Poland	0	0		✓	
Ghana	0	0	✓	✓	
Ivory Coast	0	0	✓	✓	
United Arab Emirates	0	1		✓	✓
Singapore	0	0			✓
Total	112	110			

¹ The effective and paid tax rate is based on the profit before tax reported by Zuivelcoöperatie FrieslandCampina U.A. and on the income tax paid and income tax expense as stated in the country-by-country report.

² Special administrative region of the People's Republic of China.

4. Compliance with the VNO NCW Tax governance code

Tax Governance Code	Comply or Explain	Explanation
A. Approach to tax: Tax Strategy & Tax principles <i>The company sees tax not as a cost factor only, but as a means for social economic cohesion, sustainable growth and long-term prosperity.</i>		
A.1. The company's approach to tax is based on a tax strategy and set of principles approved by the board of directors, the supervisory board, or delegated sub-committee (the board).	Comply	Our approach to tax is stated in paragraph 1 'Introduction' and endorsed by the Executive Board.
A.2. The company reports at least annually to the board on tax risks and adherence to the tax strategy and principles.	Comply	
A.3. The company's tax strategy and principles apply to all group entities.	Comply	Our tax strategy applies to all of our subsidiaries worldwide.
A.4. The company's tax principles apply to how the company operates in its relationships with employees, customers and contractors.	Comply	With reference to paragraph 1 'Introduction', 'our approach to tax' aligns with our Code of Conduct Compass which is published on our website. Compass applies to all employees, temporary workers and contractors working on a Compass location.
B. Accountability & Tax Governance <i>Tax is a core part of corporate social responsibility and governance and is overseen by the board.</i>		
B.1. The board is accountable for the tax strategy, principles and tax risk management.	Comply	The tax policy and tax strategy are approved by the executive board of RFC.
B.2. The company has a tax control framework that sets out the tax controls and risk management.	Comply	Reference is made to paragraph 1 'Introduction'.
B.3. Internal or external auditors regularly review the company's tax controls as part of the audit of its financial results.	Comply	In the Internal Control Framework (ICF) of FrieslandCampina tax controls are included, which are risk based allocated to entities and Corporate Tax. On periodic basis Enterprise Governance, Risk & Compliance (EGRC) assesses if the controls have operated effectively and results of these assessments are reported to the EB and Audit & Risk Committee. For a part of the ICF controls the external auditor is making use of the ICF assessments performed by EGRC, besides (substantive) audit procedures they perform themselves. Furthermore, internal audit is reviewing the company's tax controls during audits performed by them once in approximately 2-5 years.

Tax Governance Code	Comply or Explain	Explanation
C. Tax Compliance <i>The company is committed to comply with the letter, the intent and the spirit of the tax legislation of the countries in which it operates and to pay the right amount of tax at the right time.</i>		
C.1. The company prepares and files all tax returns required, providing complete, accurate and timely disclosures to all relevant tax authorities.	Comply	Reference is made to paragraph 1 'Introduction'.
C.2. The company's responsible tax planning is based on reasonable interpretations of applicable law and is aligned with the substance of the economic and commercial activity of its business.	Comply	Reference is made to paragraph 1 'Introduction'.
C.3. The company will not undertake transactions or engage in arrangements of which the sole purpose is to create a tax benefit that is in excess of a reasonable interpretation of relevant tax rules.	Comply	Reference is made to paragraph 1 'Introduction'.
C.4. The company will only claim tax incentives in line with the policy intent of such tax incentives and provided such incentives are generally available.	Comply	Reference is made to paragraph 1 'Introduction'.
C.5. If the company seeks certainty in advance from tax authorities to confirm an applicable tax treatment, it does so based on full disclosure of all relevant facts and circumstances.	Comply	Reference is made to paragraph 1 'Introduction' where is explained how RFC seeks certainty in advance with tax authorities.
D. Business structure <i>The company will only use business structures that are driven by commercial considerations, are aligned with business activity and have genuine substance.</i>		
D.1. The company does not use so-called tax havens for tax avoidance. All entities in tax havens exist for substantive and commercial reasons.	Comply	Reference is made to paragraph 1 'Introduction'.
D.2. The company pays tax on profits according to where value is created within the normal course of commercial activity.	Comply	Reference is made to paragraph 1 'Introduction'.
D.3. The company uses the arm's length principle, in line with guidelines issued by the OECD, and applies this consistently across its businesses, contingent on local laws.	Comply	Reference is made to paragraph 1 'Introduction'.

Tax Governance Code	Comply or Explain	Explanation
E: Relationships with Tax authorities and Other External Stakeholders <i>Mutual respect, transparency and trust drive the company's relationships with tax authorities and other relevant external stakeholders.</i>		
E.1. The company seeks to develop cooperative relationships with tax authorities, and relevant other authorities, based on mutual respect, transparency and trust.	Comply	Reference is made to paragraph 1 'Introduction'.
E.2. The company seeks to engage constructively in national and international dialogue with governments, business groups and civil society to support the development of effective tax systems, legislation and administration.	Comply	RFC is participating in tax groups at VNO-NCW which group is engaged in dialogues on development and changes in (international) tax laws and regulations
E.3. The company will work collaboratively with tax authorities to achieve early agreement on disputed issues and certainty on a real-time basis, wherever possible. Where there is controversy, the company will strive to resolve the controversy by applying these principles.	Comply	Reference is made to paragraph 1 'Introduction'.
F: Tax Transparency & Reporting <i>The company regularly provides information to its stakeholders, including investors, policy makers, employees, civil society and the general public, about its approach to tax and taxes paid. The company will therefore publish the following information:</i>		
F.1. A tax strategy or policy and its tax risk management strategy.	Comply	Reference is made to paragraph 1 'Introduction'.
F.2. A list of entities, with ownership information and a brief explanation of the type and geographic scope of activities.	Comply	Reference is made to chapter 13.7 of the 2025 Annual Report for a list of the principal subsidiaries, joint ventures and associates.
F.3. Annual information on the corporate income tax the company accrues and pays on a cash basis at a country level.	Comply	Reference is made to paragraph 3 'Country overview income taxes'.
F.4. The total tax borne and collected by the company, globally or per country, including corporate income taxes, property taxes, (non-creditable) VAT and other sales taxes, employer/employee related taxes, and other taxes that constitute costs to the company or are remitted by the company on behalf of customers or employees, by category of taxes.	Comply	Reference is made to paragraph 2 for an overview of the total tax borne and collected by RFC globally incl. by category of taxes.
F.5. Information on financially material tax incentives (e.g. tax holidays), including an outline of the incentive requirements and when it expires.	Explain	Reference is made to paragraph 1 'Introduction'. The tax incentives claimed by FrieslandCampina are in line with business operations and goals and are generally available.
F.6. An outline of the advocacy approach the company takes on tax issues, the channels through which the company engages in regard to policy development, and the overall purpose of its engagement.	Comply	RFC is participating in tax groups at VNO-NCW which group is engaged in dialogues on development and changes in (international) tax laws and regulations.

5. Basis of preparation, policies and notes

Basis of preparation

- All amounts are presented in Euro. This is the functional currency of the company.
- All amounts are rounded to the nearest million, unless stated otherwise.
- The report is based on International Financial Reporting Standards (IFRS) and OECD country-by-country reporting guidance.

General policies

- A product tax refund is a repayment of tax already paid and not part of the total tax contribution.
- VAT, Wage tax and social securities (employer and employee) are regarded fully as tax collected;
- Other payments made to government for the return of value to the company for a right or asset used in business are to be determined and therefore not part of the 2025 reporting.
- Total tax contributions reported on cash basis for income taxes (profit tax) and taxes collected.
- Other less material taxes borne are reported on accrual basis.

Countries and subsidiaries

A list of the principal subsidiaries, joint ventures and associates is included in chapter 13.7 of the company's (consolidated) Group financial statements.

Independent auditor's report

The total tax contribution numbers are unaudited.