

Report of the Supervisory Board

The Supervisory Board is an independent body of the Company responsible for supervising and advising the Executive Board. In addition, the Supervisory Board oversees general business progress, the long-term sustainable value creation strategy and the operational performance of the company. In this respect, the Board also focuses on the effectiveness of the Company's internal risk management and control systems and the integrity and quality of the financial and non-financial reporting. In the performance of its duties, the Supervisory Board is led by the interests of the Company and its associated companies, and takes the relevant interests of all parties involved in the company into consideration in this respect. During the year under review, the Supervisory Board (the 'Board') carried out its tasks in accordance with the 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

During the year under review, the Supervisory Board of the Company consisted of internal members, being those members who are also members of the Board of Zuivelcoöperatie FrieslandCampina U.A., and external members. Effective 12 December 2023, an internal member of Zuivelcoöperatie FrieslandCampina U.A. (the Cooperative) who is not a member of the Board of the Cooperative was appointed to the Supervisory Board. All external 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 16 February 2024 is shown on page 232 and 233.

Pursuant to its profile sketch, the Supervisory Board is considered justly composed when it consists of five internal members and four external members. The five internal members must consist of at least three and, at most, five members of the Board of the Cooperative, including the Chair, and a maximum of two members of the Cooperative who are not members of the Board of the Cooperative. The selected composition reflects the dominance of internal members within the Supervisory Board. Effective 12 December 2023, Angelien Kemna (external member of the

Supervisory Board and financial expert) and Hans Stöcker (internal member of the Supervisory Board, as well as member of the Board of the Cooperative) stepped down due to the expiry of their term. The Board is very grateful to Angelien Kemna and Hans Stöcker for their valuable contributions to its deliberations, whereby their knowledge and experience were of great value. Effective 12 December 2023, Petri Hofsté was appointed to the Supervisory Board as an external member and, as financial expert, she succeeded Angelien Kemna as Chair of the Audit and Risk Committee of the Supervisory Board. On this date, she was also appointed member of the Sustainability Committee. Effective 12 December 2023, Sandra Berendsen was appointed internal member of the Supervisory Board. She was member of the Supervisory Board, as well as of the Board of the Cooperative up until 13 December 2022. After she stepped down, the Supervisory Board, in view of the number of changes within the Audit and Risk Committee, her broad experience with FrieslandCampina, her financial background and experience with Audit and Risk Committee-related matters, appointed her External Advisor. Effective 12 December 2023, she was appointed for a third two-year term as a member of the Supervisory Board and as of that same date was also appointed member of the Audit and Risk Committee. Effective 12 December 2023, Heiko Schipper was appointed as an external Supervisory Board member for a second four-year term.

Roster of appointments and retirements of the Supervisory Board (as at 16 February 2024)

	Start date of initial term	Reappointed for new term in December	Expiry of current term: in December
J.W. Berendsen*	16 December 2014	2018, 2023	2025
S.S.U. Attema**	12 November 2021		12 November 2025
N. den Besten***	7 October 2021		7 October 2025
H.T.J. Hettinga	20 December 2016	2020	2024
E. Jellema	17 December 2019	2023	2027
H.W.J. Schipper#	17 December 2019	2023	2027
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). A Supervisory Board member who in his/her third term is Chair of the Board, is eligible for reappointment for another two-year term that can be extended once by another two years (4+4+2+2+2).

External Supervisory Board member, not being a member of the Board of Zuivelcoöperatie FrieslandCampina U.A.

* J.W. Berendsen's second term Expired in December 2022. J.W. Berendsen was reappointed for a two-year term as of 12 December 2023.

** S.S.U. Attema was appointed on 12 November 2021 for a four-year term that expires on 12 November 2025.

*** 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.

Diversity, equity and inclusion

The aim is to achieve a balanced composition of the Supervisory Board, with a combination of different experiences, backgrounds, skills and independence of its members. This would best enable the Supervisory Board to discharge its various obligations in relation to the Company and its stakeholders. The intent in this respect is to achieve a diverse, inclusive composition whereby there is equal treatment and equality. The objective is to achieve a balanced ratio of men and women on the Supervisory Board. The target in this respect is to have at least one-third of the seats on the Supervisory Board occupied by women and at least one-third by men. With three female members out of a total of nine positions up until 12 December 2023 and four female members out of a total of nine positions effective from 12 December 2023,

the Supervisory Board's composition is in line with the objectives of having a balanced participation of men and women as set out in the Policy for Diversity, Equity and Inclusion.

Meetings of the Supervisory Board

The Supervisory Board met eleven times during the year under review. Apart from the regular meetings there was also contact among members of the Supervisory Board, as well as with members of the Executive Board and the Executive Leadership Team, which as of 1 October 2023 was renamed Executive Team. To prepare for the meetings, the Chair and Vice-chair of the Supervisory Board, and Elze Jellema, Vice-chair of the Board of the Cooperative, regularly spoke with the CEO and CFO, among others. During the year, the Board also met a number of times outside the regular meeting cycle to discuss strategy updates. Following the 30 January 2023 announcement of Hein Schumacher's departure as CEO, multiple meetings were held at times with a reduced composition of the Supervisory Board, and various matters were prepared by the RNGCo. On 17 March 2023, following an intensive recruitment and selection process, it was announced that Jan Derck van Karnebeek would be succeeding Hein Schumacher as CEO of FrieslandCampina effective 1 June 2023. On 19 September 2023, it was announced that FrieslandCampina was planning to change the executive structure of the Executive Board and the Executive Team in order to improve business

performance. This topic was extensively discussed on multiple occasions with the Supervisory Board.

Like 2022, 2023 was very much characterised by unprecedented high inflation and the subsequent loss of consumer purchasing power. In the first half of the year in particular, the milk price paid to the cooperative's member dairy farmers on the basis of FrieslandCampina's milk pricing methodology was significantly higher than the considerably declined market prices for commodity dairy products, such as cheese and butter. This meant that stocks had to be sold in a declining dairy market. Furthermore, volumes declined as a result of declining markets due to the loss of purchasing power and a shift in consumer spending towards private labels. The results of the Food & Beverage and Trading business groups were hit hardest by this, particularly in the first half of 2023. The Supervisory Board at every meeting was updated on these developments and challenges, as well as the mitigating measures that were taken, such as the implemented price increases.

The Supervisory Board, for example during its visit to various production facilities and other locations in Belgium, elaborately discussed the improvements and standardisation that must be implemented in the supply chain as part of the Performance+ programme, in order to reduce costs. In addition, on multiple occasions, the Board extensively discussed updates of the

Expedition 2030 strategy, as well as the new structure of the business groups, staff departments and research and development that went into effect on 1 January 2024.

The specific strategies for each business group and the cost structure that best fit the respective business groups and supporting staff departments was discussed at the same time. There were extensive discussions with the Executive Board and other members of the Executive Team about the need to integrally improve milk valorisation, the specific implementation of the milk valorisation strategy and the associated potential risks. On 12 December 2023, FrieslandCampina announced that it intended to reduce costs by eliminating over 1,800 jobs worldwide over the next two years, of which approximately 1,200 in 2024. These cost savings were extensively discussed with the Board and are meant to enable FrieslandCampina to once again pay a leading milk price to the Cooperative's member dairy farmers. The impact on employees caused by this loss in jobs and how employees must be informed and counselled as effectively as possible, was also discussed with the Supervisory Board. In view of the major impact on employees and employment, the Central Works Council was also consulted. The Board recognises this impact, but has supported the Executive Board in this intervention in order to better compete in the market, which ultimately is in the interest of the Cooperative's employees and member dairy farmers.

During the year under review, the Sustainability Committee provided feedback about the integrated Nourishing a better planet sustainability programme, as well as the On the road to climate-neutral dairy climate plan, in a number of Board meetings. FrieslandCampina aims to produce net climate-neutral dairy by 2050 at the latest. In April 2023, the Climate Plan was evaluated and progress made on reducing greenhouse gas emissions was reported.

The Company's financing was also elaborately discussed. In December 2022, the Board had approved a mandate to refinance loans that are due to expire in 2023 and 2024. In April 2023, FrieslandCampina successfully issued a 300 million euro Schuldschein linked to ESG goals. In November 2023, FrieslandCampina signed an agreement for the issue of private loans in support of long-term financing valued at 400 million euros and USD 100 million in the form of issued ESG-linked notes on the US Private Placement market. These USPP notes were issued in February 2024. As such there is a clear link between the Company's financing and the achievement of climate targets.

The more regular topics were also discussed during the meetings. The financial position, the objectives for the coming year, partnerships, a major investment proposal, the progress of major investment projects, such as the plants being built in Indonesia and Malaysia, and

internal risk management received due attention. The Board was informed of and approved the internal auditor's Audit Plan and activities. In February of the year under review, the 2022 financial statements and the text of the Annual Report were discussed with the Executive Board and the external auditor, and approved by the Supervisory Board. The report concerning the findings for the first half-year was set out by the external auditor and the auditor's management letter was discussed with management.

In 2023, special attention was furthermore devoted to the following topics:

- The Board was regularly informed of the progress made in the area of sustainability, safety and digital security;
- The Board was informed about how management monitors the effective execution of investment projects;
- The Board approved an investment in the production facility in Borculo, the Netherlands, to double the production of whey protein isolate and MFGM, thus making it possible to meet the increasing global demand for high-quality, specialised ingredients;
- Activities in the area of potential acquisitions and partnerships were regularly discussed;
- An elaborate risk management analysis was discussed;
- The objectives of members of the Executive Board and other Executive Leadership Team/ Executive Team members were approved;

- A diversity, equality and inclusivity policy for the Executive Board, the Executive Team, the Supervisory Board and senior management was approved;
- The flexibility of the business structure was further increased to enable the Company to even faster and more effectively anticipate the opportunities in and the demands of its most important markets, for example, by entering into strategic partnerships;
- Talent development and retention within the Company and succession planning were elaborately discussed.

Supervisory Board committees

The Supervisory Board has established three committees that provide advice to the Board on specific tasks and that prepare specific decisions. These are the Audit and Risk Committee, the Remuneration, Nomination and Governance Committee and the Sustainability Committee. The tasks of these committees follow from the committee regulations, which form part of the Supervisory Board's regulations and are posted on the Company's website. These tasks are summarised in the section on Corporate Governance on page 87.

Audit and Risk Committee

During the year under review, the Audit and Risk Committee met six times in the presence of management, including the CFO and the officers responsible for the relevant corporate service departments. In four meetings, the external

auditor was present during the discussion of a number of agenda items. There was also contact among the members of the committee and with management, outside the meetings. In addition, in December, an extra meeting took place to discuss the objectives and plan for 2024. After each meeting, the Chair of the Audit and Risk Committee reported to the Supervisory Board on the committee's findings. The Audit and Risk Committee met twice in the year with the external auditor in the absence of the Executive Board.

The 2022 Annual Report and financial statements were discussed during the year under review, as was the external auditor's report concerning the financial statements and the Executive Board's statement of executive responsibility included in the 2022 Annual Report. During discussions of the Company's results, the annual and semi-annual reports, the Audit and Risk Committee in particular devoted attention to the more technical reporting aspects, such as the outcome of the goodwill impairment test, the recognition of disposals, the tax position, including the deferred tax assets, mitigating currency risks, particularly in Nigeria, the provision associated with an appellate case won in Thailand, the termination of a long-term contract and the valuation of tangible and intangible fixed assets. In addition, a regular update was provided on the CSRD preparations and implementation, the governance and data collection processes

established for this purpose and the progress of the CSRD implementation towards the 2025 financial year. The committee also discussed the segmentation resulting from the new business group structure effective 1 January 2024.

The planned activities of the external auditor were discussed on the basis of the external auditor's Audit Plan, which was approved by the Supervisory Board. The 2023 half-year report, the 2023 interim report of the external auditor and, in particular, its interim audit findings were extensively covered during the year under review. The list of assignments provided to the external auditor by the Company was approved by the Audit and Risk Committee on four occasions during the year under review. 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 activities and advises the Supervisory Board on this. In addition, during each meeting, the internal auditor reports to the Committee on the activities carried out, and the audit findings and the progress on the follow-up actions arising from earlier findings are discussed. The Audit and Risk Committee was informed about the functioning of the internal control framework, the privacy-related findings, the outcome of large CAPEX project reviews and the outstanding vacancies within internal audit,

which put the execution of audits under pressure during the year under review. The Audit and Risk Committee concluded that the effectiveness of the internal control assessments is up to par.

The Audit and Risk Committee was regularly informed by a number of managers (Accounting, Treasury, IT, Tax, Legal Affairs, Privacy and HR) about their activities. The outcome of the analysis of the key business risks and the activities being carried out to mitigate these risks were also reported. In addition, the committee discussed the non-financial reporting and preparing for existing and expected laws and regulations relating to non-financial reporting, sustainability reporting and the due diligence relating to sustainability and other ESG topics, as well as the organisation structure required to effectively anchor all this within the Company. 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 2023 programme for good business behaviour were highlighted, as well as the material Speak Up issues and the measures implemented in this regard.

In February 2024, the 2023 Annual Report and financial statements were discussed, as was the external auditor's report concerning the financial statements and the Executive Board's statement

of executive responsibility included in the Annual Report.

Remuneration, Nomination and Governance Committee

The RNGCo met four times during the year under review and reported to the Supervisory Board on its deliberations after each meeting. 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. The CEO and the CPO were invited to be present for a number of agenda items during various meetings of the committee and they attended these meetings. Members of the committee also met several times with the Central Works Council. On 30 January 2023, when Hein Schumacher announced his resignation as CEO of FrieslandCampina, effective 1 May 2023, the RNGCo initiated an accelerated recruitment and selection process to appoint his successor, as indicated above. Furthermore, on 17 April 2023, it was announced that the CPO, Geraldine Fraser, would be pursuing her career outside FrieslandCampina effective 1 July 2023. The committee, together with the CEO, subsequently also initiated a recruitment and selection process for this position, which resulted in the appointment of Patricia Snel as CPO and member of the Executive Team effective 1 September 2023. The Supervisory Board has decided and announced on 1 October 2023 that Roel van Neerbos would leave the

company per 1 November 2023, since the business group Food & Beverage was to be divided up into five different business groups effective 1 January 2024. The Supervisory Board is grateful to Hein Schumacher, Roel van Neerbos and Geraldine Fraser for their highly valuable contributions to the Executive Board, whereby their knowledge and experience were greatly appreciated. The Board also decided to appoint Mireille Einwachter as Chief Sustainability Officer (CSO) and member of the Executive Board effective 1 October 2023. This emphasises the importance of sustainability to FrieslandCampina's integrated strategy.

The activities of the RNGCo in the area of remuneration included the usual preparation for the Board's decision-making process relating to the Executive Board members' variable remuneration for the previous year. Proposed objectives for Executive Board members for the year under review were discussed, as well as the performance of Board members. Feedback on the conclusions was provided to the relevant individual Executive Board members. The new structure, method of working and composition of the Executive Team was also discussed with the Board.

Pursuant to the internal evaluation, there was a great deal of discussion during the financial year, and much advice was given, concerning the new composition of the Supervisory Board, and the General Meeting of Shareholders' method of

operation. Various combined meetings of the Supervisory Board and the General Meeting of Shareholders took place, in which major investment proposals, the financial situation and Expedition 2030 updates were discussed. The Remuneration, Nomination and Governance Committee was intensively involved in the recruitment and selection of the new Supervisory Board members appointed effective 12 December 2023.

During the year under review, the RNGCo evaluated the remuneration and remuneration policy for the members of the Executive Board and the Executive Team, and this policy was adopted by the General Meeting of Shareholders on the proposal of the Supervisory Board, following consultation with the RNGCo. The remuneration of the Supervisory Board was not adjusted in the year under review, since it had already been extensively evaluated and adjusted in 2022.

At the Members' Council meeting at 21 February 2024, the details concerning the remuneration of the members of the Executive Board and the Supervisory Board for 2023 will be reported to the Members' Council.

Sustainability Committee

The Sustainability Committee met four times during the year under review and reported after each meeting to the Supervisory Board on its deliberations. On multiple occasions the

committee reviewed the sustainability strategy and the specific targets in detail. In addition, it monitored whether these targets were being achieved and regular updates were provided about the valorisation of sustainability initiatives by various business groups. The trade in carbon credits and the price and other trends were also discussed on a number of occasions. The dealings with and the response to various action groups and representatives, for example, Friends of the Earth, were regularly discussed with the committee. Developments in the area of regenerative agriculture and the potential consequences for FrieslandCampina as cooperative were highlighted by experts from the perspective of the company, the cooperative, and member dairy farmers. In addition, Finance regularly provided an update about developments concerning sustainability reporting and the steps that are being taken to implement CSRD and CSDDD within the organisation. The outcome of the double materiality test and the KPIs used for reporting purposes were also reviewed in detail in this respect. The new structure of the sustainability department managed by the new CSO was also discussed to ensure it is as effectively as possible integrated into the rest of the organisation.

Attendance during meetings

The table below shows the presence of Supervisory Board members at various meetings in the year under review. Active Supervisory Board members who were unable to attend a meeting always provided input to the Chair of the relevant meeting in advance. Observers of the Supervisory Board were also present during several meetings of the committees. The table only reflects when a member of the relevant committee was present during a meeting in the year under review. Next to these formal meetings, there were many informal meetings during the year under review, including on the recruitment and selection of the new CEO and CPO.

Composition of the Executive Board and diversity

The composition of the Executive Board as of 16 February 2024 is reported on page 234. Up until 1 July 2023, the Executive Board consisted of the CEO, the CFO, the President Food & Beverage, the CPO and the Chief Supply Chain Officer. As of 1 July 2023, the CPO left FrieslandCampina and the CPO appointed as of 1 October 2023 is part of the Executive Team, but is not appointed as a member of the Executive Board. Given the importance of sustainability, a CSO was appointed by the Supervisory Board as a member of the Executive Board effective 1 October 2023. As of this date the Chief Supply Chain Officer's title was

changed to Chief Supply Chain and Research & Development Officer, since the responsibility for the Research and Development department was added to this function. Effective 1 November 2023, the President Food & Beverage stepped down in anticipation of the new business group structure to go into effect on 1 January 2024. As of 16 February 2024, the Executive Board consists of four members: the CEO, the CFO, the Chief Supply Chain and Research & Development Officer and the CSO. All members of the Executive Board are also members of the Executive Team. The composition of the Executive Team is reported on page 234 and 235.

	Meetings Supervisory Board	Meetings Audit and Risk Committee	Meetings Remuneration, Nomination and Governance Committee	Meetings Sustainability Committee
Members of the Supervisory Board	(11)	(6)	(4)	(4)
S.S.U. Attema	11/11		4/4	4/4
N. den Besten	11/11	6/6		4/4
H.T.J. Hettinga	11/11		4/4	
E. Jellema	10/11	5/6		
A.G.Z. Kemna	10/11	6/6		
H.W.J. Schipper	7/11		3/4	
H. Stöcker	11/11			
M. Vaesen	9/11			4/4
J.B.P. Coopmans	11/11	6/6	4/4	

Diversity

The aim of achieving a balanced composition also applies to the Executive Board and the Executive Team, where the combination of different experiences, backgrounds, skills and independence of members enable both bodies to function optimally. In addition, the aim is to have a balanced ratio of men and women on the Executive Board, as well as the Executive Team, with the objective of achieving a representation of at least 30 percent men and at least 30 percent women on both bodies. Up until 1 July 2023 of the year under review, the percentage of women on the Executive Board was 20 percent. Between 1 July 2023 and 1 October 2023, the Executive Board only consisted of men. With the appointment of the CSO effective 1 October 2023, the Executive Board consisted of 25 percent women and after the President Food and Beverage stepped down on 1 November 2023, the Executive Board consisted of 25 percent women. The percentage of women on the Executive Leadership Team was 25 percent as of 31 December 2023.

The preference is to recruit internal candidates for both bodies, it is important that the ranks below the Executive Board also include sufficient women candidates. In future appointments/reappointments, the balanced participation of men and women will be considered as an additional selection criterion. See the overview on page 234 and 235 for the composition of the Executive Team. FrieslandCampina pursues a diversity policy focused on increasing the number of women in these ranks.

Financial statements and profit appropriation

In the meeting of the Supervisory Board of 16 February 2024, the Board discussed the 2023 financial statements with the Executive Board and approved the financial statements, after obtaining the advice of the Audit and Risk Committee, which had earlier discussed the financial statements in February.

The financial statements were audited by PricewaterhouseCoopers Accountants N.V., which provided an unqualified auditor's opinion on them. The consolidated result of -149 million euros will be appropriated as follows: 58 million euros is reserved as the interest payment for the holders of member bonds (2022: 29 million euros) and 19 million euros will be paid to the provider of the cooperative loan (2022: 9 million euros); 9 million euros will be paid to the holders of perpetual bonds (2022: 9 million euros); 67 million euros is allocated to non-controlling interests (2022: 62 million euros) and -302 million euros will be withdrawn from the retained earnings, including the non-controlling interest that is directly attributable to the shareholder, Zuivelcoöperatie FrieslandCampina U.A. (2022: addition of 183 million euros). No supplementary cash payment over 2023 was made to member dairy farmers. The General Meeting of Shareholders will be asked to discharge the members of the Executive Board for their management during the 2023 financial year. Furthermore, the General Meeting of Shareholders will be asked to discharge the members of the Supervisory Board for their

supervision of the Executive Board during the 2023 financial year.

On 12 March 2024, the Members' Council of Zuivelcoöperatie FrieslandCampina U.A. (the 'Cooperative') will be asked to grant approval of the decision to adopt the 2023 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.

In conclusion

The Supervisory Board is very grateful to the Executive Board, the Executive Team and all employees of FrieslandCampina for their tremendous efforts and dedication in 2023. The Board acknowledges the perseverance demonstrated by so many during a year of challenging conditions caused by unprecedented high inflation.

Supervisory Board

Amersfoort, 16 February 2024