

CHR. HANSEN 2020/21

Remuneration Report

Company reg. no. 28318677

CHR HANSEN

Improving food & health

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This remuneration report (the "Report") provides an overview of the total remuneration received by each member of the Board of Directors (the "Board") and of the Executive Board of Chr. Hansen Holding A/S, CVR no. 28318677, (Chr. Hansen or the "Company") during the 2020/21 financial year with comparative figures for past financial years where relevant. The Executive Board consists of all executives registered as executives with the Danish Business Authority.

The Report has been prepared in accordance with section 139b of the Danish Companies Act (the "DCA") and the European Commission Guidelines on the standardized presentation of the remuneration report under Directive 2007/36/EC, as amended by Directive (EU) 2017/828 as regards the encouragement of long-term shareholder engagement.

The information provided in the Report was primarily derived from the audited annual reports of the Company for the financial years 2017/18 to 2020/21, which are available on the Company's website, www.chr-hansen.com. All amounts are stated in EUR, gross, unless otherwise indicated.

This remuneration report is also prepared in accordance with the Recommendations on Corporate Governance issued in November 2017 by the Danish Committee on Corporate Governance.

1 Introduction by the Remuneration Committee Chair

Dear shareholders,

On behalf of the Board of Directors, I am pleased to present Chr. Hansen's 2020/21 Remuneration Report to give a transparent and comprehensive overview of the remuneration of our Board of Directors and Executive Management. The foundation of this report is our Remuneration policy, which was recently revised and approved at the Annual General Meeting in November 2019 with the objective to implement the requirements of the Shareholders Rights Directive II.

2020/2021 was a milestone year for Chr. Hansen. Diligently integrating three acquisitions and finalizing the divestment of Natural Colors have kept our employees very busy, this goes to their credit, especially in the unusual circumstances created by COVID-19. This pandemic not only impacted their ability to meet customers and connect with colleagues, but also challenges them to work in new ways. A special mention to our employees in Global Operations, working flat out to keep the production plants running to ensure steady supply.

To support our workforce during COVID-19, we initiated multiple activities for both managers and employees such as on how to manage and motivate remote teams and how to stay healthy and connected. We also moved engagement surveys from an annual to quarterly frequency, and started running them digitally, which makes it easier for remote teams to share and discuss engagement scores. Also, in anticipation of a post-COVID state, a global flexible workplace guideline has been implemented to leverage learnings and respond to the new reality of hybrid working.

Further linking remuneration to performance

In 2020/2021, we established improved internal governance around data, processes and we have further linked remuneration to performance. Two significant changes have been introduced to the remuneration composition for the Executive Board members. One relates to the short-term incentive by changing the split between financial and non-financial targets and pay-out. The weighting of financial targets has increased from 60% to 80%, while the weighting of non-financial targets has been reduced from 40% to 20%. Aligned across the entire Corporate Leadership Team, a key driver of this change is a more explicit focus on the financial performance of Chr. Hansen, thus establishing a clearer link between short-term incentive pay-out and the performance of Chr. Hansen in line with our shareholder focus.

The second change relates to the link of non-financial targets, closely linked to ESG. When launching the 2025 Strategy in 2020, we took an important step to remove discretionary targets based on individual performance and transition to shared non-financial KPIs. These constitute 20% of the short-term incentive for the Executive Board and the Corporate Leadership Team.



We believe that a strategic focus on sustainability, diversity, safety, customer satisfaction and quality is a prerequisite for staying competitive, ensuring good corporate governance and being a responsible company dedicated to 'Grow a better world. Naturally'. We want the Executive Board and Corporate Leadership Team to have a shared responsibility on this.

Despite the challenging circumstances, I am very pleased that due to the continued efforts of all employees, we delivered strong financial and non-financial results in 2020/21. This is reflected in the Executive Remuneration for the year with short-term bonus payment close to the target level. As regards to payments in the year from the long-term program, they were at minimum level as combined financial performance in the years 2017/18 to 2019/20 did not meet the expectations set in November 2017.

It is our aspiration to continue to ensure transparency and drive shareholder value thanks to our remuneration approach and especially take the ESG pay link element further into the organization.

A handwritten signature in blue ink, appearing to be 'DR', written over a light blue horizontal line.

Dominique Reiniche
Chair of the Remuneration Committee

2 Remuneration of the Board and the Executive Board

2.1 Remuneration objectives

The remuneration of the Board and the Executive Board is designed to contribute towards ensuring that Chr. Hansen can attract and retain highly qualified individuals to its Board and Executive Board. The remuneration and its composition are structured to suitably align the interests of management and shareholders. In this context, remuneration should contribute towards promoting the strategy, long-term sustainability and creation of value in Chr. Hansen by supporting the Company's long-term and short-term objectives.

2.2 Remuneration Policy

The Remuneration Policy forms the basis for the framework governing remuneration of the Board and the Executive Board. The policy is available at:

www.chr-hansen.com/en/investors/governance/remuneration.

The current Remuneration Policy has been valid since approved at the November 27, 2019 Annual General Meeting.

2.3 Remuneration Committee

The Board has established a Remuneration Committee to assist the Board of Directors in meeting its responsibilities with respect to establishing, implementing and executing its Remuneration Policy for the members of the Board, its committees and the Executive Board. The committee supervises the preparation of the annual Remuneration Report.

To read more about the charter of the Remuneration Committee and the key matters handled by the Remuneration Committee in 2020/21, please refer to:

www.chr-hansen.com/en/about-us/management/board-committees.

2.4 Advisory vote Remuneration Report 2019/2020

The Remuneration Report 2019/20 was subject to an advisory vote at the November 2020 Annual General Meeting and was approved by 93.5% of votes cast. No comments were put forward by shareholders at the meeting.



3 Remuneration Board of Directors

3.1 Board of Directors

At the Annual General Meeting on November 25, 2020 Kristian Villumsen and Niels Peder Nielsen stepped down as board members. Lise Kaae, Kevin Lane and Lillie Li Valeur were elected as new board members.

As per August 31, 2021 the Board consisted of:

- Dominique Reiniche, Chair
- Jesper Brandgaard, Vice Chair
- Luis Cantarell, board member
- Lisbeth Grubov, board member (employee representative)
- Charlotte Hemmingsen, board member (employee representative)
- Lise Kaae, board member
- Heidi Kleinbach-Sauter, board member
- Kevin Lane, board member
- Per Poulsen, board member (employee representative)
- Kim Ib Sørensen, board member (employee representative)
- Lillie Li Valeur, board member
- Mark Wilson, board member

3.2 Remuneration

Members of the Board receive a cash fee but no incentive-based remuneration.

The remuneration is composed of a fixed annual base fee that is the same for all Board members. In addition, the Chair and the Vice Chair of the Board and Board members serving on permanent committees receive annual supplementary fees. The Committee Chairs receive a higher supplementary fee.

The Executive Board's fees, both base fees and fees for committee work, are assessed on an ongoing basis in light of the remuneration levels of other Danish C25 companies with international activities, to ensure market-aligned remuneration.

The amount of the fixed annual base fee and supplementary fees for the current financial year must be approved at a general meeting, based on a proposal from the Board of Directors that is based on a recommendation by the Remuneration Committee.

If the Board instructs a Board member to perform specific tasks on an ad hoc basis, which fall outside the scope of the Board's ordinary duties, the Board member in question may – subject

to the prior or subsequent approval at a general meeting – receive separate supplementary remuneration for such services.

The following Board fees for 2020/21, unchanged from 2019/20, were approved at the Annual General Meeting held on November 25, 2020:

TABLE 1: ANNUAL BOARD FEES

	Board	Audit Committee	Nomination Committee	Remuneration Committee	Science & Innovation Committee
Member	EUR 53,691 DKK 400,000 (base fee)	EUR 20,134 DKK 150,000	EUR 16,779 DKK 125,000	EUR 16,779 DKK 125,000	EUR 20,134 DKK 150,000
Chair	EUR 161,074 DKK 1,200,000 (3x base fee)	EUR 40,268 DKK 300,000	EUR 26,846 DKK 200,000	EUR 33,557 DKK 250,000	EUR 33,557 DKK 250,000
Vice Chair	EUR 107,383 DKK 800,000 (2x base fee)	N/A	N/A	N/A	N/A

Fees approved in DKK amounts are also shown in EUR for comparison purposes.

Further to the above fees, the Company pays social security duties and similar taxes imposed by foreign authorities in relation to the Board members' fees. The Company reimburses Board members for relevant expenses, such as travel and accommodation in connection with Board and committee related meetings as well as relevant education. In addition, Board members receive a fixed travel allowance of DKK 22,500 (EUR 3,000) (2019/20 EUR 3,000) in connection with travel outside their country of residence to Board and committee related meetings. Allowance is DKK 37,500 (EUR 5,000) if Board members are required to travel between continents (new for 2020/2021).

Shareholder-elected Board members do not receive remuneration from subsidiaries of Chr. Hansen Holding A/S.

TABLE 2: REMUNERATION OF BOARD MEMBERS (tEUR)

Name & Position. Committee memberships	Joined/Resigned	Annual Fee	Committee Fees	Travel Allowance	2020/21 Total	2019/20 Total	2018/19 Total
Dominique Reiniche, Chair							
Audit (m), Nomination (c), Remuneration (c)	Nov 2013	161	81	0	242	250	217
Jesper Brandgaard, Vice Chair							
Audit (m), Nomination (m)	Nov 2017	108	37	0	145	144	127
Luis Cantarell							
Science & Innovation (c)	Nov 2016	54	34	0	88	93	88
Lisbeth Grubov							
Employee representative	Nov 2017	54	0	0	54	54	57
Charlotte Hemmingsen							
Employee representative	Nov 2017	54	0	0	54	54	54
Lise Kaae ¹⁾							
Audit (c)	Nov 2020	40	20	0	60	0	0
Heidi Kleinbach-Sauter							
Nomination (m) Science & Innovation (m)	Nov 2017	54	37	0	91	94	87
Kevin Lane							
Nomination (m) Science & Innovation (m)	Nov 2020	40	28	0	68	0	0
Per Poulsen							
Employee representative	Nov 2013	54	0	0	54	54	54
Kim Ib Sørensen							
Employee representative	Nov 2017	54	0	0	54	54	57
Lillie Li Valeur							
Remuneration (m), Science & Innovation (m)	Nov 2020	40	28	0	68	0	0
Mark Wilson ²⁾							
Audit (m), Remuneration (m)	Oct 2010	54	52	0	106	129	129
Resigned Board Members							
Ole Andersen	Feb 2010/Nov 2018						58
Niels Peder Nielsen	Nov 2018/Nov 2020	13	5	0	18	74	55
Kristian Villumsen	Nov 2014/Nov 2020	13	4	0	17	76	91
Total³⁾		793	326	0	1,119	1,076	1,074

(c) Chair, (m) Member

¹⁾ Joined the Audit Committee in November 2020 and became chair of the Audit Committee on June 1, 2021.²⁾ Stepped down as chair of the Audit Committee on May 31, 2021, remains a member of the Audit Committee.³⁾ In addition EUR 116,000 was paid for 2020/21 in respect of individual board members' social security contribution (2019/20 EUR 110,000, and 2018/19 EUR 16,000).

3.3 Shareholding requirement

For the purpose of aligning the interests of the Company's shareholders with those of the members of the Board, the shareholder-elected members of the Board have all committed to purchasing shares corresponding to at least one year's base fee for an ordinary board member within 12 months of their appointment, and to maintain a shareholding corresponding to at least one year's base fee throughout the entire period of their board membership in accordance with an internal process.

TABLE 3: BOARD MEMBER SHAREHOLDINGS

Name	Beginning of year	Bought during the year	Sold during the year	End of year
Dominique Reiniche	2,462	0	0	2,462
Jesper Brandgaard	4,622	0	0	4,622
Luis Cantarell	2,200	0	0	2,200
Lisbeth Grubov	120	30	0	150
Charlotte Hemmingsen	1,092	45	0	1,137
Lise Kaae	747 ¹⁾	564	0	1,311
Heidi Kleinbach-Sauter	750	0	0	750
Kevin Lane	0	1,000	0	1,000
Per Poulsen	250	0	0	250
Kim Ib Sørensen	20	80	0	100
Lillie Li Valeur	0	788	0	788
Mark Wilson	3,000	0	0	3,000

¹⁾ Shareholding held before joining the Board.



4 Remuneration Executive Board

4.1 Executive Board

The following changes to the composition of the Executive Board were made in 2020/21:

On October 31, 2020, the Executive Vice President & CFO Søren Westh Lonning resigned from the Executive Board and left Chr. Hansen Holding A/S. Søren was replaced by Lise Skaarup Mortensen, who joined the Executive Board on November 1, 2020.

As per August 31, 2021 the Executive Board consisted of:

- Mauricio Graber, President & Chief Executive Officer (CEO)
- Lise Skaarup Mortensen, Executive Vice President & Chief Financial Officer (CFO)
- Thomas Schäfer, Executive Vice President & Chief Scientific Officer (CSO)



4.2 Remuneration

Members of the Executive Board are entitled to annual remuneration in accordance with the Remuneration Policy which may consist of the following fixed and variable remuneration components:

- fixed base salary
- pension contribution
- short-term incentive remuneration consisting of annual cash pay-outs and grants of RSUs
- long-term incentive remuneration consisting of participation in Matching Shares Programs
- termination and severance payments
- customary non-monetary employment benefits

The combination of these components creates a well-balanced remuneration package reflecting both (i) the individual performance and responsibilities of the members of the Executive Board in relation to defined short and long-term goals and targets, and (ii) the Company's overall performance.

The remuneration of members of the Executive Board is intended to contribute towards ensuring that the Company is able to attract and retain highly qualified individuals. The remuneration and its composition is intended to suitably align the interests of management and shareholders. In this context, remuneration is intended to support motivation towards the achievement of strategic targets, long-term sustainability and creation of value for the Chr. Hansen Group by supporting the Group's long-and short-term objectives.

Remuneration to the Executive Board is proposed by the Remuneration Committee and subsequently approved by the Board.

The Executive Board's remuneration, including the nature and level of incentive pay, is assessed on an ongoing basis in light of the remuneration levels of other Danish C25 companies with international activities, as well as European companies operating in similar industries as Chr. Hansen.

Executive Board members do not receive remuneration from subsidiaries of Chr. Hansen Holding A/S.

TABLE 4: PAY ELEMENTS

Element	Description	Level 2020/21
Base Salary	Fixed annual cash salary	Reflecting competitive market standards and individual performance.
Pension	Defined contribution to company-designated pension provider or equivalent cash pension element.	20% of fixed base salary.
Short-Term Incentive	<p>Annual bonus based on group financial targets and shared non-financial targets.</p> <p>Minimum one-third of bonus is deferred as RSUs, rest paid in cash.</p> <p>RSUs vest two years after the performance year during which they are earned.</p> <p>Should a member of the Executive Board choose to defer a larger part of the annual bonus in the form of RSUs, a premium will be added to the RSU portion of the bonus.</p> <p>Cap of 120% of fixed base salary +pension for CEO and 95% for other members of the Executive Board.</p>	<p>Upon achievement of target performance, the target pay-out will be as follows: CEO: 70% of fixed base salary + pension CFO & CSO: 50% of fixed base salary + pension.</p> <p>Upon achievement of maximum performance, the pay-out will be as follows: CEO: 100% of fixed base salary+ pension. CFO & CSO: 71% of fixed base salary + pension.</p> <p>Premium for increased RSU part: Half in RSU (half in cash): +30% on RSU part Two-thirds in RSU (one-third in cash): +50% on RSU part.</p>
Long-Term Incentive	<p>Matching Share Programs based on Financial targets and retention.</p> <p>Requires that members of the Executive Board purchase Chr. Hansen investment shares.</p> <p>Matching shares vest three years after grant, with between 0.5 and 7.5 matching shares being awarded per investment share based on KPI achievement .</p>	<p>Required investment in Chr. Hansen shares by: CEO: 16% of fixed base salary + pension CFO & CSO: 12% of fixed base salary + pension.</p> <p>When achieving target performance, the pay-out is five times the investment shares. CEO: 80% of fixed base salary + pension CFO & CSO: 60% of fixed base salary + pension.</p> <p>When achieving maximum performance, the pay-out is 7.5 times the investment shares. CEO: 120% of fixed base salary + pension CFO & CSO: 90% of fixed base salary + pension.</p>
Benefits	Typical benefits like company car, medical examinations etc.	Market competitive levels.

4 Remuneration Executive Board

TABLE 5: REMUNERATION OF THE EXECUTIVE BOARD (tEUR)

2020/21. Name & Position	Base Salary	Pension	Fixed Base Salary+ Pension	Annual Cash Bonus 2020/21 ¹⁾	Annual RSU bonus 2020/21 ²⁾	Matching Shares Granted 2020 ³⁾	Other ⁴⁾	Total	IFRS value ⁷⁾	Fixed% ⁸⁾	Variable%
Mauricio Graber, CEO	986	197	1,183	521	261	846	555 ⁵⁾	3,366	3,200	52%	48%
Lise Skaarup Mortensen, CFO ⁹⁾	392	78	470	161	81	302	679 ⁶⁾	1,693	930	68%	32%
Thomas Schäfer, CSO	324	65	389	63	189	216	22	879	760	47%	53%
Søren Westh Lonning, CFO ⁹⁾	78	16	94	47	0	0	3	144	150	67%	33%
Total	1,780	356	2,136	792	531	1,364	1,259	6,082	5,040	56%	44%

¹⁾ Earned cash value of bonus based on 2020/21 performance, to be paid in November 2021.

²⁾ Earned RSU value of bonus based on 2020/21 performance, to be granted in November 2021, vesting in November 2023.

³⁾ Expected value of granted Matching Shares Program in October 2020 – vesting in October 2023.

⁴⁾ Covers housing allowance, sign-on bonus insurance, car & gas and other amenities.

⁵⁾ Include sign-on bonus to cover loss of share-based incentive from previous employer (third of four instalments), paid in 2020/21 €447,000.

⁶⁾ Include sign-on bonus to cover loss of share-based incentive from previous employer awarded as RSU program with full vesting following three years of employment. Value at grant €651,000.

⁷⁾ Stated value in the annual report (note 2.3). In the 2020/2021 Annual report, EUR 1.50 million was expensed as total share-based payments to the Executive Board. The expenses related to incentive programs are amortized over the vesting period in accordance with IFRS 2, and adjusted for expected achievement of KPIs. IFRS value represents the value presented in the Annual Report. Hence, the IFRS-value consists of costs from the current year's award together with costs from previous programs, which vest in the current year. The Remuneration Report shows value recognized in the year of award only.

⁸⁾ Includes Base Salary, Pension and Other in relation to total.

⁹⁾ Søren Westh Lonning resigned from the Executive Board on October 31, 2020. Lise Skaarup Mortensen joined the Executive Board on November 1, 2020.

4 Remuneration Executive Board

TABLE 5: REMUNERATION OF THE EXECUTIVE BOARD (continued) (€EUR)

2019/20. Name & Position	Base Salary	Pension	Fixed Base Salary+ Pension	Annual Cash Bonus 2019/20 ¹⁾	Annual RSU bonus 2019/20 ²⁾	Matching Shares Granted 2019 ³⁾	Other ⁴⁾	Total	IFRS value ⁵⁾	Fixed% ⁶⁾	Variable%
Mauricio Graber, CEO	969	194	1,163	571	286	687	662	3,369	2,810	54%	46%
Søren Westh Lonning, CFO ⁷⁾	466	93	559	289	0	250	25	1,123	810	52%	48%
Thomas Schäfer, CSO	283	57	340	57	170	154	24	745	550	49%	51%
Total	1,718	344	2,062	917	456	1,091	711	5,237	4,170	53%	47%

¹⁾ Earned cash value of bonus based on 2019/20 performance, to be paid in November 2020.

²⁾ Earned RSU value of bonus based on 2019/20 performance, to be granted in November 2020, vesting in November 2022.

³⁾ Expected value of granted Matching Shares Program in October 2019 - vesting in October 2022.

⁴⁾ Covers housing allowance, sign-on bonus to cover loss of share-based incentive from previous employer (second of four instalments), insurance, car & gas and other amenities.

⁵⁾ Stated value in the annual report (note 2.3). In the 2019/20 Annual report, EUR 0.48 million was expensed as total share-based payments to the Executive Board. The expenses related to incentive programs are amortized over the vesting period in accordance with IFRS 2, and adjusted for expected achievement of KPIs. IFRS value represent the value presented in the Annual Report. Hence, the IFRS-value consists of costs from the current year's award together with costs from previous programs, which vests in the current year. The Remuneration Report shows value recognized in the year of award only.

⁶⁾ Includes Base Salary, Pension and Other in relation to total.

⁷⁾ Søren Westh Lonning resigned from the Executive Board on October 31, 2020. Bonus paid out in cash - no RSUs.

2018/19. Name & Position	Base Salary	Pension	Fixed Base Salary+ Pension	Annual Cash Bonus 2018/19 ¹⁾	Annual RSU bonus 2018/19 ²⁾	Matching Shares Granted 2018 ³⁾	Other ⁴⁾	Total	IFRS value ⁵⁾	Fixed% ⁶⁾	Variable%
Mauricio Graber, CEO	953	191	1,144	486	243	549	679	3,101	2,820	59%	41%
Søren Westh Lonning, CFO	439	92	531	143	72	200	20	966	920	57%	43%
Thomas Schäfer, CSO	267	54	321	44	133	117	21	636	500	54%	46%
Christoffer Lorenzen, EVP ⁷⁾	337	67	404	158	-	176	18	756	620	56%	44%
Total	1,996	404	2,400	831	448	1,042	738	5,459	4,860	57%	43%

¹⁾ Earned cash value of bonus based on 2018/19 performance, paid in November 2019.

²⁾ Earned RSU value of bonus based on 2018/19 performance, granted in November 2019, vesting in November 2021.

³⁾ Expected value of granted Matching Shares Program in October 2018 - vesting in October 2021.

⁴⁾ Covers housing allowance, sign-on bonus to cover loss of share-based incentive from previous employer (first of four instalments), insurance, car & gas and other amenities.

⁵⁾ In the 2018/19 Annual report, EUR 0.90 million was expensed as total share-based payments to the Executive Board. The expenses related to incentive programs are amortized over the vesting period in accordance with IFRS 2, and adjusted for expected achievement of KPIs. IFRS value represents the value presented in the Annual Report. Hence, the IFRS value consists of costs from the current year's award together with costs from previous programs, which vests in the current year. The Remuneration Report show value recognized in the year of award only.

⁶⁾ Includes Base Salary, Pension and Other in relation to total.

⁷⁾ Christoffer Lorenzen resigned from the Executive Board on June 30, 2019. Bonus paid out in cash - no RSUs.

4.3 Fixed Base Salary

The annual fixed base salary is intended to attract and retain competent key employees capable of contributing to the Company's ability to achieve its short- and long-term targets.

4.4 Pension Contribution

Members of the Executive Board are entitled to receive a pension contribution of up to 20% of their fixed base salary.

4.5 Termination and Severance Payments

Employment contracts with members of the Executive Board are ongoing (i.e. without a fixed term) and are subject to a maximum notice of termination of 18 months. Severance payments (including salary during applicable notice periods) cannot exceed an amount equal to the total remuneration of the relevant member of the Executive Board during the two-year period prior to termination.

4.6 Non-Monetary Benefits

Members of the Executive Board are offered customary non-monetary employment benefits such as a company car, insurance, newspaper subscriptions, telephony and internet access as approved by the Board.

4.7 Claw-Back

The Company may decide to reclaim incentive remuneration in full or in part in cases where a cash bonus or other incentive remuneration has been provided to a member of the Executive Board on the basis of data or accounts which subsequently prove to have been misstated. In the 2020/21 financial year, no incentive remuneration was reclaimed.

4.8 Annual Bonus – Short-term incentive

Members of the Executive Board may receive an annual bonus determined at the discretion of the Board. The annual bonus is intended to align the individual members' performance with the Company's short-term targets. Payment of the cash bonus thus depends on the achievement of objectives related to the achievement of the Company's budgeted results, financial ratios and other measurable personal results of a financial or non-financial nature, all of which reflect and support the Company's short-term objectives.

For the CEO, the amount of a bonus may not exceed 120% of the fixed annual base salary + pension. For other members of the Executive Board, bonus amounts may not exceed 95% of the annual fixed base salary + pension.

TABLE 6: GENERAL STRUCTURE OF KPIs FOR ANNUAL BONUS, 2020/21 WITH WEIGHTING

Group financial targets	Organic growth	40%
	EBIT before special items	30%
	Free Cash Flow before acquisitions and special items	10%
Group non-financial targets	Shared non-financial targets including ESG	20%

TABLE 7: TOTAL BONUS ACHIEVEMENT FOR ANNUAL BONUS, 2020/21

Name and position	% KPI Achievement of max bonus (target 70%)	EUR¹⁾
Mauricio Graber, CEO	66% of max based on achievement of KPIs	782
Lise Skaarup Mortensen, CFO	66% of max based on achievement of KPIs	242
Thomas Schäfer, CSO	66% of max based on achievement of KPIs	252
Søren Westh Lonning, CFO	70% ²⁾ of max based on achievement of KPIs	47
Total		1,323

¹⁾ EUR value including potential premium for choosing to defer more than the minimum one-third of RSUs.

²⁾ Paid at target level 70%.

TABLE 8: KPIs ACHIEVEMENT FOR ANNUAL BONUS, 2020/21

Group financial targets	Organic growth	Below target
	EBIT before special items	Below target
	Free Cash Flow b.a.s.i.	Above target
Group non-financial targets	Shared non-financial targets including ESG	Above target

4.9 Matching Shares Program - Long-term incentive 2020 program

Individual members of the Executive Board may at the discretion of the Board be offered to participate in a Matching Shares Program. Participating members in this program are restricted to the Corporate Leadership Team including the Executive Board. Participants are offered the opportunity to acquire shares in the Company at their own expense, which after three years of ownership provides the right to receive between 0.5 and 7.5 Matching Shares per investment share, depending on the achievement of certain performance criteria. Target value is 5.0 Matching Shares.

Participation in the Matching Shares Program is offered to members of the Executive Board as an element of remuneration in order to incentivize the Executive Board to stay focused on value creation and the achievement of the Company’s long-term objectives. The entitlement to receive Matching Shares is determined on the basis of the number of Company shares acquired, the participant’s continued employment with the Company, and the achievement of targets as determined by the Board with respect to the Company’s earnings and turnover and its share performance relative to the Company’s long-term targets and shareholder interest.

The maximum number of Company shares which the participating member may transfer to a Matching Shares Program will be determined at the discretion of the Board. For the CEO, the fair value at time of grant cannot exceed 125% of the annual fixed base salary + pension. For other members of the Executive Board, the grant value can not exceed 90% of the annual fixed base salary + pension.

TABLE 9: STRUCTURE OF KPIs FOR THE MATCHING SHARES GRANT 2020

	KPI	Matching Shares ¹⁾
Group financial targets	Organic growth	0-2.5
	EBIT before special items	0-2.5
	TSR ²⁾ performance vs. peer group	0-2.0
Retention	Ongoing employment	0.5
Total		0.5-7.5

¹⁾ Number of matching shares vs. each investment share.

²⁾ TSR: Total Shareholder Return.

TABLE 10: PERFORMANCE OF MATCHING SHARES PROGRAMS³⁾

Program	Description of KPI	Total Matching Shares vested
2016	Organic growth 2016/17 to 2018/19 EBIT 2016/17 to 2018/19 TSR 2016/17 to 2018/19 Retention	49% of max based on achievement of KPIs Vested in Nov 2019
2017	Organic growth 2017/18 to 2019/20 EBIT 2017/18 to 2019/20 TSR 2017/18 to 2019/20 Retention	15% of max based on achievement of KPIs Vested in Nov 2020
2018	Organic growth 2018/19 to 2020/21 EBIT 2018/19 to 2020/21 TSR 2018/19 to 2020/21 Retention	9% of max based on achievement of KPIs Vest in Oct 2021
2019	Organic growth 2019/20 to 2021/22 EBIT 2019/20 to 2021/22 TSR 2019/20 to 2021/22 Retention	Vest in Oct 2022
2020	Organic growth 2020/21 to 2022/23 EBIT 2020/21 to 2022/23 TSR 2020/21 to 2022/23 Retention	Vest in Oct 2023

TABLE 11: ACHIEVEMENT OF KPIs FOR THE 2018 PROGRAM VESTING OCTOBER 2021

	KPI	Achievement ¹⁾
Group financial targets	Organic growth	Below threshold
	EBIT before special items	Below threshold
	TSR ²⁾ performance vs. peer group	Below threshold
Retention	Ongoing employment	Fixed

TABLE 12: MAXIMUM MATCHING SHARES PROGRAMS OF THE EXECUTIVE BOARD

Name and position	Program	Grant	Vest	Grant	Dividend Adjustments		Forfeited/ perf.adjusted	Exercised (this year)	Deposit as of Aug. 31, 2021 ¹⁾	Maximum market value Aug. 31, 2021 (tEUR) ²⁾	Value of exercised Matching Share - this year (tEUR) ³⁾
					Prev. years	Current Year					
Mauricio Graber, CEO	2017	Jan. 2018	Nov 2020	14,278	348	44	12,536	2,134	0	0	196
	2018	Oct. 2018	Oct. 2021	10,984	137	62	0	0	11,183	851	0
	2019	Oct. 2019	Oct. 2022	15,968	0	91	0	0	16,059	1,222	0
	2020	Oct. 2020	Oct. 2023	15,233	0	37	0	0	15,270	1,162	0
Lise Skaarup Mortensen, CFO	2020	Oct. 2020	Oct. 2023	5,438	0	16	0	0	5,454	415	0
Thomas Schäfer, CSO	2017	Nov. 2017	Nov. 2020	2,970	88	11	2,622	447	0	0	41
	2018	Oct. 2018	Oct. 2021	2,343	33	22	0	0	2,398	182	0
	2019	Oct. 2019	Oct. 2022	3,570	0	30	0	0	3,600	274	0
	2020	Oct. 2020	Oct. 2023	3,885	0	15	0	0	3,900	297	0
Total				74,669	606	328	15,158	2,581	57,864	4,403	237

Resigned Executive Board members

Søren Westh Lønning ⁴⁾	2017	Nov. 2017	Nov 2020	4,334	110	18	3,813	649	0	0	57
	2018	Oct. 2018	Oct. 2021	3,999	0	0	3,999	0	0	0	0
	2019	Oct. 2019	Oct. 2022	5,813	0	0	5,813	0	0	0	0
Christoffer Lorenzen ⁵⁾	2017	Nov. 2017	Nov 2020	3,850	0	0	3,850	0	0	0	0
	2018	Oct. 2018	Oct. 2021	3,526	0	0	3,526	0	0	0	0
Cees de Jong ⁶⁾	2017	Nov. 2017	Nov 2020	10,010	0	0	10,010	0	0	0	0
Total				31,532	110	18	31,011	649	0	0	57

¹⁾ Maximum Matching Shares if meeting maximum performance criteria at end of performance period.²⁾ Value of maximum Matching Shares based on average share price in last quarter of 2020/21 €76.08.³⁾ Value of exercised Matching Shares during 2020/21.⁴⁾ Søren Westh Lønning resigned on October 31, 2020.⁵⁾ Christoffer Lorenzen joined the Executive Board on February 1, 2018 and resigned on June 30, 2019.⁶⁾ Cees de Jong resigned on May 31, 2018.

TABLE 13: RSU PROGRAMS OF THE EXECUTIVE BOARD

Name and position	Program ¹⁾	Grant	Final Vesting	Grant	Dividend Adjustment		Forfeited	Exercised		Deposit as of Aug. 31, 2021	Market value Aug. 31, 2021 (tEUR) ²⁾	Value of exercised RSUs - this year (tEUR) ³⁾
					Prev. Years	Current Year		Prev. Years	This Year			
Mauricio Graber, CEO	2017/18	Nov. 2018	Nov. 2021	3,149	37	9	0	1,061	1,064	1,070	81	93
	2018/19	Nov. 2019	Nov. 2021	2,912	0	75	0	0	0	2,987	227	0
	2019/20	Nov. 2020	Nov. 2022	3,063	0	36	0	0	0	3,099	236	0
Lise Skaarup Mortensen, CFO	2019/20 ⁴⁾	Nov. 2020	Nov. 2023	6,958	0	16	0	0	0	6,974	531	0
Thomas Schäfer, CSO	2017/18	Nov. 2018	Nov. 2021	454	0	6	0	153	154	153	12	13
	2018/19	Nov. 2019	Nov. 2021	1,639	0	42	0	0	0	1,681	128	0
	2019/20	Nov. 2020	Nov. 2022	1,827	0	22	0	0	0	1,849	141	0
Total				20,002	37	206	0	1,214	1,218	17,813	1,356	106
Resigned Executive Board members												
Søren Westh Lonning ⁵⁾	2016/17	Nov. 2017	Nov. 2020	1,284	22	1	0	878	429	0	0	37
	2017/18	Nov. 2018	Nov. 2020	860	23	1	286	308	290	0	0	25
	2018/19	Nov. 2019	Nov. 2021	1,029	0	0	1,029	0	0	0	0	0
Christoffer Lorenzen ⁶⁾	2016/17	Nov. 2017	Nov. 2020	1,091	29	0	362	758	0	0	0	0
	2017/18	Nov. 2018	Nov. 2020	811	15	0	539	287	0	0	0	0
Cees de Jong ⁷⁾	2016/17	Nov. 2017	Nov. 2020	3,567	111	0	2,359	1,319	0	0	0	0
Total				8,642	200	2	4,575	3,550	719	0	0	62

¹⁾ Earned RSUs from STI 2020/21 not included, to be granted in November 2021.

²⁾ Value of RSUs based on average share price in last quarter of 2020/21 €76.08.

³⁾ Value of exercised RSUs during 2020/21.

⁴⁾ Program granted as sign-on in connection with joining Chr. Hansen.

⁵⁾ Søren Westh Lonning resigned on October 31, 2020.

⁶⁾ Christoffer Lorenzen joined the Executive Board on February 1, 2018 and resigned on June 30, 2019.

⁷⁾ Cees de Jong resigned on May 31, 2018.

4.10 Executive Board Shareholdings

TABLE 14: EXECUTIVE BOARD MEMBER SHAREHOLDINGS

Name	Beginning of year	Acquired during the year	Sold during the year	End of year
Mauricio Graber	22,061	3,781	0	25,842
Lise Skaarup Mortensen	725	0	0	725
Thomas Schäfer	2,415	601	0	3016



5 Remuneration Comparison Five Years

BOARD OF DIRECTORS TOTAL FEES (tEUR)

	2020/21 ¹⁾	2019/20	2018/19	2017/18	2016/17
Dominique Reiniche	242 -3%	250 +15%	217 +36%	160 +0%	160 14%
Jesper Brandgaard	145 +1%	144 +13%	127 +59% ²⁾	60	
Luis Cantarell	88 -5%	93 +6%	88 -2%	90 -4% ²⁾	70
Lisbeth Grubov	54 +0%	54 -5%	57 +7% ²⁾	40	
Charlotte Hemmingsen	54 +0%	54 +0%	54 +1% ²⁾	40	
Lise Kaae ³⁾	60				
Heidi Kleinbach-Sauter	91 -3%	94 +8%	87 +9% ²⁾	60	
Kevin Lane ³⁾	68				
Per Poulsen	54 +0%	54 +0%	54 -10%	60 +20%	50 0%
Kim Ib Sørensen	54 +0%	54 -5%	57 +7% ²⁾	40	
Lillie Li Valeur ³⁾	68				
Mark Wilson	106 -18%	129 +0%	129 -1%	130 +8%	120 0%

¹⁾ 2020/21 Financial year covers three of four quarters of the 2020/21 AGM cycle and one quarter of 2019/20 AGM cycle.

²⁾ Based on annualized values.

³⁾ Joined the Board November 2021.

BOARD OF DIRECTORS TOTAL FEES (tEUR)

	2020/21 ¹⁾	2019/20	2018/19	2017/18	2016/17
Niels Peder Nielsen	18 -3% ²⁾	74 +35% ²⁾	55		
Kristian Villumsen	17 -11% ²⁾	76 -16%	91 +1%	90 +29%	70 0%
Ole Andersen			58 -3% ²⁾	240 4%	230 +15%
Mads Bennedsen					20 +60%
Søren Carlsen					20 0% ²⁾
Svend Laulund				10 -20% ²⁾	50 0%
Tina Mattila-Sandholm				20 14% ²⁾	70 0%
Frédéric Stévenin				20 -11% ²⁾	90 0%
Total	1,119 +4.0%	1,076 +0.2%	1,074 +1.3%	1,060 +11.6%	950 +3.3%

5 Remuneration Comparison Five Years

EXECUTIVE BOARD FIXED SALARY (tEUR)

	2020/21	2019/20	2018/19	2017/18	2016/17
Mauricio Graber, CEO ¹⁾	1,183 +2%	1,163 +2%	1,144 0% ²⁾	286 ¹⁾	
Lise Skaarup Mortensen, CFO ³⁾	470				
Thomas Schäfer, CSO ⁴⁾	389 +14%	340 +6%	321 +2% ²⁾	262	
Søren Westh Lonning, CFO ⁵⁾	94 +1% ²⁾	559 +5%	531 +20%	444 +15%	386
Christoffer Lorenzen, EVP ⁶⁾			404 +8% ²⁾	238	
Cees de Jong, CEO ⁷⁾				724 +3% ²⁾	937
Knud Vindfeldt ⁸⁾					271
Total	2,136 +3.6%	2,062 -14.1%	2,400 +22.8%	1,954 +22.6%	1,594 -10.9%

EXECUTIVE BOARD TOTAL REMUNERATION (tEUR)

	2020/21	2019/20	2018/19	2017/18	2016/17
Mauricio Graber, CEO ¹⁾	3,366 ⁹⁾ +0%	3,369 ⁹⁾ +9%	3,101 ⁹⁾ +16% ²⁾	1,775	
Lise Skaarup Mortensen ³⁾ CFO	1,693 ⁹⁾				
Thomas Schäfer, CSO ⁴⁾	879 +18%	745 +17%	636 3% ²⁾	539	
Søren Westh Lonning, CFO ⁵⁾	144 -23% ²⁾	1,123 +16%	966 +11%	867 +9%	795
Christoffer Lorenzen, EVP ⁶⁾			756 +8% ²⁾	645	
Cees de Jong, CEO ⁷⁾				1,636 -1% ²⁾	2,055
Knud Vindfeldt ⁸⁾					753
Total	2,136 +3.6%	5,237 -4.1%	5,459 -0.1%	5,462 +51.6%	3,603 -3.7%

¹⁾ Mauricio Graber joined on June 1, 2018.

²⁾ Based on annualized values.

³⁾ Lise Skaarup Mortensen joined the Executive Board on November 1, 2020.

⁴⁾ Thomas Schäfer joined on November 1, 2017.

⁵⁾ Søren Westh Lonning resigned on October 31, 2020.

⁶⁾ Christoffer Lorenzen joined the Executive Board on February 1, 2018 and resigned on June 30, 2019.

⁷⁾ Cees de Jong resigned from the Executive Board on May 31, 2018.

⁸⁾ Knud Vindfeldt resigned from the Executive Board on February 28, 2017.

⁹⁾ Including sign-on bonus.

5 Remuneration Comparison Five Years

FINANCIAL MEASURES CHR. HANSEN GROUP (EUR)

	2020/21 ¹⁾	2019/20 ¹⁾	2018/19 ¹⁾	2017/18	2016/17
Revenue	1,208m	1,189m	1,161m	1,097m	1,063m
Organic growth	8%	5%	7%	9%	
EBIT b.s.i. ²⁾	319.4m	355.5m	343.2m	320.2m	307.1m
EBIT margin	26.4%	29.9%	29.6%	29.2%	
Free Cash Flow b.a.s.i. ³⁾	184m	245m	229m	196m	188m
FTEs in Group	3,946	3,600	3,420	3,151	2,940
Average pay for company employees ⁴⁾	82,000 -4%	85,000 +1%	84,000 +0%	84,000 +12%	75,000
CEO pay-ratio ⁵⁾	1:41	1:40	1:37	1:41 ⁶⁾	1:24

FINANCIAL MEASURES CHR. HANSEN HOLDING (EUR)

	2020/21	2019/20	2018/19	2017/18	2016/17
Revenue	0m 0%	0m 0%	0m 0%	0m 0%	0m
Profit for the year	847.9m +320%	201.7m +10%	182.6m +40%	130.8m -3%	134.6m
FTEs in Holding	71	68	67	56	50
Average pay for company employees	275,000 +32%	208,000 -4%	216,000 -16%	256,000 -10%	285,000

¹⁾ The table includes both continuing and discontinued business to reflect the responsibility and performance of the Board of Directors and the Executive Board.

²⁾ b.s.i = before special items.

³⁾ b.a.s.i = before acquisitions and special items.

⁴⁾ Average pay excluding Board and Executive Board.

⁵⁾ Total remuneration for CEO divided by average pay for company employees.

⁶⁾ Aggregate of Mauricio Graber and Cees de Jong.

6 Compliance with Remuneration Policy

The remuneration of members of the Board and the Executive Board for the 2020/21 financial year is consistent with the scope of the Remuneration Policy. There was no deviation or derogation from the framework provided by the Remuneration Policy.



7 Independent Auditor's Statement on the Remuneration Report

To the Shareholders of Chr. Hansen Holding A/S

We have examined whether the remuneration report for Chr. Hansen Holding A/S for the financial year 1 September 2020 - 31 August 2021 contains the information required under section 139 b, subsection 3 of the Danish Companies Act.

We express reasonable assurance in our conclusion.

The Board of Directors' responsibility for the remuneration report

The Board of Directors is responsible for the preparation of the remuneration report in accordance with section 139 b, subsection 3 of the Danish Companies Act. The Board of Directors is also responsible for the internal control that the Board of Directors deems necessary to prepare the remuneration report without material misstatement, regardless of whether this is due to fraud or error.

Auditor's independence and quality management

We have complied with the independence requirements and other ethical requirements in the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior and ethical requirements applicable in Denmark.

PricewaterhouseCoopers is subject to the International Standard on Quality Control, ISQC 1, and thus applies a comprehensive quality control system, including documented policies and procedures concerning compliance with ethical requirements, professional standards and current statutory requirements and other regulation.

Auditor's responsibility

Our responsibility is to express a conclusion on the remuneration report based on our examinations. We conducted our examinations in accordance with ISAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information and additional requirements under Danish auditor regulation to obtain reasonable assurance in respect of our conclusion.

As part of our examination, we checked whether the remuneration report contains the information required under section 139 b, subsection 3 of the Companies Act, number 1 - 6, on the remuneration of each individual member of the Executive Board and the Board of Directors.

We believe that the procedures performed provide a sufficient basis for our conclusion. Our examinations have not included procedures to verify the accuracy and completeness of the information provided in the remuneration report, and therefore we do not express any conclusion in this regard.

Conclusion

In our opinion the remuneration report, in all material respects, contains the information required under the Companies Act, section 139 b, subsection 3.

Hellerup, October 14, 2021

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 3377 1231

Kim Tromholt
State Authorised Public Accountant
Mne33251

Allan Knudsen
State Authorised Public Accountant
Mne29465

8 The Board of Director's Statement on the Report

The Board of Directors has today considered and adopted the Remuneration Report of Chr. Hansen Holding A/S for the financial year September 1, 2020 – August 31, 2021.

The report has been prepared in accordance with section 139 b of the Danish Companies Act (in Danish: 'Selskabsloven').

The Remuneration Report will be presented to the Annual General Meeting 2021 for an indicative vote.

Hørsholm, October 14, 2021

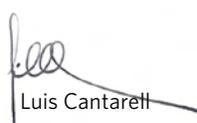
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Dominique Reiniche
Chair



Jesper Brandgaard
Vice Chair



Luis Cantarell



Lisbeth Grubov



Charlotte Hemmingsen



Lise Kaae



Heidi Kleinbach-Sauter



Kevin Lane



Per Poulsen



Kim Ib Sørensen



Lillie Li Valeur



Mark Wilson

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