



## Remuneration Report 2018/19

Chr. Hansen Holding A/S  
Bøge Allé 10-12, 2970 Hørsholm  
Denmark

Company reg. no. 28318677

[www.chr-hansen.com](http://www.chr-hansen.com)

**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 (“**Board**”) and of the Executive Board of Chr. Hansen Holding A/S, CVR no. 28318677, (**Chr. Hansen** or the “**Company**”) during the 2018/2019 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 remuneration of the Board and Executive Board during the past financial year was provided in accordance with the Remuneration Policy of the Company as adopted at the Annual General Meeting on November 28, 2017 and the overall guidelines for incentive-based remuneration of the Company as adopted at the Annual General Meeting on November 26, 2015. Both are available on the Company’s website, [www.chr-hansen.com](http://www.chr-hansen.com), (jointly, the “Remuneration Policy”). The overall objective of the remuneration is to contribute towards ensuring that Chr. Hansen is able to 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.

The information provided in the Report was derived from the audited annual reports of the Company for the financial years 2016/2017 to 2018/2019 available on the Company’s website, [www.chr-hansen.com](http://www.chr-hansen.com). All amounts are stated in EUR, gross.

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<sup>1</sup> This remuneration report has been prepared in accordance with the Recommendations on Corporate Governance issued in November 2017 by the Danish Committee on Corporate Governance.

# REMUNERATION REPORT 2018/19

## 1 OVERVIEW | FINANCIAL PERFORMANCE

The financial year 2018/19 was overall a good year for Chr. Hansen, but not a year without challenges. Organic sales growth was 7%, which was below what we had expected at the beginning of the year, and we experienced slower sales momentum in the second half of the financial year. EBIT margin before special items was 29.6%, which was in-line with our expectations. Finally, free cash flow before special items and acquisitions increased by 17% to EUR 229 million. We continued to invest in research and development to maintain a steady flow of new products and concepts that generate value for our customers, for consumers and for our shareholders.

Not reaching the expectations of Organic Growth in the year have impacted both Annual Bonus and Matching Shares for the Executive Board providing below target pay-outs.

The remuneration of the Executive Board is in compliance with the Remuneration Policy, and the earning of cash bonus and the grant and vesting of share-based remuneration have been factually based on the realization of the agreed targets (KPIs).

## 2 REMUNERATION | BOARD OF DIRECTORS

### 2.1 BOARD OF DIRECTORS

The following changes were made to the Board at the Annual General Meeting held on November 29, 2018:

- Ole Andersen, Chair, stepped down
- Niels Peder Nielsen was elected to the Board

As per August 31, 2019 the Board consists of:

- Dominique Reiniche, Chair
- Jesper Brandgaard, Vice Chair
- Luis Cantarell, board member
- Lisbeth Grubov, board member (employee representative)
- Charlotte Hemmingsen, board member (employee representative)
- Heidi Kleinbach-Sauter, board member
- Niels Peder Nielsen, board member
- Per Poulsen, board member (employee representative)
- Kim Ib Sørensen, board member (employee representative)
- Kristian Villumsen, board member
- Mark Wilson, board member

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 Chair of a committee receives a higher supplementary fee.

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. The Remuneration Committee's recommendations must be based upon market practice, the scope and nature of the work and the qualifications required.

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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 of a General Meeting - receive separate supplementary remuneration in this regard.

The following Board fees for 2018/2019 were approved at the Annual General Meeting held on November 29, 2018, applicable from December 1, 2018:

**TABLE 1: BOARD FEES**

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

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

In addition 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 EUR 3,000 in connection with overseas travel to Board and committee related meetings.

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**TABLE 2: REMUNERATION OF BOARD MEMBERS (EUR)**

| Name & Position<br>Committee memberships   | 2018/2019 <sup>1)</sup> |                |                   |                     |                  | 2017/2018        | 2016/2017      |
|--|-------------------------|----------------|-------------------|---------------------|------------------|------------------|----------------|
|  | Joined/<br>Resigned     | Annual<br>Fee  | Committee<br>fees | Travel<br>Allowance | Total            | Total            | Total          |
| <b>Dominique Reiniche, Chair</b><br>Nomination (c), Remuneration (c),<br>Audit (m) | Nov 2013                | 148,000        | 69,000            | 0                   | 217,000          | 160,000          | 160,000        |
| <b>Jesper Brandgaard, Vice Chair</b><br>Audit (m), Nomination (m)                  | Nov 2017                | 94,000         | 33,000            | 0                   | 127,000          | 60,000           |                |
| <b>Luis Cantarell</b><br>Scientific (c)  | Nov 2016                | 54,000         | 34,000            | 0                   | 88,000           | 90,000           | 70,000         |
| <b>Lisbeth Grubov</b><br>Employee representative                                   | Nov 2017                | 57,000         | 0                 | 0                   | 57,000           | 40,000           |                |
| <b>Charlotte Hemmingsen</b><br>Employee representative                             | Nov 2017                | 54,000         | 0                 | 0                   | 54,000           | 40,000           |                |
| <b>Heidi Kleinbach-Sauter</b><br>Remuneration (m) Scientific (m)                   | Nov 2017                | 54,000         | 33,000            | 0                   | 87,000           | 60,000           |                |
| <b>Niels Peder Nielsen</b><br>Scientific (m)                                       | Nov 2018                | 40,000         | 15,000            | 0                   | 55,000           | 0                |                |
| <b>Per Poulsen</b><br>Employee representative                                      | Nov 2013                | 54,000         | 0                 | 0                   | 54,000           | 60,000           | 50,000         |
| <b>Kim Ib Sørensen</b><br>Employee representative                                  | Nov 2017                | 57,000         | 0                 | 0                   | 57,000           | 40,000           |                |
| <b>Kristian Villumsen</b><br>Audit (m), Nomination (m)                             | Nov 2014                | 54,000         | 37,000            | 0                   | 91,000           | 90,000           | 70,000         |
| <b>Mark Wilson</b><br>Audit (c), Remuneration (m)                                  | Oct 2010                | 54,000         | 54,000            | 21,000              | 129,000          | 130,000          | 120,000        |
| <b>Ole Andersen</b>  | Feb 2010<br>Nov 2018    | 40,000         | 18,000            | 0                   | 58,000           | 240,000          | 230,000        |
| <b>Mads Bennedsen</b>  | Nov 2013<br>Jan 2017    |                |                   |                     |                  |                  | 20,000         |
| <b>Søren Carlsen</b>   | Nov 2012<br>Nov 2016    |                |                   |                     |                  |                  | 20,000         |
| <b>Svend Laulund</b>   | Jan 2006<br>Nov 2017    |                |                   |                     |                  | 10,000           | 50,000         |
| <b>Tina Mattila-Sandholm</b>   | Nov 2014<br>Nov 2017    |                |                   |                     |                  | 20,000           | 70,000         |
| <b>Frédéric Stévenin</b>   | Nov 2006<br>Nov 2017    |                |                   |                     |                  | 20,000           | 90,000         |
| <b>Total<sup>2)</sup></b>  |                         | <b>760,000</b> | <b>293,000</b>    | <b>21,000</b>       | <b>1,074,000</b> | <b>1,060,000</b> | <b>950,000</b> |

Note:  
(c) Chair  
(m) Member

<sup>1)</sup> Reflecting the Financial Year, from September 2018 to August 2019

<sup>2)</sup> In addition 16,000 EUR is paid in respect of individual board members social security contribution

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## 2.2 SHAREHOLDING REQUIREMENT

With a view to aligning the interests of the Company's shareholders and the members of the Board, each director elected at a General Meeting must, no later than 12 months after being appointed to the Board of Directors, purchase and hold shares in the Company for an amount equal to at least one year's base fee for as long as he/she is member of the Company's Board of Directors.

**TABLE 3: BOARD MEMBER SHAREHOLDINGS**

| Name                   | Beginning of year | Bought during the year | Sold during the year | End of year |
|------------------------|-------------------|------------------------|----------------------|-------------|
| Dominique Reiniche     | 1,462             | 0                      | 0                    | 1,462       |
| Jesper Brandgaard      | 1,952             | 1,670                  | 0                    | 3,622       |
| Luis Cantarell         | 1,400             | 800                    | 0                    | 2,200       |
| Lisbeth Grubov         | 100               | 0                      | 0                    | 100         |
| Charlotte Hemmingsen   | 992               | 100                    | 0                    | 1,092       |
| Heidi Kleinbach-Sauter | 0                 | 750                    | 0                    | 750         |
| Niels Peder Nielsen    | 0                 | 775                    | 0                    | 775         |
| Per Poulsen            | 150               | 0                      | 0                    | 150         |
| Kim Ib Sørensen        | 20                | 0                      | 0                    | 20          |
| Kristian Villumsen     | 1,500             | 3,500                  | 0                    | 5,000       |
| Mark Wilson            | 3,000             | 0                      | 0                    | 3,000       |

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## 3 REMUNERATION | EXECUTIVE BOARD

### 3.1 EXECUTIVE BOARD

The following changes were made to the Executive Board during 2018/2019:

- Christoffer Lorenzen, EVP, Food Cultures & Enzymes resigned (left May 31, 2019)

As per August 31, 2019 the Executive Board consists of:

- Mauricio Graber, Chief Executive Officer (CEO)
- Søren Westh Lonning, Chief Financial Officer (CFO)
- Thomas Schäfer, Chief Scientific Officer (CSO)

### 3.2 REMUNERATION

Members of the Executive Board are entitled to an 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, and RSUs,
- long-term incentive remuneration consisting of participation in Matching Shares Programs
- termination and severance payments, and
- customary non-monetary employment benefits.

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

The remuneration of members of the Executive Board should contribute towards ensuring that the Company is able to attract and retain highly qualified individuals. The remuneration and its composition should suitably align the interests of management and shareholders. In this context, remuneration should contribute towards promoting, target achievement the strategy, long-term sustainability and creation of value in the Chr. Hansen Group by supporting the Group's long-term 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 the light of the remuneration levels of other Danish large-cap companies with international activities as well as European companies operating within similar industries as the Company.

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**TABLE 4: PAY ELEMENTS**

| Element              | Description   | Level 2018/2019  |
|----------------------|---|--|
| Base Salary          | Fixed annual salary   | Reflecting competitive market and individual performance   |
| Pension              | Defined contribution to company-designated pension provider   | 20% of base salary   |
| Short-Term Incentive | Annual bonus based on group financial targets and individual non-financial targets.<br>Minimum 1/3 of bonus is deferred as RSUs, rest paid in cash. | When achieving target performance the target pay-out will be:<br>CEO: 84% of base salary.<br>CFO & CSO: 60% of base salary   |
| Long-Term Incentive  | Matching Share Program based on Financial targets and retention. Require investment by Executive in investment shares.                              | Required investment in Chr. Hansen shares of<br>CEO: 18% of base salary<br>CFO & CSO: 14% of base salary -<br>When achieving target performance, the target pay-out (after 3 years of vesting) is 3.5 times the investment shares.<br>CEO: 64% of base salary<br>CFO & CSO: 48% of base salary |
| Benefits             | Typical benefits like: Company car, medical examinations etc.   | Market competitive levels.   |

**TABLE 5: REMUNERATION OF THE EXECUTIVE BOARD (EUR)**

| 2018/2019                                     | Fixed       |         |                    | Short-term Incentive                      |  | Long-term Incentive                        | Other <sup>4)</sup> | Total     |
|---|-------------|---------|--------------------|---|--|--|---------------------|-----------|
|   | Base Salary | Pension | Fixed Base+Pension | Annual Cash Bonus 2018/2019 <sup>1)</sup> | Annual RSU bonus 2018/2019 <sup>2)</sup> | Matching Shares Granted 2018 <sup>3)</sup> |                     |           |
| <b>Mauricio Graber, CEO</b>                   | 953,000     | 191,000 | 1,144,000          | 486,000                                   | 243,000                                  | 549,000                                    | 679,000             | 3,101,000 |
| <b>Søren Westh Lønning, CFO</b>               | 439,000     | 92,000  | 531,000            | 143,000                                   | 72,000                                   | 200,000                                    | 20,000              | 966,000   |
| <b>Thomas Schäfer, CSO</b>                    | 267,000     | 54,000  | 321,000            | 44,000                                    | 133,000                                  | 117,000                                    | 21,000              | 636,000   |
| <b>Christoffer Lorenzen, EVP<sup>5)</sup></b> | 337,000     | 67,000  | 404,000            | 158,000                                   | -  | 176,000                                    | 18,000              | 756,000   |
| <b>Total</b>                                  | 1,996,000   | 404,000 | 2,400,000          | 831,000                                   | 448,000                                  | 1,042,000                                  | 738,000             | 5,459,000 |

Note:

<sup>1)</sup> Earned cash value of bonus based on 2018/2019 performance, to be paid in November 2019

<sup>2)</sup> Earned RSU value of bonus based on 2018/2019 performance, to be granted in November 2019

<sup>3)</sup> Expected value of granted Matching Shares Program in October 2018 – vesting in October 2021. In the Annual report EUR 0.9 million was expensed in FY19 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 which are adjusted for expected achievement of KPI's.

<sup>4)</sup> Covers housing allowance, sign-on bonus, insurance, car & gas and other amenities

<sup>5)</sup> Christoffer Lorenzen resigned from the Executive Board May 31, 2019. Bonus paid out in cash - no RSUs

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| 2017/2018 (EUR)                               | Fixed       |         |                    | Short-term incentive        |                            | Long-term Incentive          |                     |           |
|---|-------------|---------|--------------------|-----------------------------|----------------------------|------------------------------|---------------------|-----------|
| Name & Position                               | Base Salary | Pension | Fixed Base+Pension | Annual Cash Bonus 2017/2018 | Annual RSU bonus 2017/2018 | Matching Shares Granted 2017 | Other <sup>1)</sup> | Total     |
| <b>Mauricio Graber, CEO<sup>2)</sup></b>      | 238,000     | 48,000  | 286,000            | 547,000                     | 273,000                    | 657,000                      | 12,000              | 1,775,000 |
| <b>Søren Westh Lonning, CFO</b>               | 370,000     | 74,000  | 444,000            | 147,000                     | 73,000                     | 199,000                      | 4,000               | 897,000   |
| <b>Thomas Schäfer, CSO</b>                    | 218,000     | 44,000  | 262,000            | 79,000                      | 39,000                     | 137,000                      | 22,000              | 539,000   |
| <b>Christoffer Lorenzen, EVP<sup>3)</sup></b> | 198,000     | 40,000  | 238,000            | 139,000                     | 69,000                     | 177,000                      | 22,000              | 645,000   |
| <b>Cees de Jong, CEO<sup>4)</sup></b>         | 603,000     | 121,000 | 724,000            | 435,000                     | -                          | 460,000                      | 17,000              | 1,636,000 |
| <b>Total</b>                                  | 1,627,000   | 327,000 | 1,954,000          | 1,347,000                   | 454,000                    | 1,630,000                    | 77,000              | 5,462,000 |

Note:

- <sup>1)</sup> Other covers housing allowance, sign-on bonus, insurance, car & gas and other amenities
- <sup>2)</sup> Mauricio Graber joined the Executive Board on June 1, 2018
- <sup>3)</sup> Christoffer Lorenzen joined the executive Board February 1, 2018
- <sup>4)</sup> Cees de Jong resigned from the Executive Board on May 31, 2018. Bonus paid in cash - no RSUs.

| 2016/2017 (EUR)                    | Fixed       |         |                    | Short-term Incentive        |                            | Long-term Incentive          |                     |           |
|------------------------------------|-------------|---------|--------------------|-----------------------------|----------------------------|------------------------------|---------------------|-----------|
| Name & Position                    | Base Salary | Pension | Fixed Base+Pension | Annual Cash Bonus 2016/2017 | Annual RSU bonus 2016/2017 | Matching Shares Granted 2016 | Other <sup>1)</sup> | Total     |
| <b>Cees de Jong, CEO</b>           | 781,000     | 156,000 | 937,000            | 469,000                     | 234,000                    | 356,000                      | 59,000              | 2,055,000 |
| <b>Søren Westh Lonning, CFO</b>    | 322,000     | 64,000  | 386,000            | 169,000                     | 85,000                     | 137,000                      | 18,000              | 795,000   |
| <b>Knud Vindfeldt<sup>2)</sup></b> | 226,000     | 45,000  | 271,000            | 270,000                     |                            | 187,000                      | 25,000              | 753,000   |
| <b>Total</b>                       | 1,329,000   | 265,000 | 1,594,000          | 908,000                     | 319,000                    | 680,000                      | 102,000             | 3,603,000 |

Note

- <sup>1)</sup> Other covers insurance, car & gas and other amenities
- <sup>2)</sup> Knud Vindfeldt resigned from the Executive Board on February 28, 2017. Bonus paid in cash - no RSUs.

## 3.3 FIXED BASE SALARY

The annual fixed base salary is intended to attract and retain competent key employees with a view to contributing to the Company's ability to obtain its short- and long-term targets.

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## 3.4 PENSION CONTRIBUTION

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

## 3.5 TERMINATION AND SEVERANCE PAYMENTS

Employment agreements 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.

## 3.6 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.

## 3.7 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 2018/2019 financial year, no incentive remuneration was reclaimed.

## 3.8 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.

The amount of a bonus may not exceed 120% of the CEO's fixed base salary.

Structure of KPIs:

**TABLE 6: GENERAL STRUCTURE OF KPIS FOR ANNUAL BONUS<sup>1)</sup>**

|                                   |                                  |     |
|-----------------------------------|----------------------------------|-----|
| <b>Group financial targets</b>    | Organic Growth                   | 20% |
|                                   | EBIT                             | 20% |
|                                   | Free Cash Flow                   | 20% |
| <b>Individual, personal goals</b> | Individual non-financial targets | 40% |

<sup>1)</sup> Individual weighting for Christoffer Lorenzen

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## Achievement of Group financial targets 2018/2019

TABLE 7: KPI ACHIEVEMENT FOR ANNUAL BONUS EXECUTIVE BOARD 2018/2019

| Name and position                       | % Achievement of max | EUR     |
|---|----------------------|---------|
| Mauricio Graber, CEO                    | 64% of max           | 729,000 |
| Søren Westh Lønning, CFO                | 66% of max           | 215,000 |
| Thomas Schäfer, CSO                     | 64% of max           | 177,000 |
| Christoffer Lorenzen, EVP <sup>1)</sup> | 55% of max           | 158,000 |

<sup>1)</sup> Member of the Executive Board until May 31, 2019

## 3.9 MATCHING SHARES PROGRAM - LONG-TERM INCENTIVE

Individual members of the Executive Board may at the discretion of the Board be offered to participate in a Matching Shares Program. Participating members 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 cost, which after three years of ownership provides the right to receive between 0.5 and 5.5 Matching Shares per investment share, depending on the fulfillment of certain performance criteria.

Participation in the Matching Shares Program is offered to members of the Executive Board as an element of remuneration in order to ensure that the Executive Board stays focused on value creation and the achievement of the Company's long-term objectives. The entitlement to receive Matching Shares is determined based on the number of Company shares acquired, the participant's continued employment with the Company, and the achievement of targets determined by the Board with respect to the Company's earnings and turnover and share performance consistent with 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. The fair value at grant cannot exceed 100% of the CEO's base salary.

**TABLE 8: STRUCTURE OF KPIS FOR THE MATCHING SHARES GRANT 2018/2019**

|                         | KPI  | Matching Shares <sup>1)</sup> |
|-------------------------|--|-------------------------------|
| Group financial targets | Organic Growth                               | <b>0-1.5</b>                  |
|                         | EBIT   | <b>0-1.5</b>                  |
|                         | TSR <sup>2)</sup> performance vs. peer group | <b>0-2.0</b>                  |
| Retention               | Ongoing employment                           | <b>0.5</b>                    |
| <b>Total</b>            |  | <b>0.5-5.5</b>                |

<sup>1)</sup> Number of matching shares vs. each investment share.

<sup>2)</sup> TSR: Total Shareholder Return.

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**TABLE 9: PERFORMANCE OF MATCHING SHARES PROGRAMS**

| Program   | Description of KPI  | Total Matching Shares vested   |
|-----------|---|--------------------------------|
| 2014/2015 | Organic Growth 14/15 to 16/17<br>EBIT 14/15 to 16/17<br>TSR 14/15 to 16/17<br>Retention | 100% of max                    |
| 2015/2016 | Organic Growth 15/16 to 17/18<br>EBIT 15/16 to 17/18<br>TSR 15/16 to 17/18<br>Retention | 100% of max                    |
| 2016/2017 | Organic Growth 16/17 to 18/19<br>EBIT 16/17 to 18/19<br>TSR 16/17 to 18/19<br>Retention | 49% of max<br>Vest in Nov 2019 |
| 2017/2018 | Organic Growth 17/18 to 19/20<br>EBIT 17/18 to 19/20<br>TSR 17/18 to 19/20<br>Retention | Vest in Nov 2020               |
| 2018/2019 | Organic Growth 18/19 to 20/21<br>EBIT 18/19 to 20/21<br>TSR 18/19 to 20/21<br>Retention | Vest in Oct 2021               |

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**TABLE 10: MAXIMUM MATCHING SHARES PROGRAMS OF THE EXECUTIVE BOARD**

| Name and position               | Program   | Grant     | Vest      | Grant  | Dividend Adjustments |              | Forfeited | Exercised (this year) | Deposit as of Aug. 31, 2019 <sup>1)</sup> | Maximum market value Aug. 31, 2019 (tEUR) <sup>2)</sup> | Value of exercised Matching Share - this year (tEUR) <sup>3)</sup> |
|---------------------------------|-----------|-----------|-----------|--------|----------------------|--------------|-----------|-----------------------|---|---|--|
|                                 |           |           |           |        | Prev. years          | Current Year |           |                       |   |   |  |
| <b>Mauricio Graber, CEO</b>     | 2017/2018 | Jan. 2018 | Jan. 2021 | 14,278 | 0                    | 171          | 0         | 0                     | 14,449                                    | 1,206   | 0  |
|                                 | 2018/2019 | Oct. 2018 | Oct. 2021 | 10,984 | 0                    | 0            | 0         | 0                     | 10,984                                    | 916   | 0  |
| <b>Søren Westh Lonning, CFO</b> | 2015/2016 | Nov. 2015 | Nov. 2018 | 3,468  | 64                   | 44           | 0         | 3,576                 | 0   | 0   | 332  |
|                                 | 2016/2017 | Nov. 2016 | Nov. 2019 | 4,433  | 72                   | 55           | 0         | 0                     | 4,560                                     | 380   | 0  |
|                                 | 2017/2018 | Nov. 2017 | Nov. 2020 | 4,334  | 0                    | 55           | 0         | 0                     | 4,389                                     | 366   | 0  |
|                                 | 2018/2019 | Oct. 2018 | Oct. 2021 | 3,999  | 0                    | 0            | 0         | 0                     | 3,999                                     | 334   | 0  |
| <b>Thomas Schäfer, CSO</b>      | 2017/2018 | Nov. 2017 | Nov. 2020 | 2,970  | 0                    | 44           | 0         | 0                     | 3,014                                     | 251   | 0  |
|                                 | 2018/2019 | Oct. 2018 | Oct. 2021 | 2,343  | 0                    | 0            | 0         | 0                     | 2,343                                     | 195   | 0  |
| <b>Total</b>                    |           |           |           |        |                      |              |           | <b>3,576</b>          | <b>43,738</b>                             | <b>3,648</b>  | <b>332</b>   |

| <b>Resigned Executive Board members</b> |           |           |           |        |     |     |        |               |              |            |              |
|---|-----------|-----------|-----------|--------|-----|-----|--------|---------------|--------------|------------|--------------|
| Resigned Executive Board members        | 2015/2016 | Nov. 2015 | Nov. 2018 | 16,056 | 276 | 204 | 0      | 16,536        | 0            | 0          | 1,533        |
|   | 2016/2017 | Nov. 2016 | Nov. 2019 | 20,973 | 314 | 121 | 11,694 | 0             | 9,714        | 811        | 0            |
|   | 2017/2018 | Nov. 2017 | Nov. 2020 | 13,860 | 0   | 44  | 13,904 | 0             | 0            | 0          | 0            |
|   | 2018/2019 | Oct. 2018 | Oct. 2021 | 3,526  | 0   | 0   | 3,526  | 0             | 0            | 0          | 0            |
| <b>Total</b>                            |           |           |           |        |     |     |        | <b>16,536</b> | <b>9,714</b> | <b>811</b> | <b>1,533</b> |

**Notes**

- <sup>1)</sup> Maximum Matching Shares if meeting maximum performance criteria at end of performance period
- <sup>2)</sup> Value of maximum Matching Shares based on average share price in last quarter of 2018/2019 €83.44
- <sup>3)</sup> Value of exercised Matching Shares during 2018/2019

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**TABLE 11: RSU PROGRAMS OF THE EXECUTIVE BOARD**

| Name and position               | Program   | Grant     | Final Vesting | Grant | Dividend Adjustment |              | Forfeited | Exercised   |              | Deposit as of Aug. 31, 2019 | Market value Aug. 31, 2019 (tEUR) <sup>1)</sup> | Value of exercised RSUs - this year (tEUR) <sup>2)</sup> |
|---------------------------------|-----------|-----------|---------------|-------|---------------------|--------------|-----------|-------------|--------------|-----------------------------|---|--|
|                                 |           |           |               |       | Prev. Years         | Current Year |           | Prev. Years | This Year    |                             |   |  |
| <b>Mauricio Graber, CEO</b>     | 2017/2018 | Nov. 2018 | Nov. 2020     | 3,149 | 0                   | 0            | 0         | 0           | 0            | 3,149                       | 263   |  |
| <b>Søren Westh Lonning, CFO</b> | 2014/2015 | Nov. 2015 | Nov. 2018     | 545   | 36                  | 0            | 0         | 399         | 182          | 0                           | 0   | 17   |
|                                 | 2015/2016 | Nov. 2016 | Nov. 2019     | 1,329 | 3                   | 0            | 0         | 446         | 443          | 443                         | 37  | 41   |
|                                 | 2016/2017 | Nov. 2017 | Nov. 2020     | 1,269 | 27                  | 0            | 0         | 12          | 432          | 852                         | 71  | 40   |
|                                 | 2017/2018 | Nov. 2018 | Nov. 2020     | 844   | 0                   | 29           | 0         | 0           | 13           | 860                         | 72  | 1  |
| <b>Thomas Schäfer, CSO</b>      | 2017/2018 | Nov. 2018 | Nov. 2020     | 454   | 0                   | 0            | 0         | 0           | 0            | 454                         | 38  |  |
| <b>Total</b>                    |           |           |               |       |                     |              |           |             | <b>1,070</b> | <b>5,758</b>                | <b>481</b>                                      | <b>99</b>  |

| <b>Resigned Executive Board members</b> |           |           |           |       |     |    |       |              |              |            |            |     |
|---|-----------|-----------|-----------|-------|-----|----|-------|--------------|--------------|------------|------------|-----|
| Resigned Executive Board members        | 2014/2015 | Nov. 2015 | Nov. 2018 | 7,751 | 383 | 0  | 0     | 5,550        | 2,584        | 0          | 0          | 237 |
|   | 2015/2016 | Nov. 2016 | Nov. 2019 | 6,163 | 47  | 0  | 1,152 | 2,089        | 2,063        | 906        | 76         | 189 |
|   | 2016/2017 | Nov. 2017 | Nov. 2020 | 4,592 | 220 | 0  | 2,719 | 125          | 1,595        | 373        | 31         | 147 |
|   | 2017/2018 | Nov. 2018 | Nov. 2020 | 799   | 0   | 96 | 537   | 0            | 76           | 282        | 24         | 7   |
| <b>Total</b>                            |           |           |           |       |     |    |       | <b>6,318</b> | <b>1,561</b> | <b>131</b> | <b>580</b> |     |

<sup>1)</sup> Value of RSUs based on average share price in last quarter of 2018/2019 €83.44

<sup>2)</sup> Value of exercised RSUs during 2018/2019

# REMUNERATION REPORT 2018/19

## 3.10 EXECUTIVE BOARD SHAREHOLDINGS

TABLE 12: EXECUTIVE BOARD MEMBER SHAREHOLDINGS

| Name                | Beginning of year | Bought during the year | Sold during the year | End of year |
|---------------------|-------------------|------------------------|----------------------|-------------|
| Mauricio Graber     | 10,000            | 7,500                  | 0                    | 17,500      |
| Søren Westh Lonning | 3,501             | 4,646                  | (3,571)              | 4,576       |
| Thomas Schäfer      | 2,262             | 0                      | 0                    | 2,262       |

## 4 COMPLIANCE WITH REMUNERATION POLICY

The remuneration of members of the Board and Executive Board for the 2018/2019 financial year is consistent with the scope of the Remuneration Policy. There has been no deviation or derogation from the framework provided by the Remuneration Policy.