

## Remuneration Committee Report 2019/20

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The Remuneration Committee works according to an Annual Wheel with fixed agenda items.

In 2019/2020 the Remuneration Committee held four meetings. All three members attended all meetings within the member's term in 2019/20. For more specific information about meeting attendance, please refer to [p. 52 of the 2019/20 Annual Report](#).

The Committee dealt with the following key matters:

### **Remuneration of the members of the Board of Directors and its committees**

- Reviewed and endorsed the Danish peer-group and a new directional international peer-group on Board remuneration for 2020/21.

### **Remuneration of the members of the Executive Board and Corporate Leadership Team (CLT)**

- Reviewed and recommended the salary adjustments for FY19 based on Danish and international peer group benchmark data for executive remuneration to the Board.
- Reviewed and recommended the proposed short-term incentive (STI/SHARE) payout for FY19 and the proposed STI targets (financial and discretionary) for FY20 to the Board.
- Reviewed and recommended the proposed long-term incentive (LTI/Matching Shares) payout for FY19 and the proposed LTI targets for FY20 to the Board.
- Reviewed the KPI setting 2020/21 process and principles.
- Reviewed and recommended the remuneration package for the new CFO.

### **Reporting on Remuneration of the Board of Directors and Executive Board**

- Reviewed and endorsed the Remuneration Report 2018/19.
- Reviewed and endorsed the framework for the Remuneration Report 2019/20.

### **Remuneration principles and incentive programs for Chr. Hansen in general**

- Reviewed and endorsed the Remuneration Policy applicable for the Board and the Executive Board.
- Reviewed and endorsed the Reward and Remuneration Position applicable for Chr. Hansen in general.
- Reviewed the Restricted Share Unit (RSU) sign-up under the SHARE (STI) program for FY19.
- Reviewed and endorsed selected incentive programs.
- Reviewed and endorsed the global salary adjustment budget for 2020/2021.

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### Remuneration Committee matters and governance

- Reviewed the core processes related to remuneration of the Executive Board and the other members of the CLT.
- Reviewed and approved the Annual Wheel for 2019/20.
- Conducted a self-assessment, including a review of the Remuneration Committee Charter.
- Conducted private meetings without the Executive Board being present.
- Approved a report on the Committee's activities in 2018/19.
- Approved the Committee calendar 2020 – 2022.