

## Total Rewards Position

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### **Introduction**

At Chr. Hansen, we believe it is vital to reward and recognize our people for the value they bring to our organization.

As a global organization we understand that meaningful rewards can take many different forms. This is why we offer Total Reward packages to our employees, which, in addition to pay, provide a range of programs, employment benefits and conditions designed to make them successful at work and support their well-being.

We are committed to providing fair, sustainable and market competitive rewards aligned with the skills and experience of our employees and reflecting their levels of performance, behaviour, and ongoing contributions to our company's success.

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### **Guiding Principles**

Through our global Total Rewards Position, we intend to deliver a competitive reward and recognition experience by setting high global standards.

Therefore, we aim to have rewards practices that respect the following guiding principles:

#### **Total Rewards perspective**

- We believe that remuneration is one part of our total employment value proposition that includes both financial and non-financial reward components,
- Within the non-financial rewards, we emphasize the attractiveness of a strong culture and leadership, as well as learning and growth opportunities, which are key to a meaningful career,
- We consider all reward elements when determining the total value for any employment offer.

#### **Internally aligned and externally competitive**

- We strive to align our rewards with Chr. Hansen's People, Knowledge and Organization Policy, as well as the Remuneration Policy,
- We seek to offer internally fair and transparent rewards, ensuring alignment and non-discrimination across our practices,
- We expect our leaders to take ownership of pay decisions and act in accordance with our pay principles and policies,
- We aim to provide total reward offerings that are externally competitive in the applicable local markets of reference.

**Guiding Principles****Linked to performance**

- We apply differentiation in our rewards linked to clearly defined pre-requirements for measurable output in terms of performance and impact,
- We offer variable pay plans as an additional incentive to boost employee performance where prevalent in the local markets of reference; the financial payout of any such incentive schemes is dependent on company performance and calculated based on a combination of individual and business results,
- We believe recognition of high performance is an essential part of our culture and that an engaging message of appreciation may be as impactfully received, whether it is delivered through non-financial or financial channels.

**Benefits**

- We aim to offer benefits that are aligned with the fair market practice in the employee's country of hire, which may include where relevant, medical and life insurance, retirement savings, as well as benefits related to diversity, equity, and inclusion, such as parental leave and vacation.

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**Scope**

The principles of this position apply to all Chr. Hansen sites and subsidiaries.

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