A photograph of a family walking through a field of tall grass and reeds. A man in a plaid shirt carries a young child on his shoulders. A woman in a green dress walks beside him, holding a leash for a dog. The scene is bathed in the warm light of late afternoon.

# Annual General Meeting

November 24, 2021

# Agenda

- 1 ▶ **Report on the Company's activities**
- 2 ▶ Approval of the 2020/21 Annual Report
- 3 ▶ Resolution on the appropriation of profit
- 4 ▶ Presentation of the Company's 2020/21 Remuneration Report for an advisory vote
- 5 ▶ Resolution on remuneration of members of the Board of Directors
- 6 ▶ Proposals from the Board of Directors
- 7 ▶ Election of members to the Board of Directors
- 8 ▶ Election of a company auditor
- 9 ▶ Authorisation of the Chair of the Annual General Meeting



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# Report on the Company's activities

Dominique Reiniche, Chair of the Board





# Becoming a focused bioscience pure player



# Enabling healthier living







# Rethinking food, health and agriculture





# A sustainability enabler



# Financial performance

continuing operations

**7%**

**Organic growth**

Guidance: 5-8%

**27.7%**

**EBIT margin b.s.i.**

Guidance: 27-28%

**EUR 196m**

**Free cash flow b.a.s.i.**

Guidance: Above EUR 120-160m

Guidance refers to the guidance announced in October 2020  
B.s.i. = before special items.



# Return to shareholders



\* The dividend (equal to 50% of the profit for the year FY20) was paid out as an extraordinary dividend following the receipt of proceeds from the NCD divestment

CHR HANSEN

*Improving food & health*



# Share price performance



1 YR

**-18%**

Chr. Hansen

**+23%**

Peer group

**+34%**

OMXC25

5YR

**+56%**

**+117%**

**+44%**  
EUROSTOXX<sup>1</sup>

<sup>1</sup> Dow Jones Eurostoxx chosen for the 5-year comparison as the C25 index began in December 2017



# 2021/22 guidance

**5-8%**

**Organic growth**

**27-28%**

**EBIT margin b.s.i.**

**EUR  
140-170m**

**Free cash flow b.s.i.**

The outlook is based on the following assumptions: Constant currencies, No acquisitions, The current political and economic environment. Changes in the political and macroeconomic climate including continued COVID-19 related disruptions, development of raw material and other input costs might impact the outlook.

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*Improving food & health*



# Financial ambitions towards 2025

**Mid- to high  
single-digit  
growth,  
averaged over  
the period**

**Group organic growth**

**Increase in EBIT  
margin before  
special items  
over the period**

**Group EBIT margin b.s.i.**

**Average growth  
in free cash  
flow b.s.i.  
exceeding the  
average growth  
in EBIT b.s.i.**

**Free cash flow b.s.i.**

The financial ambition is based on constant currencies and does not take future acquisitions or divestments into account. The financial ambition is also based on the current political and economic environment and projections, and any changes may impact the ambitions.

Baseline is 2020/21

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# Strong ESG commitment





# Adoption of enhanced ESG oversight





# A continued strategic focus on diversity and inclusion







# ESG paylink for top management



A woman with dark hair, wearing a black dress and a light grey cardigan, stands on a balcony with a glass railing. She is looking directly at the camera with a slight smile. The background shows a modern building with large glass windows and a view of greenery outside.

**32% women in  
directors+ positions**





# Closing the gender pay gap



# Adoption of TCFD

**TCFD**

TASK FORCE ON  
CLIMATE-RELATED  
FINANCIAL  
DISCLOSURES





# Adoption of country-by-country tax reporting





**Think Climate.  
Naturally.**



# Chr. Hansen has embarked on a focused decarbonization journey towards 2030



**Scope 1+2**  
reduction target

**42%**



**Scope 3**  
reduction target

**20%**





# Strategic highlights 2020/21

Mauricio Graber, Chief Executive Officer



An aerial photograph of a dense forest with a winding road. The road is a light-colored, unpaved path that curves through the dark green trees. The text "Building a more balanced business" is overlaid in white, bold, sans-serif font in the lower-left quadrant of the image.

**Building a more  
balanced business**



# All-time high product launch activity







**Fuel the innovation  
agenda in our markets**



# Status on new lighthouses







**Plant-based foods are  
booming**





**HMOs are a strong fit to  
our microbial portfolio**



# Sharp focus on employee well-being



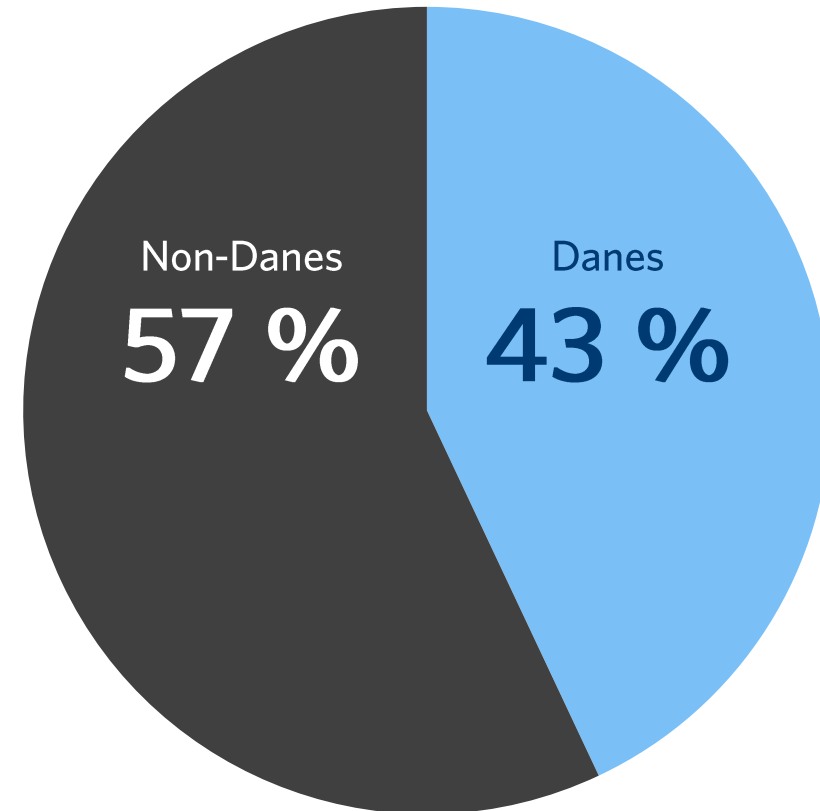
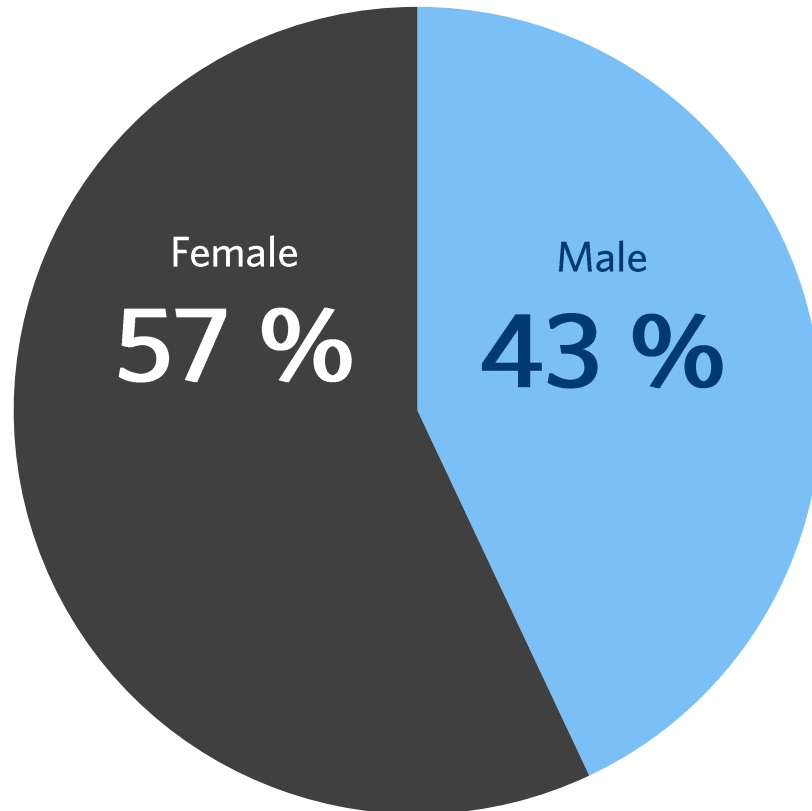


A close-up photograph of a lush green mossy surface. Numerous small, clear water droplets are scattered across the moss, reflecting light. The background is a soft, out-of-focus green, suggesting a natural, outdoor setting.

Fully committed to  
Grow a better world.  
Naturally.



# Proposed composition of the Board



*The charts show the proposed shareholder-elected members. The 4 employee-elected members are 2 female and 2 male Danes.*



# Evaluation of the Board of Directors

A photograph of a business meeting. In the foreground, a person's hands are visible, holding a red pen and writing on a document. The document contains a flowchart or organizational chart with various boxes and lines. To the left, a laptop is open, displaying a website. In the background, another person is visible, also working on a laptop. The scene is set in a professional office environment.



## Management remuneration: Executive Board

EUR million	2019/20	2020/21
Base salary & pension	2.1	2.1
Short-term incentive cash & RSU	1.4	1.3
Long-term incentive (matching shares)	1.1	1.4
Other	0.7	1.3
<b>TOTAL</b>	<b>5.2</b>	<b>6.1</b>



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## 5. Resolution on remuneration of members of the Board of Directors

Fees in DKK	2020/21	2021/22 proposal	Multiplier
<b>Board of Directors</b>			
Members	400,000	420,000	
Chair	1,200,000	1,260,000	3,0
Vice Chair	800,000	840,000	2,0
<b>Committee chairs</b>			
Audit	300,000	315,000	0,75
Science & Innovation and Remuneration	250,000	265,500	0,625
Nomination	200,000	210,000	0,50
<b>Committee members</b>			
Audit and Science & Innovation	150,000	157,500	0,375
Nomination and Remuneration	125,000	131,250	0,3125

*In addition to the fees, Board and committee members receive a fixed travel allowance of DKK 22,500 in connection with travel to Board and/or committee related meetings outside their country of residence, however DKK 37,500, if travelling between continents.*



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## 6.a Approval of indemnification arrangements and related amendment of Remuneration Policy

To ensure the Company's ability to continue to attract talent and offer appropriate coverage and protection to the Board of Directors and Executive Board, it is proposed that the Company – in cases where the Board of Directors considers the available insurance coverage is insufficient and/or associated with disproportionate costs – may provide indemnification arrangements to its Board of Directors and Executive Board. Any such indemnification presupposes the absence of fraud or willful misconduct.

It is further proposed that the resolution be reflected in the Company's Remuneration Policy by including the following new Section 2.6 therein:

### *"2.6 Directors' and officers' insurance and indemnification*

*The Company may take out directors' and officers' liability insurance covering members of the Board of Directors and the Executive Board. In cases where the Board of Directors considers that the available insurance coverage is insufficient and/or associated with disproportionate costs or other adverse terms, the Company may provide indemnity arrangements for the members of the Board of Directors and/or the Executive Board in respect of claims relating to the exercise of their duties, provided in each case such claims are not caused by such member's fraud or willful misconduct. The Company may in this respect also offer to cover reasonable costs associated with the defense against such claims."*



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## 7.a Election of a Chair of the Board of Directors



**Dominique Reiniche**



## 7.b Election of other members to the Board of Directors



**Jesper Brandgaard**



**Luis Cantarell**



**Lise Kaas**



**Heidi Kleinbach-Sauter**



**Kevin Lane**



**Lillie Li Valeur**



# Members of the Board of Directors elected by the employees



**Casper Lynghøj Giedo**



**Charlotte Hemmingsen**



**Karen Lauesen**



**Kim Ib Sørensen**



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A background image of a forest with tall evergreen trees and a sunlit sky. A dark blue semi-transparent rectangle is overlaid on the left side of the image, containing white text. The text is centered within the rectangle.

# The Board of Directors proposes to re-elect PwC as Company Auditor:

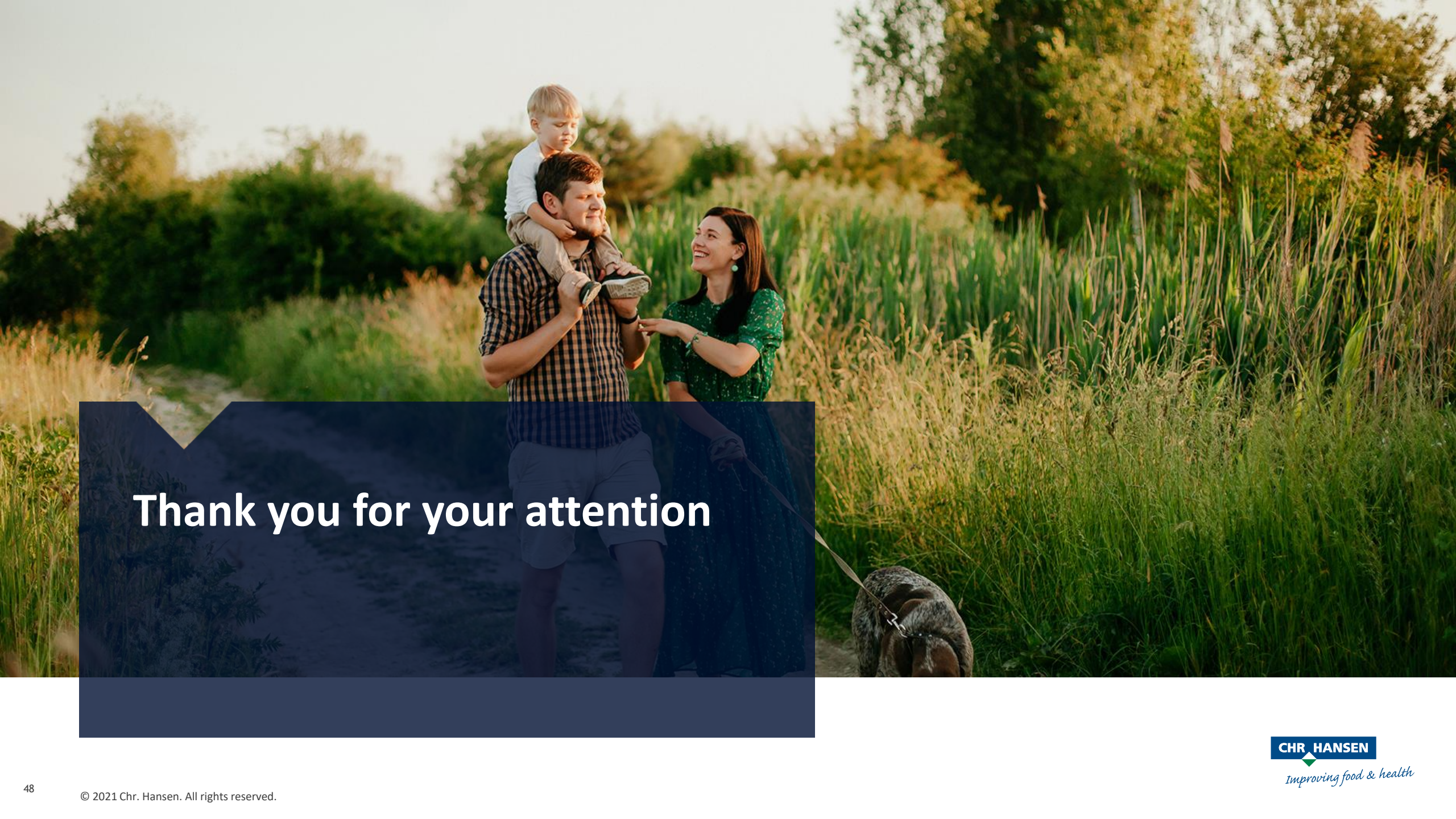
PwC Statsautoriseret Revisionspartnerselskab



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**Thank you for your attention**