

An aerial photograph of a dense, vibrant green forest. A river winds through the center of the image, reflecting the surrounding foliage. The forest appears to be a tropical or subtropical rainforest, with a variety of tree heights and colors of green. The river is a dark, reflective surface, mirroring the sky and the surrounding trees.

Sustainability

Investor presentation 2021/22

January 2022

Safe harbor statement

This presentation contains forward-looking statements that reflect management's current views with respect to certain future events and potential financial performance. Forward-looking statements are other than statements of historical facts. The words "believe," "expect," "anticipate," "intend," "estimate," "outlook," "will," "may," "continue," "should" and similar expressions identify forward-looking statements.

Forward-looking statements include statements regarding: objectives, goals, strategies, outlook and growth prospects; future plans, events or performance and potential for future growth; liquidity, capital resources and capital expenditures; economic outlook and industry trends; developments of the Company's markets; the impact of regulatory initiatives; and the strength of competitors. The forward-looking statements in this presentation are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, management's examination of historical operating trends, data contained in records and other data available from third parties.

Although the Company believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant known and unknown risks, uncertainties, contingencies and other important factors which are difficult or impossible to predict and may be beyond our control. Such risks, uncertainties, contingencies and other important factors could cause the actual results of the Company or the industry to differ materially from those results expressed or implied in this presentation by such forward-looking statements.

The information, opinions and forward-looking statements contained in this presentation speak only as at the date of this presentation, and are subject to change without notice. The Company and its respective agents, employees or advisors do not intend to, and expressly disclaim any duty, undertaking or obligation to, make or disseminate any supplement, amendment, update or revision to any of the information, opinions or forward-looking statements contained in this presentation to reflect any change in events, conditions or circumstances beyond what is required by applicable law or applicable stock exchange rules and regulations.

By viewing this presentation, you acknowledge and agree to be bound by the foregoing limitations and restrictions.

Grow a better world. Naturally.



Ranked as a leader
in sustainability by
Corporate Knights

>1 billion

People consume
a product with a Chr. Hansen
ingredient every day

82%

Of our revenue contributing
positively to the United Nation's
Sustainable Development Goals



Handprint

Enabling sustainability
for our customers



Footprint

Managing our own emissions
throughout the value chain

We address global challenges with the Power of Good Bacteria™



Food production accounts for nearly 1/3 of global greenhouse gas emissions



70% agricultural efficiency increase is needed to feed the future population



1/3 of all food is wasted equal to 8% of global greenhouse gas emissions



Global health: Aging population, rise in non-communicable diseases and antibiotic resistance

Our microbial solutions enable a more sustainable food system – from farm to fork – and support the global health agenda



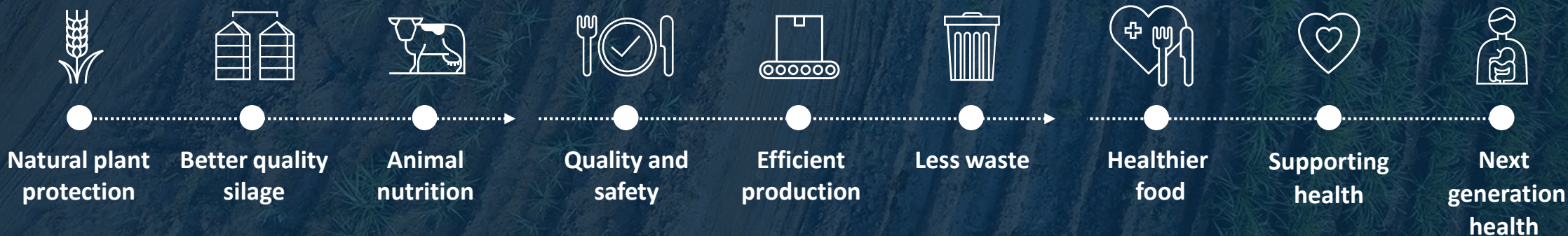
SUSTAINABLE AGRICULTURE



BETTER FOOD PRODUCTION



IMPROVED HEALTH



We Think Climate. Naturally.



We are committed to taking climate action and decarbonizing our footprint in alignment with the Paris agreement.

2030 SCIENCE BASED TARGETS
(from 2019/20 baseline)

-42%

across own operations
(scope 1+2)

-20%

across supply chain
(scope 3)

CHR HANSEN

Improving food & health

2020/21 sustainability highlights

At a glance



PRODUCTS

82% of revenue supports UN SDGs

Carbon emission saving calculators in pilot phase



PLANET

Science Based Targets and Think Climate. Naturally. program launched

Adoption of TCFD



PEOPLE

First report on gender pay gap published (6.2%)¹

32% women in Director+ positions (above target)



GOVERNANCE

ESG oversight on Board of Directors and committee level from 2022

Country-by-country tax reporting from FY22

¹ Represents the difference in average earnings between the female and male workforce in countries with more than 250 employees (80% of total workforce).

Chr. Hansen is a microbial and fermentation technology leader

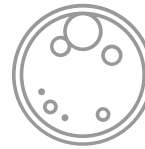
across different end-markets in food, health and agriculture



FOOD CULTURES & ENZYMES

66% of revenue YTD 2021/22

Dairy
Food & Beverages



Microbial Platform

Shared R&D and
production backbone



HEALTH & NUTRITION

34% of revenue YTD 2021/22

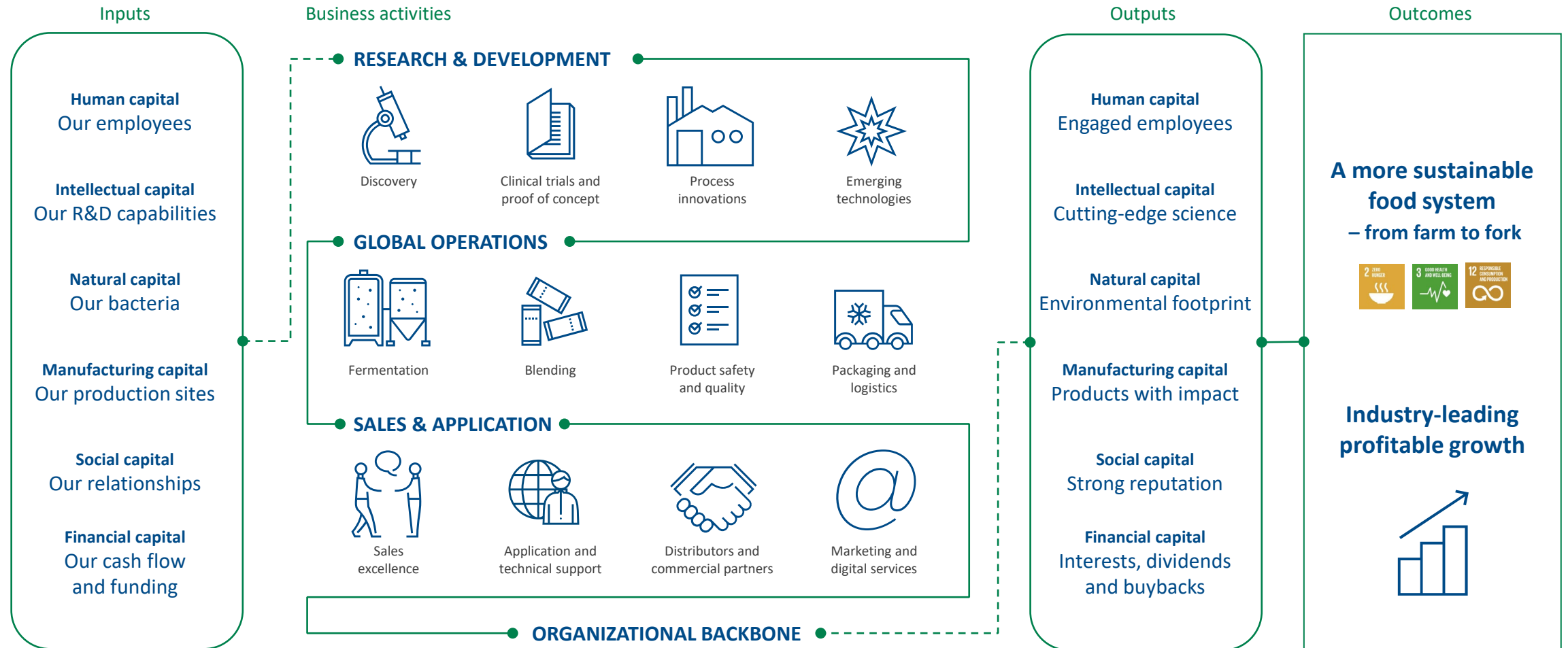
Human Health & HMO
Animal Health & Plant Health

CHR HANSEN

Improving food & health

We pioneer microbial science to improve food, health and productivity

How we create value



CHR. HANSEN

Improving food & health

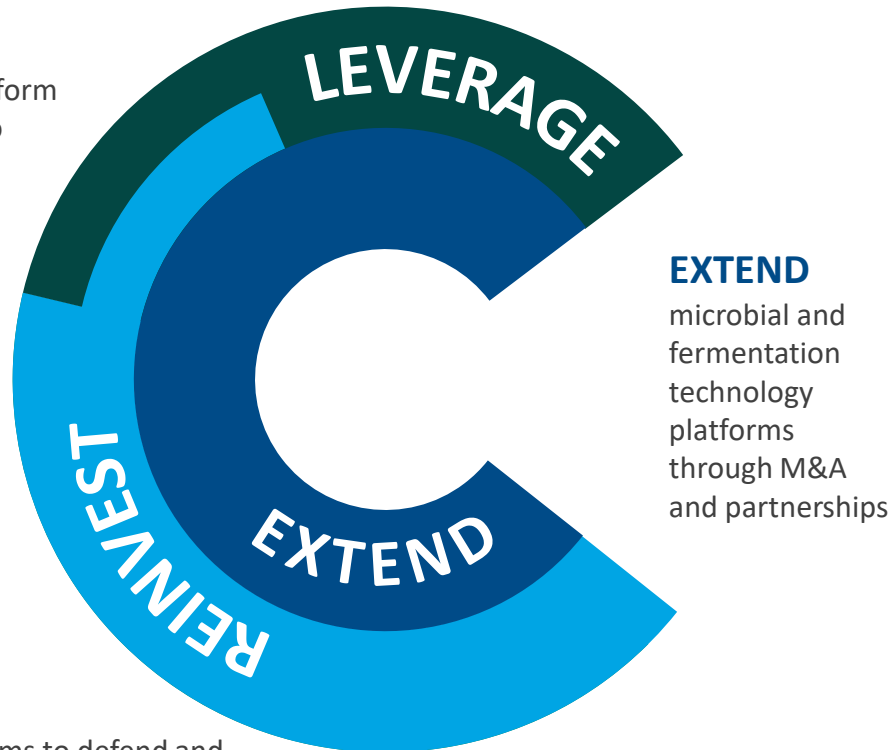
Our 2025 Strategy embeds our commitment to sustainability across all pillars

Strategic ambition until 2024/25

Where to play

LEVERAGE

Microbial Platform
to expand into
new areas



REINVEST

in core platforms to defend and
further strengthen market position

How to win

- 1 CUSTOMERS** Further expand customer base and global reach and excel in customer centricity
- 2 INNOVATION** Accelerate new product development and commercialization
- 3 OPERATIONS** Realize scalability benefits and operational efficiencies
- 4 PEOPLE** Safeguard culture and invest in talent management
- 5 PURPOSE** Grow a better world. Naturally.

We commit to industry-leading profitable growth for a more sustainable future

Long-term ambitions 2020/21 - 2024/25



FINANCIALS¹

Industry-leading growth

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

Improving profitability

- Increase in EBIT margin b.s.i. over the period to >30% with efficiency gains, scalability benefits and acquisition synergies to be partly reinvested into the business

Strong cash flow

- Average growth in free cash flow b.s.i.² to exceed average growth in EBIT b.s.i.

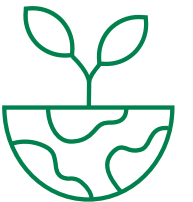
PRODUCTS

- More than 80% of revenue from sustainable products
- 25m hectares covered with natural solutions
- 200m people consuming our probiotics
- 2m tons of yogurt waste reduced



PLANET

- 100% use of renewable electricity
- 100% circular management of biowaste
- 100% key packaging materials recyclable
- 42% reduction of scope 1+2 emissions and 20% of scope 3 emissions (until 2029/30)



PEOPLE

- 1:1 ratio of female employees and women in management
- Top 25 score in engagement matters survey
- < 1.5 Lost-Time Incident Frequency
- 100% of new employees onboarded to culture model



¹ The financial ambitions are based on constant currencies and do not take future acquisitions or divestments into account. The financial ambitions are also based on the current political and economic environment and projections, and any deterioration may impact the ambitions negatively.

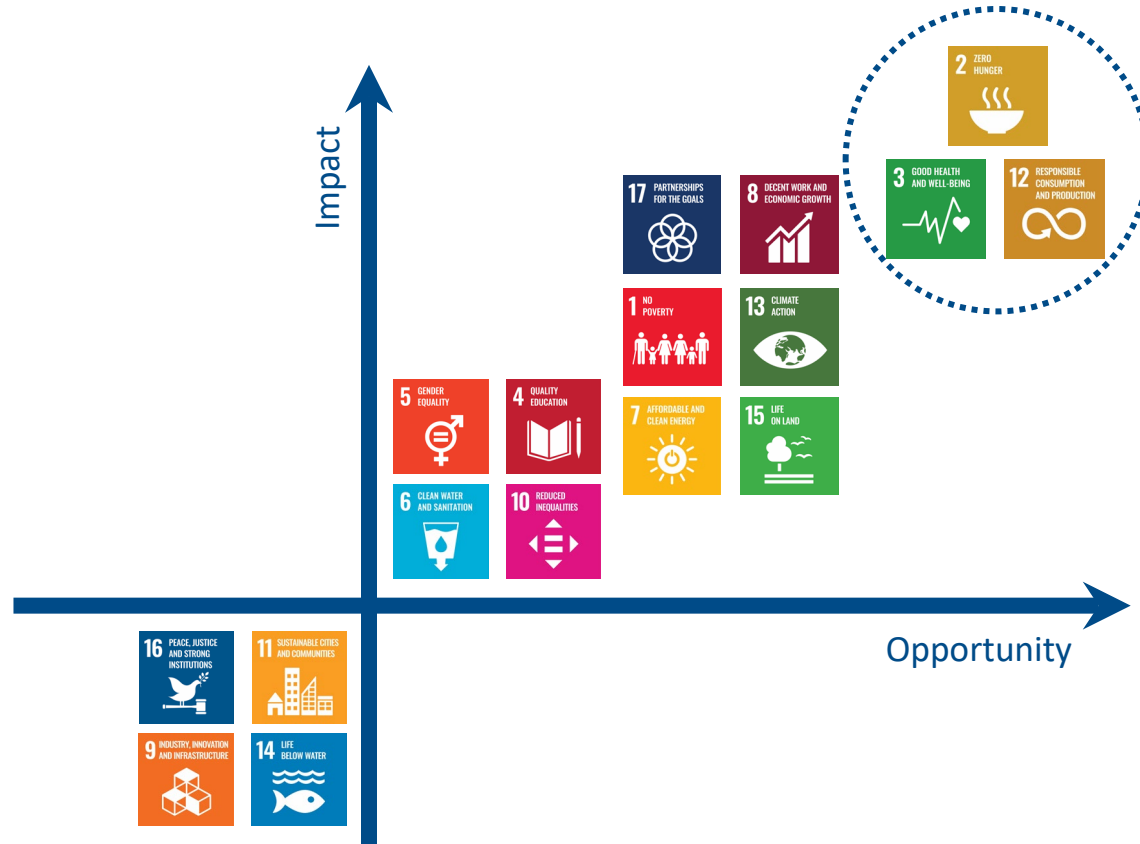
² 2020/21 free cash flow baseline adjusted for acquisition-related impact on taxes paid of approx. EUR 45m.

Our microbial solutions leave a positive 'handprint' in society and on our planet

PRODUCTS



WE FOCUS ON THE SDGS WHERE WE HAVE THE STRONGEST IMPACT



OUR PRODUCT MAPPING IS BASED ON EIGHT IMPACT CATEGORIES

	2 ZERO HUNGER	3 GOOD HEALTH AND WELL-BEING	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Improving food and environment			
Increase productivity and yield	✓		✓
Reduce waste	✓		✓
Substitute artificial ingredients		✓	✓
Increase food safety		✓	✓
Improving animal and human health			
Enhance animal welfare	✓		
Promote health and well-being		✓	
Reduce salt, sugar, fat and lactose		✓	
Ensure access to nutrition	✓		✓

CHR HANSEN

Improving food & health

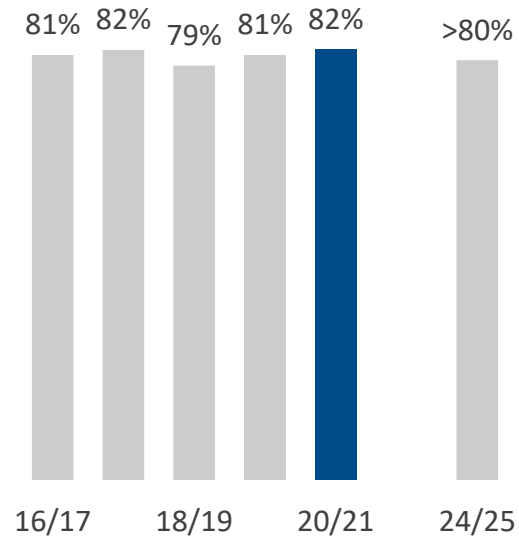
82% of our revenue contribute to the Sustainable Development Goals

as per our annual product mapping which is assured by PwC

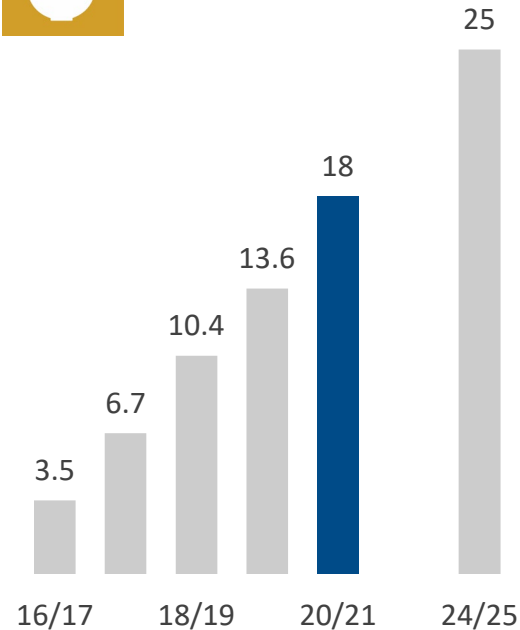
PRODUCTS



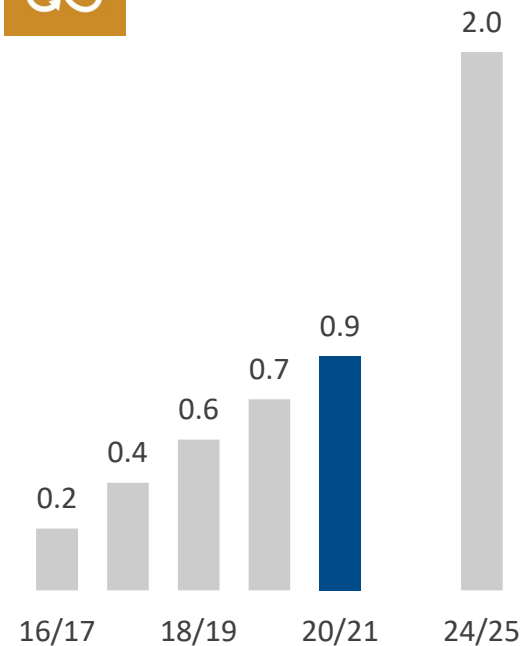
CONTRIBUTION TO UN GLOBAL GOALS in % of gross revenue¹



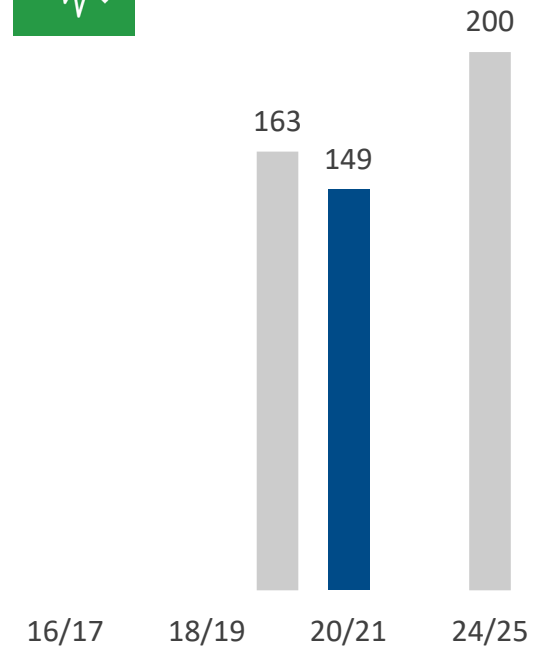
FARMLAND TREATED WITH NATURAL SOLUTIONS² in m ha



YOGURT WASTE SAVED³ in m tons



PROBIOTICS CONSUMED in m people⁴



¹ Financial years 2016/17 and 2017/18 include Natural Colors business that was divested in 2021 and are therefore not fully comparable.

² Includes Plant Health and Animal Health silage inoculants.

³ Figures have been recalculated in FY21 based on a minor adjustment of the methodology.

⁴ New KPI was introduced in FY21.

CHR HANSEN

Improving food & health

We help the dairy and ag industry to become more efficient

with solutions that improve productivity and make more out of less

PRODUCTS



FOOD CULTURES & ENZYMES



CHY-MAX® S / YIELDMAX®

- Helps cheese makers achieve higher yield of up to 1%
- Enables faster and more precise production



YOFLEX® PREMIUM

- Allows protein savings of 3-4% by reducing unnecessary ingredients such as skim milk powder

ANIMAL & PLANT HEALTH



QUARTZO® / PRESENCE®

- Protect crops from nematodes
- 5-20% yield increases depending on crop and region¹
- Improve water use efficiency



ANIMAL PROBIOTICS

- BOVAMINE® can increase milk yields
- BIOPLUS® can decrease feed used per kg of weight gain in swine
- GALLIPRO® delivers feed cost savings in poultry

¹ Based on field trial results conducted between 2013-2018 in Brazil for sugarcane and soy.

CHR HANSEN



















Improving food & health

Our food cultures with bioprotective effect

can contribute to less food waste and enhanced food safety

PRODUCTS



APPLICATION		 FERMENTED MILK	 CHEESE	 FERMENTED MEATS	 OTHER MEATS & FISH	 DAIRY & MEAT ALTERNATIVES	 FRUITS & VEGETABLES
Value proposition	Extend shelf life & reduce food waste	✓	✓	✓		✓	
	Food safety		✓	✓	✓	✓	✓
Capabilities	Product offering						
	Commercial/ market access						
Opportunity	Penetration today	~10%	<5%	~10%		<1%	

CHR HANSEN

Improving food & health

We contribute to the global health agenda

with our unparalleled offering of scientifically documented probiotics for all life stages

PRODUCTS



INDUSTRY-LEADING PRODUCT OFFERING FOR A WIDE RANGE OF INDICATION AREAS, LIFE STAGES AND CUSTOMER TYPES

Gut health



Immune health



Women's health



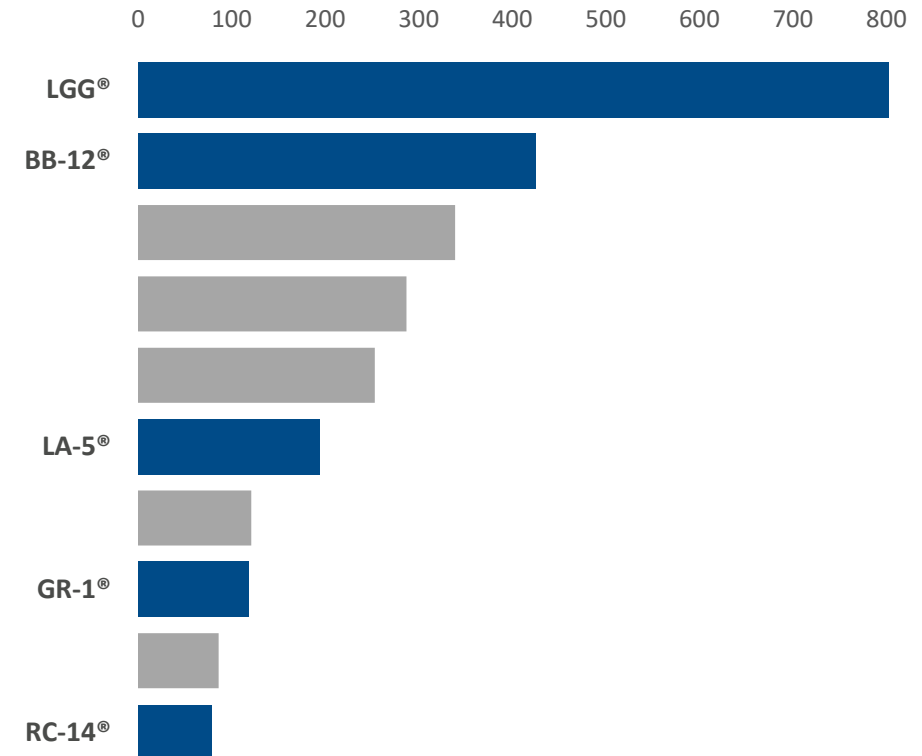
Infant & young children



Novel indication areas



OUR STRAINS ARE THE BEST DOCUMENTED IN THE WORLD AND WE CONTINUE TO INVEST IN SCIENCE AND DOCUMENTATION¹



¹ Number of hits by strain name in PubMed.

CHR HANSEN

Improving food & health

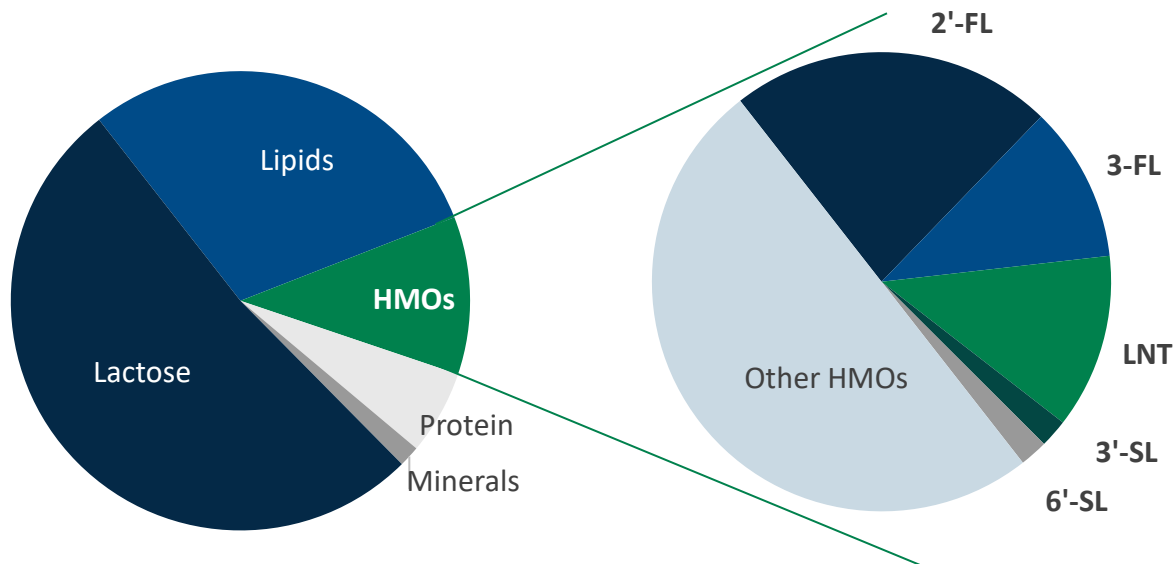
Expansion into HMOs offers opportunities in infant formula and beyond

PRODUCTS



HMOs ARE THE THIRD LARGEST COMPONENT IN BREAST MILK...

Nutrient composition in human milk



...AND ARE ASSOCIATED WITH VARIOUS HEALTH BENEFITS



Support the development of the **gut microbiome** by acting as "food for good bacteria"¹



Help **limit growth of harmful bacteria** by mimicking receptors that potentially harmful bacteria attach to²



Have the potential to support the **immune system** by modulating immune response directly and indirectly³



May support **intestinal barrier** functions⁴



May support synaptic connectivity, memory function and **brain development**⁵

¹ Gotho et al., 2018, Walsh et al. J Funct Foods, 2020, ² Asadpoor et al., 2020, ³ Ayechu-Muruzabal et al., 2018, ⁴ Oliveros et al., 2021, ⁵ Oliveros et al., 2018, Goehring et al., 2016,

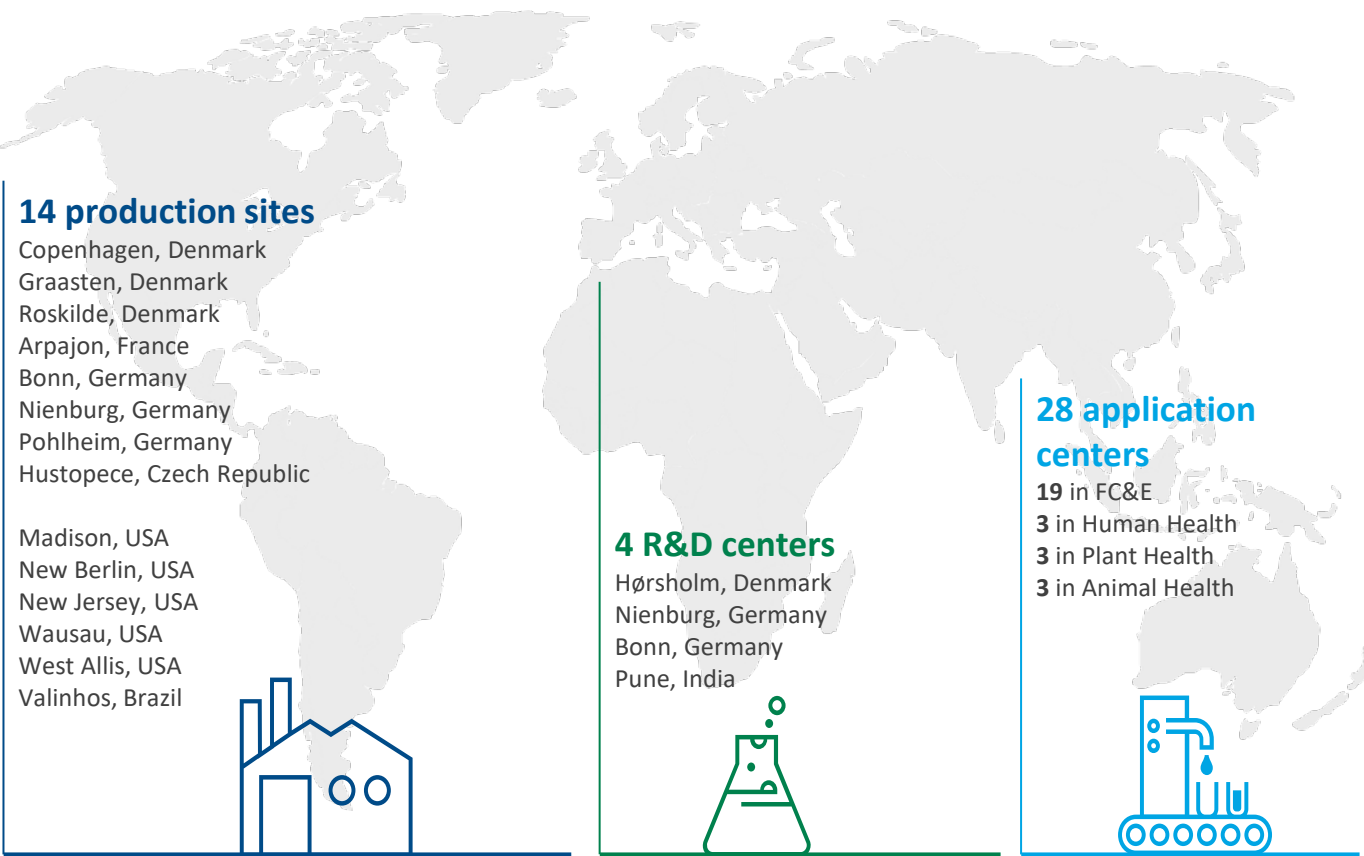
CHR HANSEN

Improving food & health

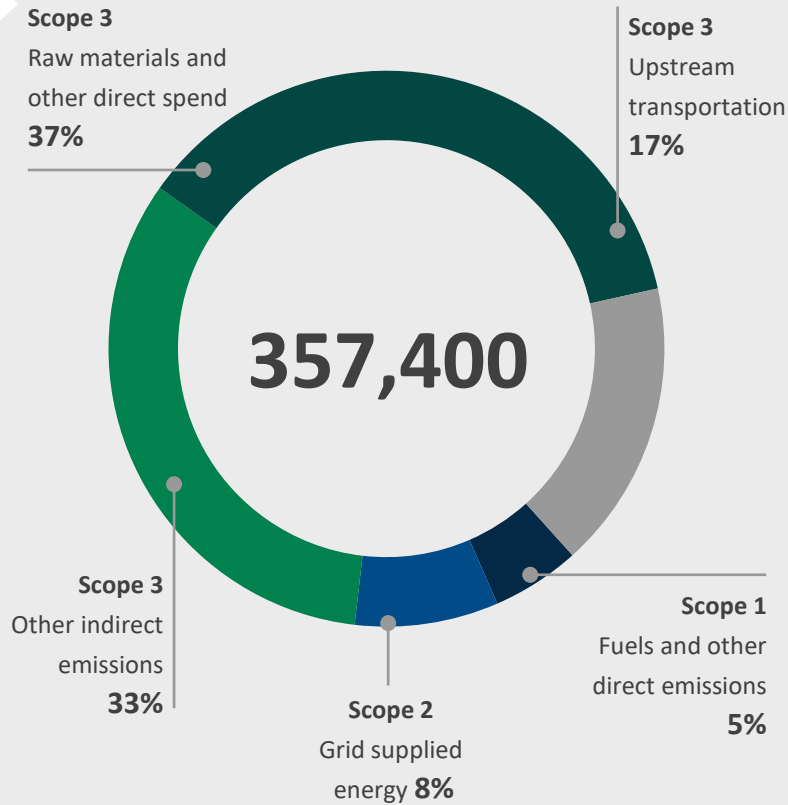
As a global firm we operate across 14 production sites and 28 application centers



OUR GLOBAL FOOTPRINT



TOTAL ANNUAL CARBON EMISSIONS In CO₂ ton equivalents¹ (base year 2019/20)



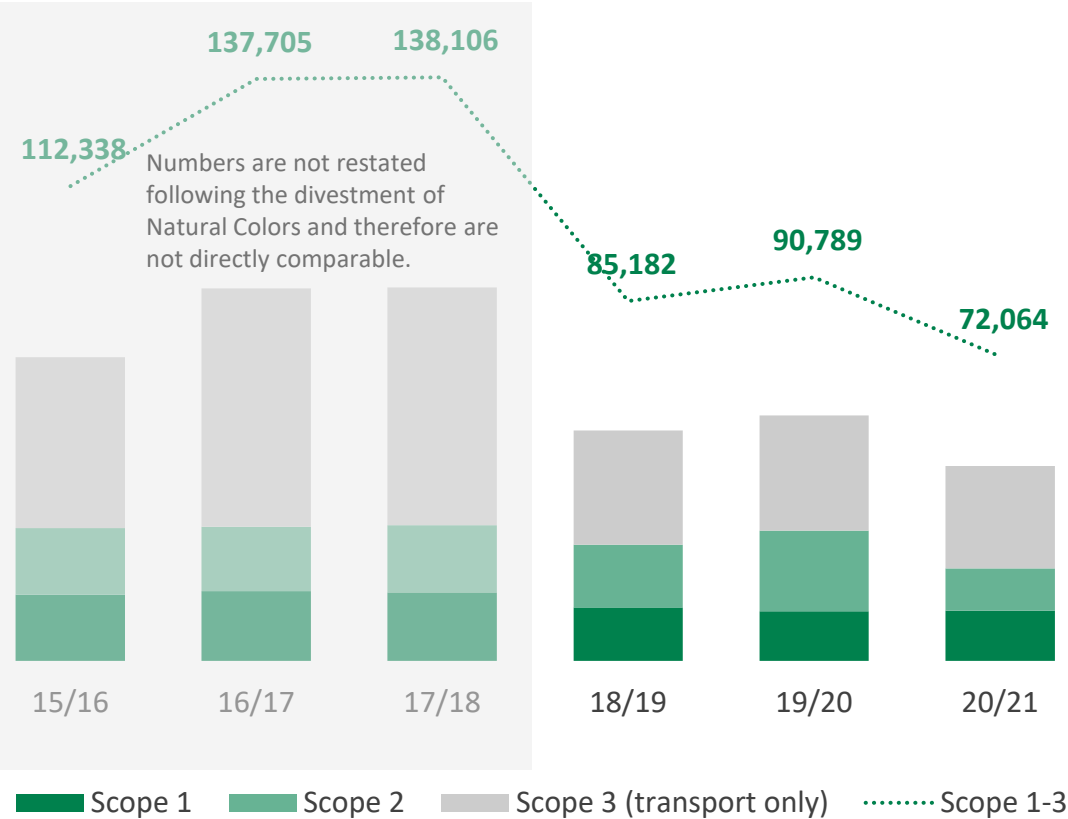
¹ CO₂ equivalents is the unit of measuring various greenhouse gases in the same unit such as methane and carbon dioxide. The unit follows the Greenhouse Gas Protocol and UN IPCC. Includes all relevant scope 3 categories as per the Green House Gas Protocol.

We are committed to reducing our carbon footprint

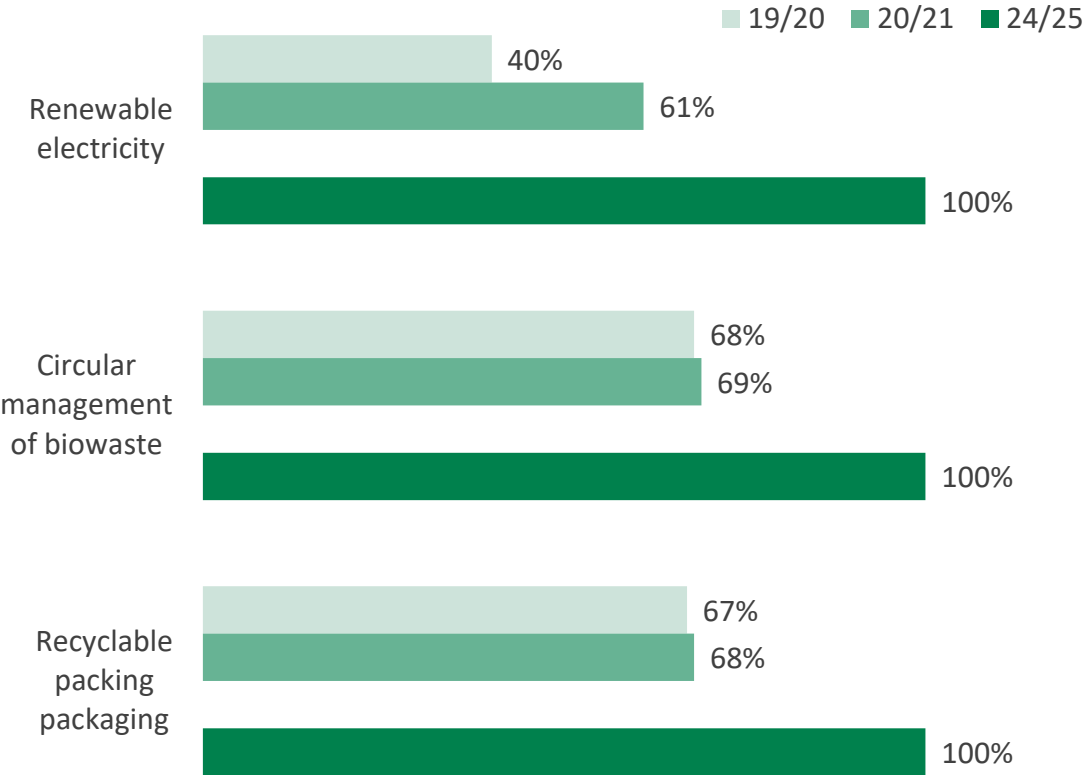
through targeted initiatives in the areas of renewables, circular management of waste and recycling



CO₂ EQUIVALENTS EMITTED in tons (scope 1-3)¹



PROGRESS ON PLANET TARGETS



¹ For scope 3 Chr. Hansen's scope of reporting has historically covered "upstream transportation and distribution" only. From 2021/22 onwards, Chr. Hansen will report on all relevant scope 3 categories.

Think Climate. Naturally.

Our decarbonization roadmap towards 2030



2030 SCIENCE BASED TARGETS



42%

reduction target for scope 1+2



20%

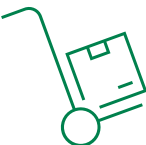
reduction target for scope 3

THINK CLIMATE. NATURALLY. INITIATIVES



OPERATIONS

- Convert all sites to 100% renewable electricity
- Work smarter with heat supply
- Sustainable refrigerants
- Recyclable packaging
- Optimize waste management



SOURCING

- Approach selected suppliers for low-carbon practices incl. conversion to renewable energy
- Optimize use of raw materials via process innovations



LOGISTICS

- Optimize transition from air to sea or road freight
- Explore low-carbon fuels in dialogue with freight forwarders



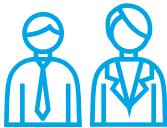
ENGAGEMENT

- Promote climate literacy amongst employees
- Crowdsource climate smart ideas

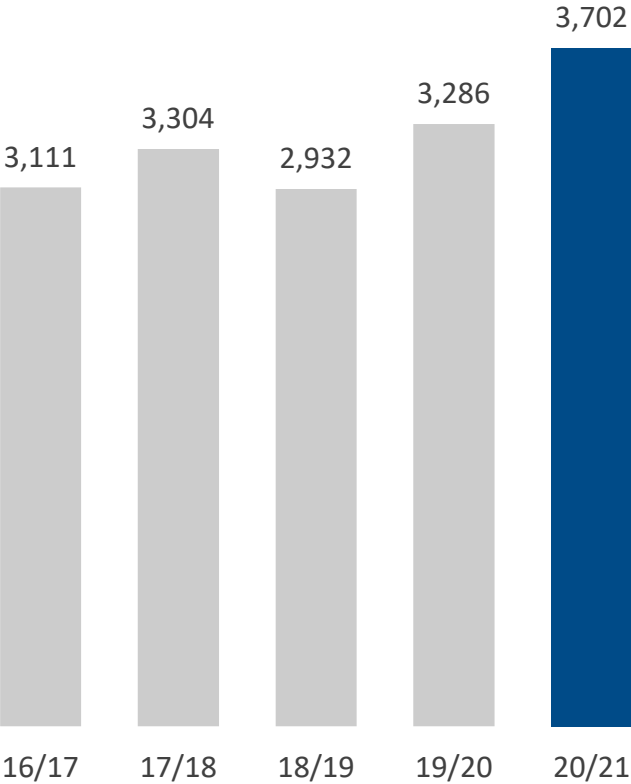
A diverse workforce is key to our continued success

People at a glance

PEOPLE

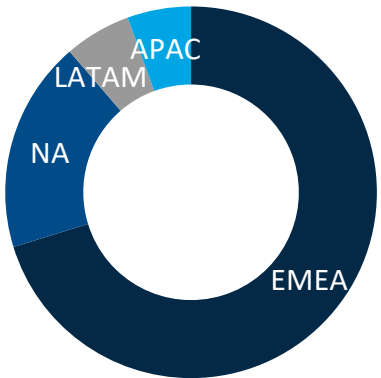


TOTAL NUMBER OF EMPLOYEES

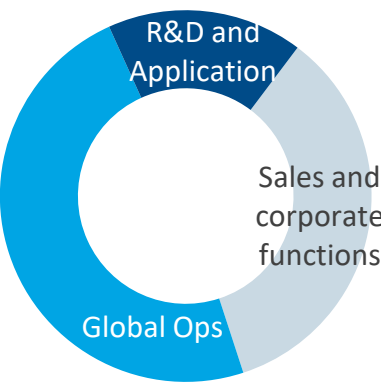


DIVERSITY STATISTICS 2020/21

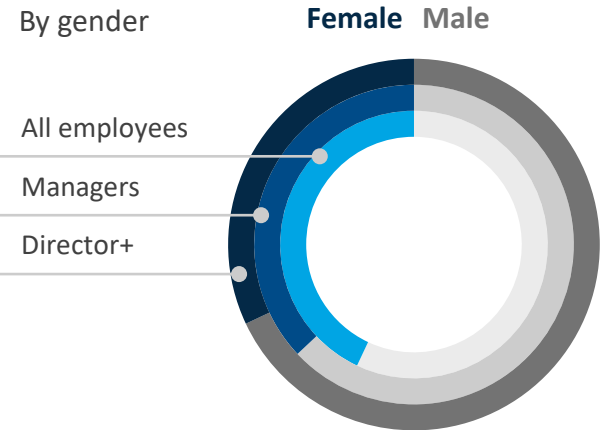
By region



By function

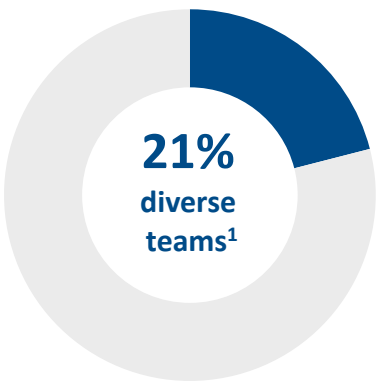


By gender



By background

>70
different
nationalities



¹ Min. 30% of each gender and 30% non-local.



We work for
a better world

We rely on
each other

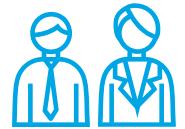
We act with
freedom

We deliver
results

Employee engagement remained high

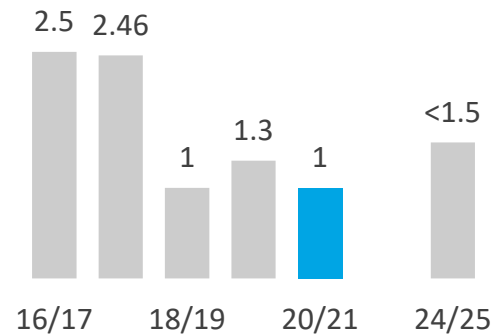
during the pandemic but increase in turnover

PEOPLE



WORK SAFETY

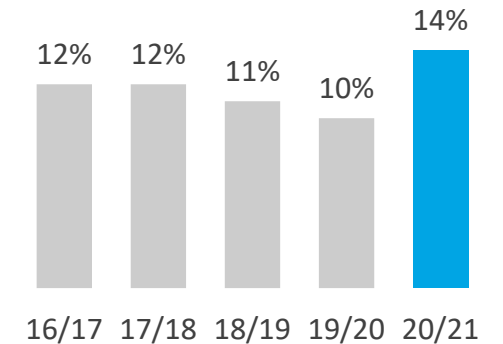
LTIF, million working hours



EMPLOYEE ENGAGEMENT

Top 10%
in Engagement Matters
ranking in 2020/21
(up from top 34%)

TURNOVER



INITIATIVES DURING PANDEMIC

- Hansen Health program to support employees' physical health and mental health during the pandemic with inspirational talks, fitness app and free probiotics
- Introduction of flexible workplace policy
- More frequent employee surveys to do regular pulse checks
- New digital tool to facilitate team dialogues on culture model

CHR HANSEN

Improving food & health

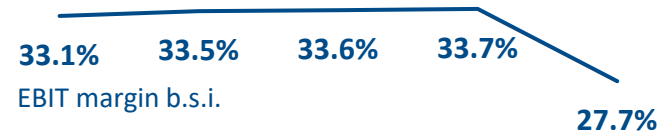
We remain focused on delivering industry-leading profitable growth

Organic growth and EBIT margin b.s.i. by Group and segments

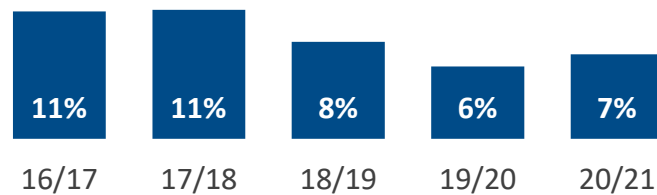
FINANCIALS



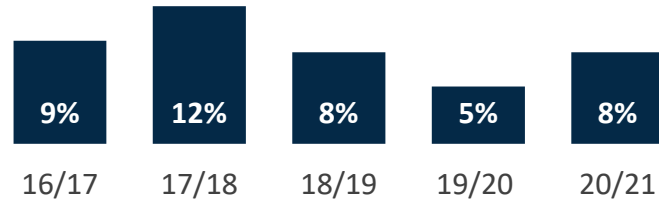
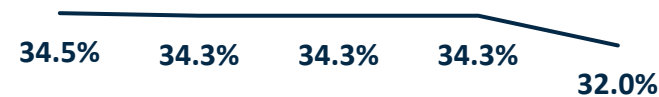
GROUP



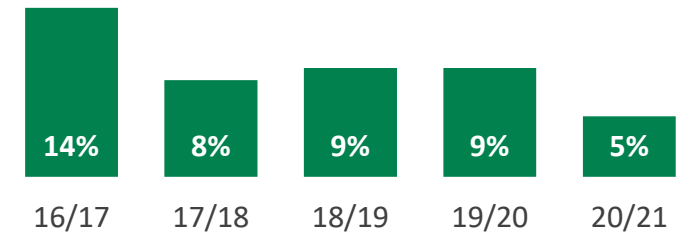
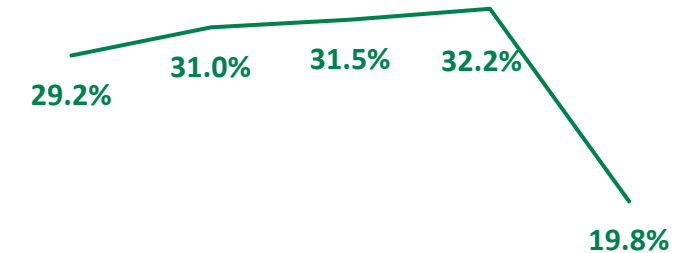
Organic growth



FOOD CULTURES & ENZYMES



HEALTH & NUTRITION



CHR HANSEN

Improving food & health

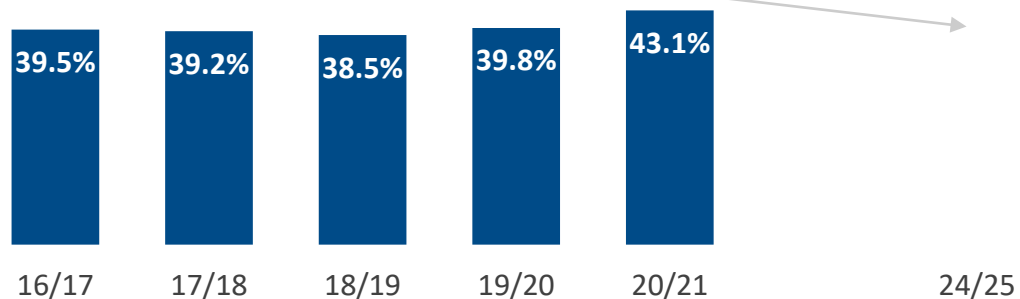
We'll continue to unlock fuel for growth through scale & efficiencies

EBIT margin b.s.i. drivers

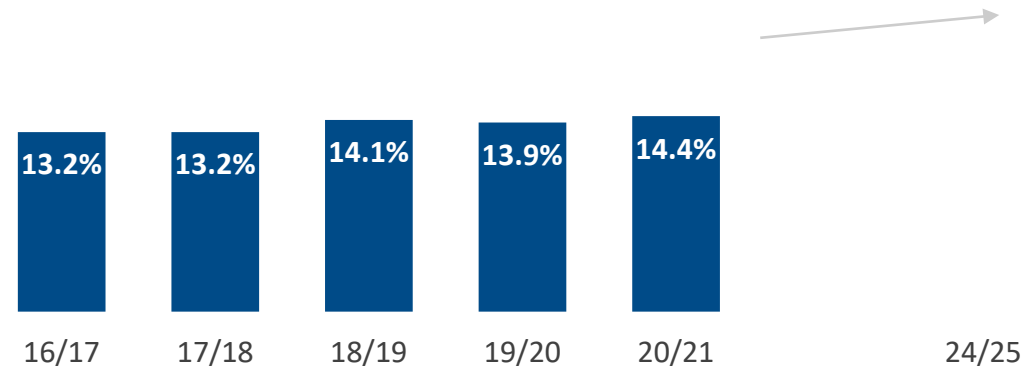
FINANCIALS



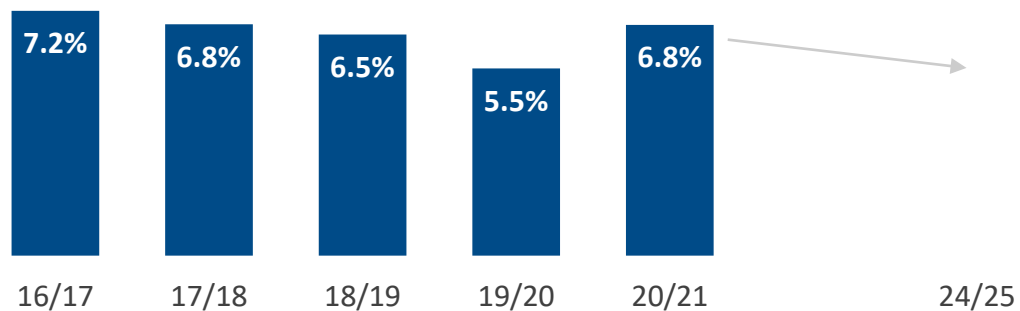
COST OF SALES % of revenue



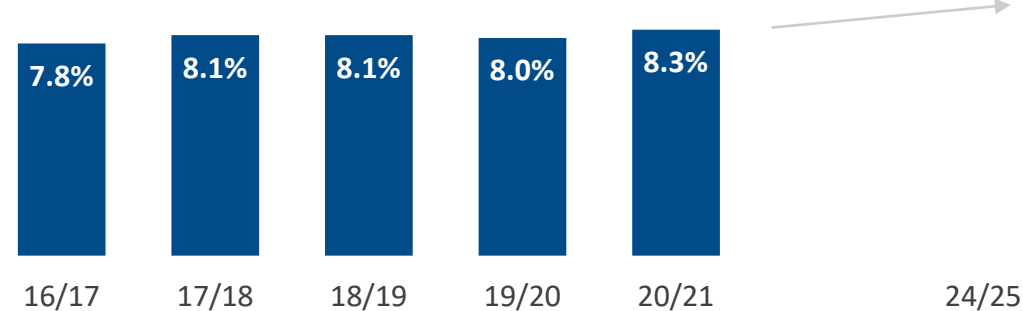
SALES & MARKETING EXPENSES % of revenue



ADMINISTRATIVE EXPENSES % of revenue



R&D EXPENSES INCL. CAPITALIZATIONS % of revenue



CHR HANSEN

Improving food & health

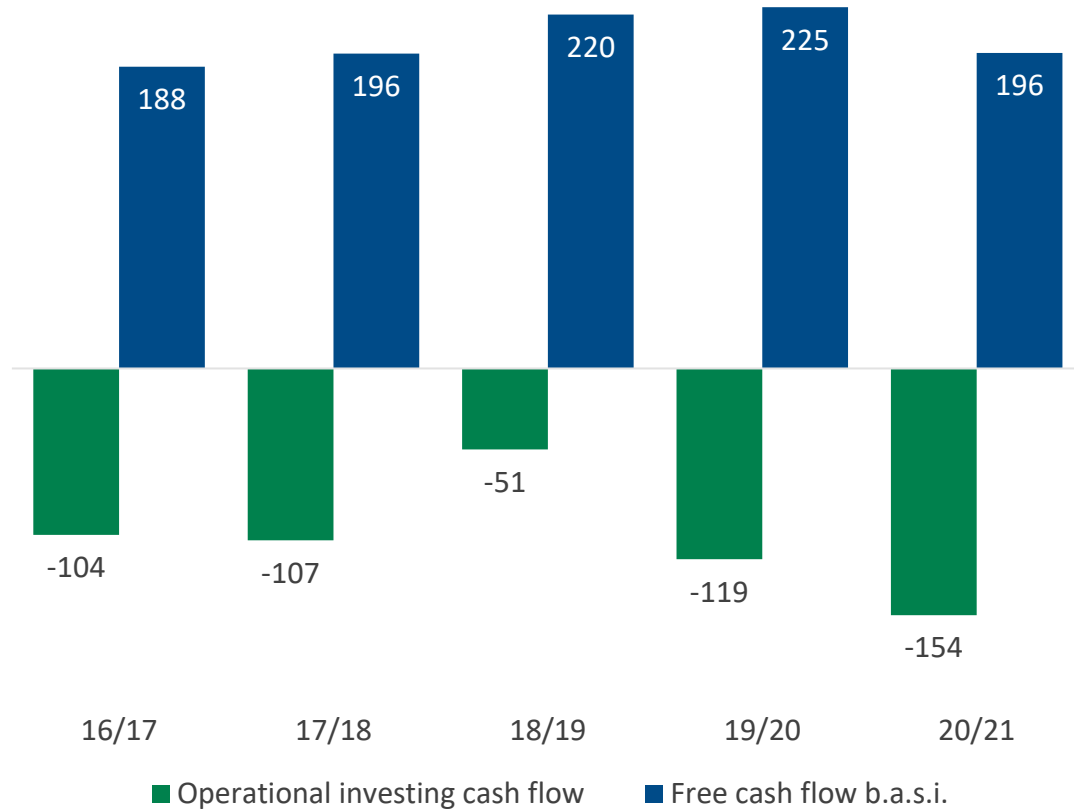
Average growth in free cash flow b.s.i. to exceed average growth in EBIT b.s.i.

Cash flow and ROIC

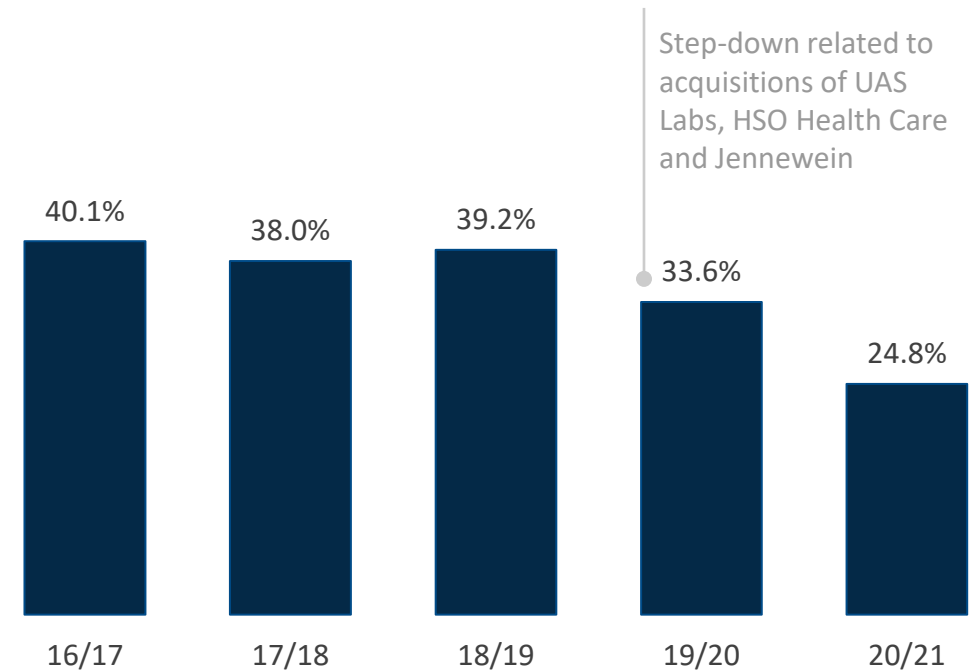
FINANCIALS



CASH FLOW in EUR m¹



ROIC excl. goodwill in %



¹ 2017/18 and 2016/17 figures have not been restated following the divestment of Natural Colors and therefore are not directly comparable.

CHR HANSEN

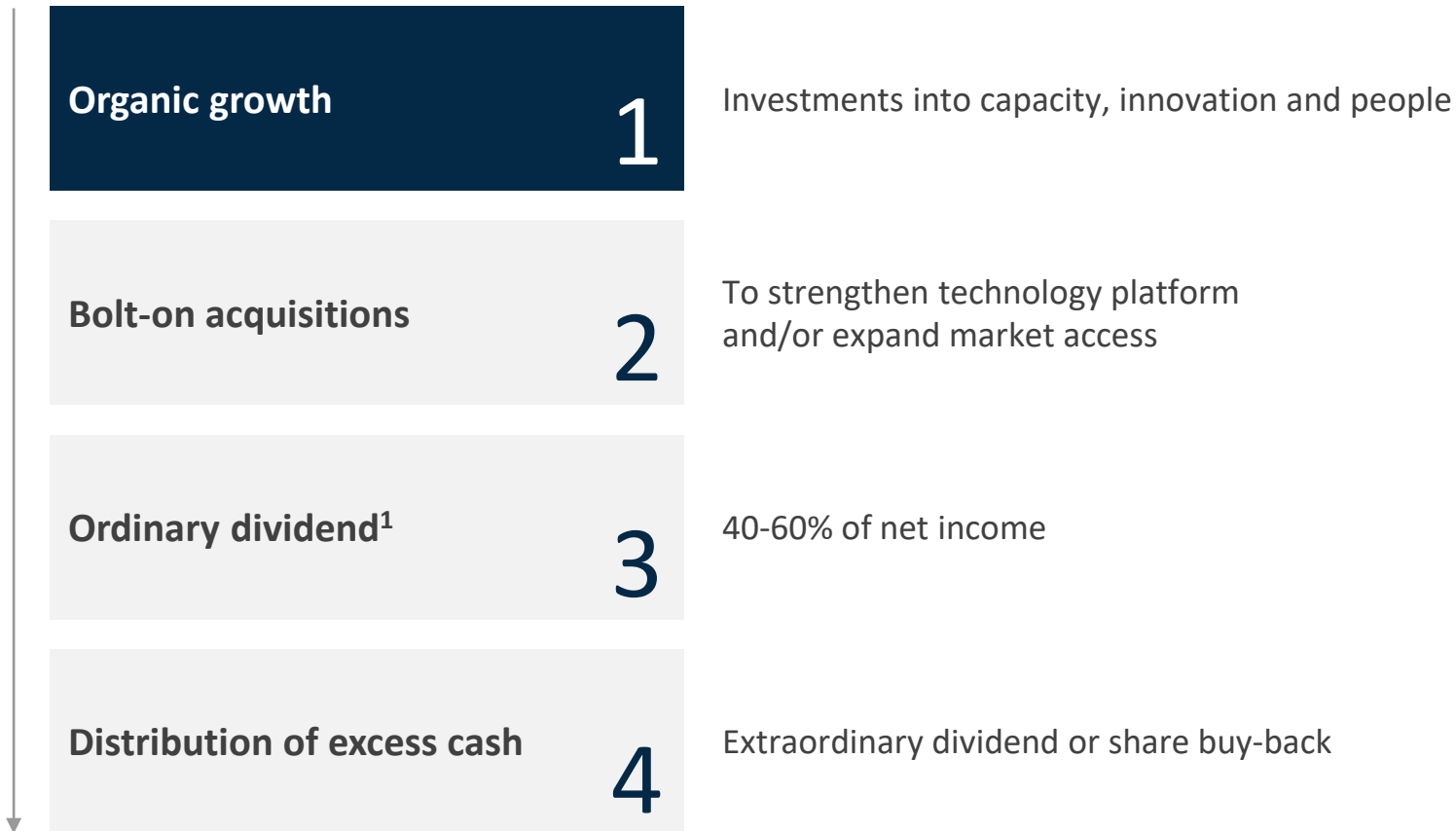
Improving food & health

Creating shareholder value

with very clear capital allocation priorities



CAPITAL ALLOCATION PRIORITIES



¹ The dividend proposed will depend on the Board of Directors' assessment of factors such as business development, growth strategy, current leverage and financing needs, and there is no guarantee that an ordinary dividend will be proposed or declared in any given year.

WHAT WE WILL NOT DO

- X** Pursue acquisitions in unrelated areas
- X** Expand outside microbial and fermentation platform
- X** Expand enzyme business outside food enzymes
- X** Become an integrated solutions provider
- X** Become a full value-chain pharma company

Strong governance

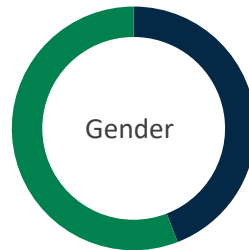
supported by dual management system; enhanced ESG oversight on BoD level from 2022

GOVERNANCE



DIVERSITY OF BOARD OF DIRECTORS (shareholder electives)

57%
Female



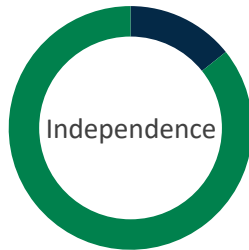
43%
Male

43%
Danish



57%
Non-Danish

86%
Independent



14%
Not independent¹

GOVERNANCE



¹ Lillie Li Valeur is not independent as she is affiliated with Novo Holdings A/S.

CHR HANSEN

Improving food & health

Executive compensation linked to sustainability

and closely aligned with shareholder interests; strong incentive component

GOVERNANCE



SHORT TERM: ANNUAL INCENTIVE PROGRAM FOR CEO AND CFO

- Based on group financial and non-financial targets
 - Non-financial KPIs related to customer service, quality, diversity, safety and environment
- Bonus is paid as a minimum 1/3 in Restricted Stock Units and 2/3 in cash; normally accounts for 25-30% of total remuneration package

LONG TERM: PROGRESSIVE THREE-YEAR INCENTIVE PROGRAM

- Requires personal investment in Chr. Hansen shares to participate
- Grant value estimated (based on Black-Scholes) at 20-25% of the remuneration package
- Vest in full after three years



Target matching shares per investment of one share

In % of fixed pay ¹	Target	Max
CEO	70%	100%
CFO/EVP	50%	70%

In % of fixed pay ¹	Target	Max
CEO	80%	120%
CFO/EVP	60%	90%

¹ Base plus pension.

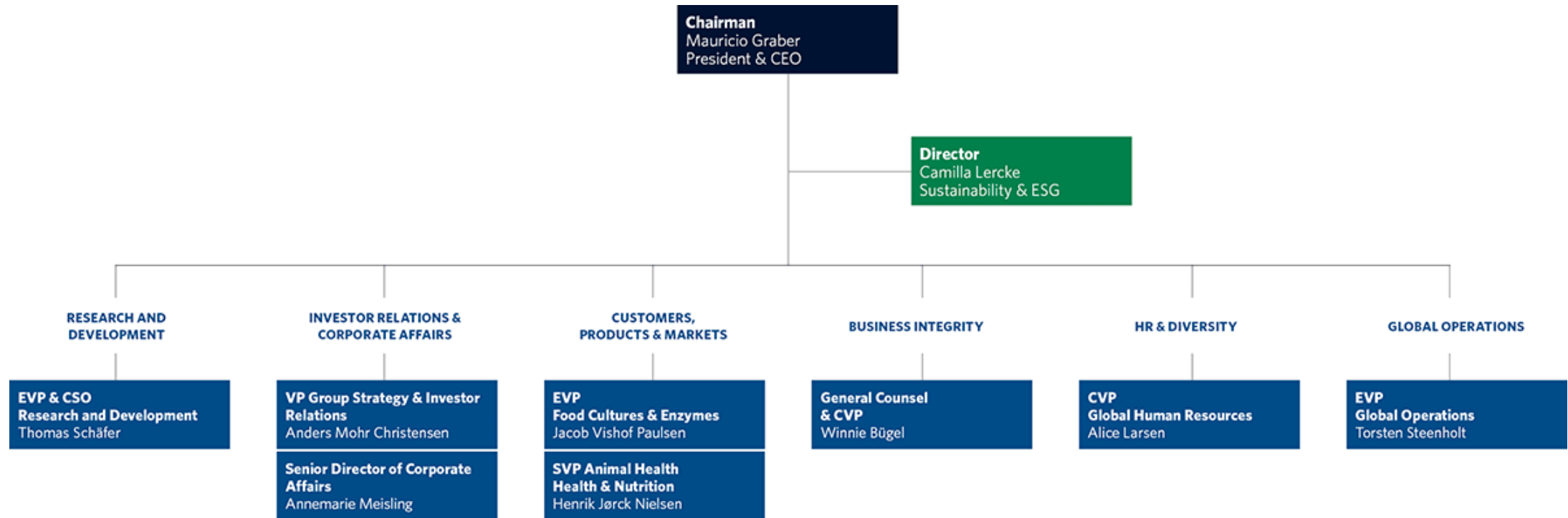
CHR HANSEN

Improving food & health

Sustainability Board

is responsible for ensuring ownership, involvement and commitment from the entire business in defining, prioritizing and executing Chr. Hansen's sustainability objectives and activities

GOVERNANCE



CHR HANSEN

Improving food & health

Financial calendar

April 6, 2022

Interim Report Q2 2021/22

July 7, 2022

Interim Report Q3 2021/22

October 12, 2022

Annual Report 2021/22

November 23, 2022

Annual General Meeting 2022

Contacts

Anders Mohr Christensen

VP Group Strategy & Investor Relations

DKAMC@chr-hansen.com

Annika Stern

Senior Investor Relations Manager

DKASTE@chr-hansen.com

Disa Tuominen

Junior Investor Relations Manager

DKDITU@chr-hansen.com

Camilla Lercke

Head of Sustainability

DKCALE@chr-hansen.com

Rune Jørgensen

Sustainability Program Manager

dkrujo@chr-hansen.com