
REMUNERATION POLICY FOR CHR. HANSEN HOLDING A/S

November 2011

1. Introduction

The board of directors of Chr. Hansen Holding A/S (“Chr. Hansen” or the “Company”) has adopted this remuneration policy (the “Remuneration Policy”) applicable to the Company’s board of directors and executive board.

The Remuneration Policy is based on the Recommendations for Corporate Governance issued by the Danish Committee on Corporate Governance and implemented by NASDAQ OMX Copenhagen A/S.

The Remuneration Policy is supplemented by Chr. Hansen’s general guidelines for incentive-based remuneration that is available on Chr. Hansen’s website www.chr-hansen.com.

2. General objectives

Together with Chr. Hansen’s guidelines for incentive-based remuneration, the Remuneration Policy forms the basis for the framework governing remuneration of the Company’s board of directors and executive board.

The remuneration of Chr. Hansen’s board of directors and executive board shall contribute towards ensuring that the Company is able to maintain and attract highly qualified members to its board of directors and executive board. The remuneration and its composition shall be fixed so as to create a suitable alignment of the interests of the management and those of the shareholders. In this context, the remuneration shall contribute towards promoting the creation of value in the Chr. Hansen Group and support the group’s long-term and short-term objectives. In order to attain the overall objectives of Chr. Hansen’s remuneration policy, the board of directors may in extraordinary circumstances deviate from the specific terms in this remuneration policy. The board of directors must in such case disclose information of this deviation at the first general meeting where such disclosure will not be to the detriment of the Company’s interests.

3. The principles for the board of directors' remuneration

Members of the Company's board of directors receive a cash fee but no incentive-based remuneration.

The remuneration is composed of a fixed annual basis fee that is the same for all board members. In addition, the chairman and the vice chairman of the board of directors and directors that are members of permanent committees receive annual supplementary fees. The chairman of a committee may receive a higher supplementary fee.

The amount of the basis fee and supplementary fees for the current financial year must be approved by the general meeting based on a proposal from the board of directors. The board of directors' proposal is fixed on the basis of the remuneration committee's recommendations. The remuneration committee's recommendations must be based upon market practice, the scope and nature of the work and the qualifications required.

If the board of directors instructs a director to perform specific tasks on an ad hoc basis that falls outside the scope of the board of directors' ordinary duties, the director in question may - subject to the prior or subsequent approval of the general meeting - receive separate supplementary remuneration in this regard.

The Company pays costs incurred in connection with board meetings, including traveling costs and may in connection with overseas travel be paid as a fixed travel allowance.

Information on remuneration paid to the board of directors is disclosed in the annual report.

Each director elected by the general meeting must not later than 12 months after the appointment to the board of directors purchase shares in the Company corresponding to an amount of at least one year's basis fee. The director must maintain a shareholding corresponding to at least one year's base fee for as long as the director is a member of the Company's board of directors.

4 Principles for the executive board's remuneration

4.1 Fixed salary, benefits, resignation and pension

Each member of the executive board receives an agreed base salary subject to annual reassessment.

The remuneration committee makes recommendations to the board of directors with regard to the base salary. The remuneration committee's recommendations must be based on market practice, the scope and nature of the work, the qualifications required and the performance of each individual executive officer. In addition, Chr. Hansen's interest in attracting, motivating and maintaining qualified executive officers must in general be taken into account.

Members of the executive board may also be granted certain ordinary benefits, e.g. company car, insurance, newspaper, free telephone and internet access.

The board of directors determines the terms governing pension and resignation based on the remuneration committee's recommendations. The ordinary notice period on the part of the Company cannot exceed 18 months. The executive officer may terminate his employment subject to at least an ordinary notice period of 12 months. Any severance pay cannot exceed an amount corresponding to the remuneration paid for the two preceding years.

4.2 Incentive-based remuneration

Members of the executive board may be offered incentive-based remuneration in accordance with the board of directors' overall guidelines for incentive-based remuneration approved by the Company's general meeting.

When determining the composition of the incentive-based remuneration and the ratio between the incentive-based remuneration and the fixed salary, the board of directors must carefully consider the overall objectives of the remuneration policy and aim to avoid undesirable incentives for the executive board.

4.3 Information on remuneration

Information on remuneration paid to the executive board, including information on base salary, pension, incentive-based remuneration as well as the remuneration policy, will be disclosed in Chr. Hansen's annual report. Moreover, the main terms governing any retention and severance schemes are disclosed.

5 The remuneration committee

The board of directors' remuneration committee must ensure that the Company always has a remuneration policy and overall guidelines for incentive-based remuneration of Chr. Hansen's management, and that these are always kept updated and up-to-date.

The remuneration committee must assess and make proposals for remuneration of the members of the Company's board of directors and executive board and ensure that such remuneration is consistent with Chr. Hansen's remuneration policy.

The remuneration committee must aim to avoid consulting the same external advisers as the executive board of the Company.

6 Adoption and publication

The remuneration policy has been adopted by the board of directors and approved by the shareholders of Chr. Hansen Holding A/S at the annual general meeting held on 29 November 2011.

The remuneration policy is available on the Company's website www.chr-hansen.com, where the date of adoption also appears.

All changes to the Company's remuneration policy and the overall guidelines for incentive-based remuneration must be adopted by the board of directors and approved by the Company's shareholders at a general meeting. The remuneration policy and the guidelines must be reviewed at least once a year.

