



Sustainability

Roadshow presentation 2020/21

January 2021

CHR HANSEN

Improving food & health

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.

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Chr. Hansen is a microbial powerhouse

with leading market positions across different end-markets in food, health and agriculture



FOOD CULTURES & ENZYMES

68%

of continuing operations
in Q1 2020/21

CHEESE AND FERMENTED MILK



FERMENTED PLANT BASES



WINE AND MEAT



BIOPROTECTION



PROBIOTICS



HEALTH & NUTRITION

32%

HUMAN HEALTH



PLANT HEALTH



ANIMAL HEALTH



LIVE BIOTHERAPEUTICS¹



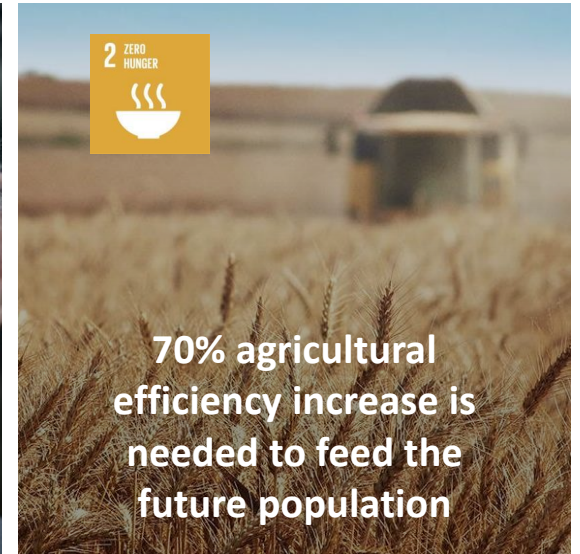
HMOS



¹ Does not contribute to organic growth (50-50 JV with Lonza).

We address global challenges

with the Power of Good Bacteria™



FOOD CULTURES & ENZYMES



Our Good Bacteria can:



Increase productivity in yogurt and cheese manufacturing



Extend shelf life of foods and protect against pathogens



Create great healthy and tasty foods



Support gut & immune health in adults and infants



Potentially cure diseases as 'bugs as drugs'



Reduce use of AGPs in livestock production



Replace chemical pesticides in crop farming

HEALTH & NUTRITION



CHR HANSEN

Improving food & health

We drive industry-leading profitable growth to grow a better world. Naturally.

Financial and non-financial ambitions until 2024/25

FINANCIALS

Creating value for shareholders.



Industry-leading growth

- Mid-to high single-digit organic growth CAGR

Improving profitability

- Underlying expansion in EBIT margin b.s.i. before portfolio changes and FX

Strong cash flow generation

- Free cash flow b.a.s.i. to grow faster than absolute 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

Limit global temperature rise to 1.5°C.

- 100% Renewable energy
- 100% Circular management of biowaste
- 100% Key packaging materials recyclable



PEOPLE

A diverse, engaged and safe workforce.

- 1:1 Female employees and women in management
- Top 25 Score in engagement matters survey
- < 1.5 Lost-Time Incident Frequency

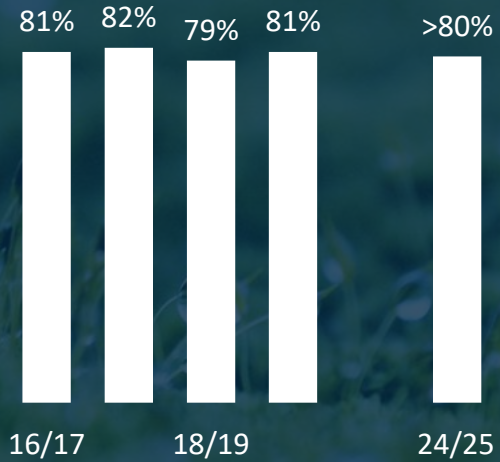


CHR HANSEN

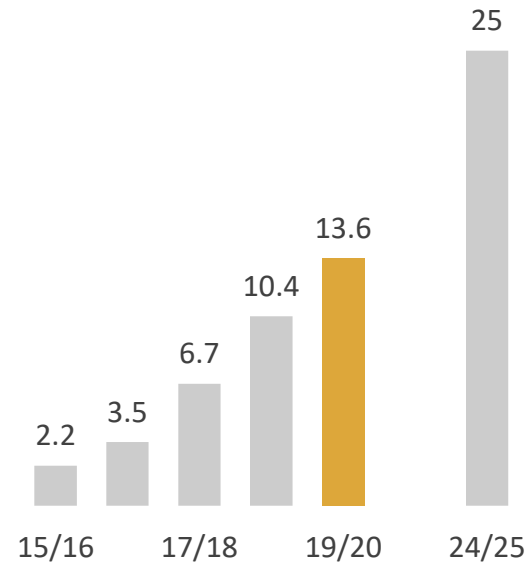
Improving food & health

We aim for more than 80% of our revenue to contribute directly to the United Nation's Global Goals

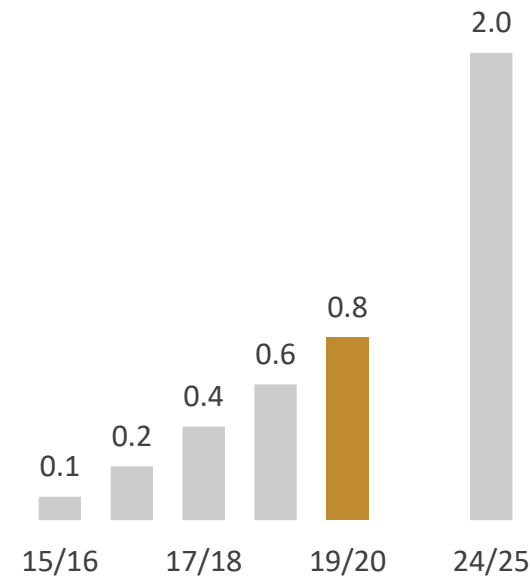
CONTRIBUTION TO GLOBAL GOALS in % of gross revenue¹



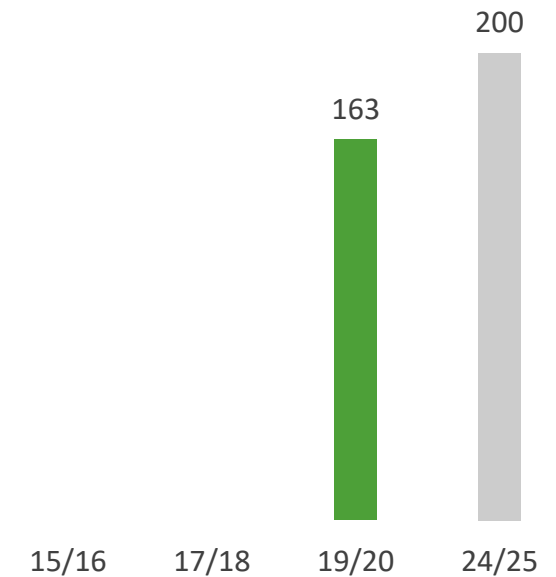
FARMLAND TREATED WITH NATURAL SOLUTIONS² in m ha



YOGURT WASTE SAVED in m tons



PROBIOTICS CONSUMED in m people³



¹ Continuing operations.
² Plant Health or silage inoculants.
³ New KPI, no previous data available. Excl. acquisitions.

We focus on the three SDGs where we can make the strongest impact



Impact category

Improving food and the 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	✓	✓

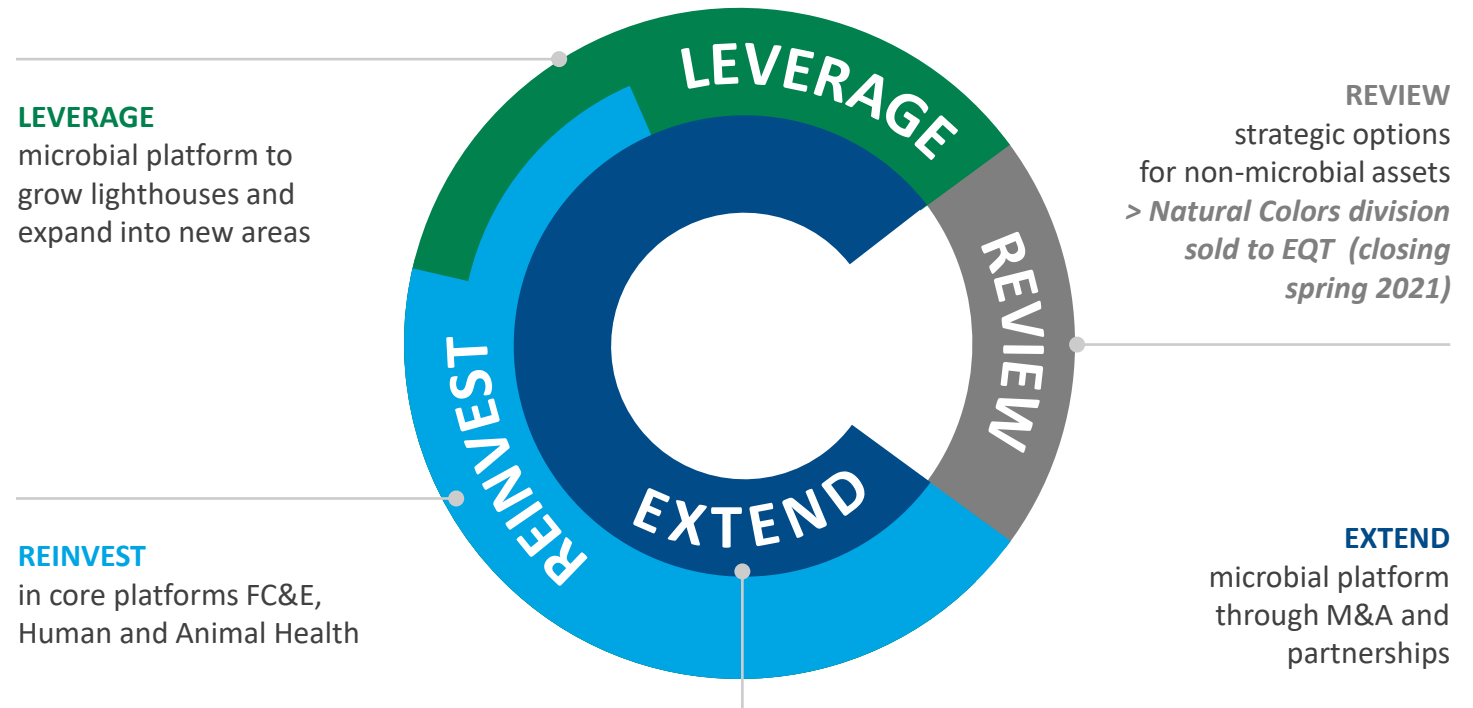
Our 2025 Strategy embeds our commitment to sustainability across all pillars

Strategic ambition until 2024/25

Creating a
**differentiated
bioscience company**
with focus on
**microbial and
fermentation
technology platforms**

2012/13 – 2018/19
NATURE'S NO. 1

2020/21 – 2024/25
2025 STRATEGY



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Improving food & health

We REINVEST in our core platforms

to defend and further strengthen our market positions in dairy and meat, Human and Animal Health



FOOD CULTURES & ENZYMES



Dairy
and meat



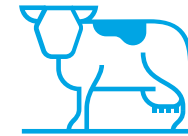
Probiotics
for fermented milk

NEW:
Probiotics
in food



Human Health
Dietary supplements
and infant formula

HEALTH & NUTRITION



Animal Health
Cattle, swine
and poultry

NEW:
Pet food

We bring new innovations to dairy farmers

to help them produce more efficiently and sustainable



We have product solutions for both driving efficiencies and creating healthier, tasty, clean-label products.



CHY-MAX® SUPREME

FOR HIGHER CHEESE YIELDS

Cost saving
2,000 tons less milk ¹
CO ₂ savings
3,000 tons



SWEETY® AND NOLA® FIT

FOR LESS SUGAR

Cost saving
~0.5% of cost of goods sold
Health benefit
Up to 20% reduction in added sugar



FRESHQ®

FOR LESS FOOD WASTE

Cost saving
5,000 tons saved milk ¹
CO ₂ savings
7,500 tons

¹ Illustrative example for average dairy producing 20,000 tons cheese and 100,000 tons yogurt and sourcing 300,000 tons of milk.

Antimicrobial resistance

is one of the top 10 treat to global health



EU to **reduce the sale of antimicrobials** for farmed animals and in aquaculture **by 50% until 2030.**

53% of antibiotics used by **Chinese farmers** were used as **growth promoters** in 2018.

Antimicrobial resistance is one of the **top 10 treat to global health.**

Global deaths linked to **antibiotic resistant bacteria** could rise from 700,000 today to **10 million by 2050.**

75% of antibiotics used globally are given to animals raised for food.

Consumers and regulators are calling for less antibiotic usage in livestock productions – our Animal Health probiotics can be part of the solution



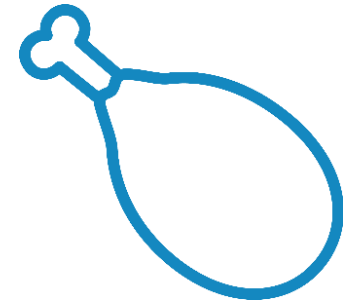
BOVAMINE® FOR DAIRY AND BEEF CATTLE

- Increase milk yield
- Reduction in pathogens
- Decrease in antibiotic drug cost



BIOPLUS® FOR SWINE

- Reduction in piglet mortality rate
- Decrease in feed used per kg weight gain
- Better defense against viral challenges

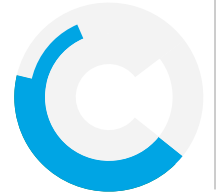


GALLIPRO® FOR POULTRY

- Feed cost savings
- Decrease in pathogens
- Same performance without AGPs

In Human Health we want to be the voice of science

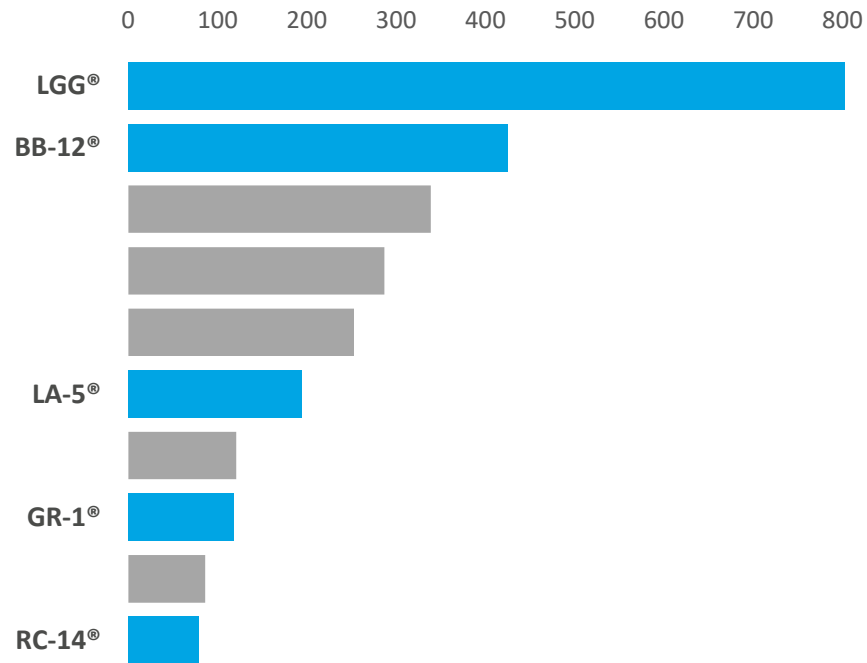
and bring best-documented probiotics to supplements and food consumers



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

THE PROBIOTIC INSTITUTE² LAUNCHED TO EDUCATE HEALTH CARE PROFESSIONALS AND CONSUMERS ON THE BENEFITS OF PROBIOTICS

Number of hits by strain name¹

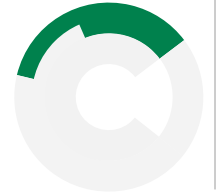


¹ Source: PubMed.

² Disclaimer: The Probiotic Institute is an online platform from Chr. Hansen's US subsidiary Chr. Hansen Inc. And is intended for U.S. audiences only.

We **LEVERAGE** our Microbial Platform to develop lighthouses

that bring microbial solutions to new applications in food, health, farming and pharma



FOOD CULTURES & ENZYMES



Bioprotection

Reduce food spoilage and increase food safety



Fermented Plant Bases

'Fermented milk' alternatives and fermented beverages

Estimated addressable markets¹

EUR 200m	EUR 1bn	EUR <100m	EUR >100m
2025	Long-term	2025	Long-term

HEALTH & NUTRITION



Plant Health

Microbial crop protection for more sustainable farming



Live Biotherapeutics

Contract manufacturing for live biotherapeutics (Lonza JV)



HMOs

Prebiotics for infant formula (Jennewein)

EUR 400m	EUR >1bn	EUR 150-200m	EUR >1bn	EUR >400m	EUR >1bn
2025	Long-term	2025	Long-term	2025	Long-term

¹ Management estimates.

LIGHTHOUSE: New business area of strategic importance with minimum revenue potential of EUR 100m per year and above Group growth rates.

We develop bioprotective cultures

that can extend shelf life and increase food safety across a number of applications



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

Fermented Plant Bases: New emerging lighthouse

captures trend towards alternative protein sources and healthier beverages



GROWTH DRIVERS



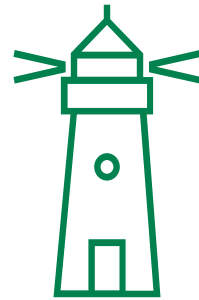
Changing consumer preferences with focus on health and more sustainable consumption



Government and NGO support driven by global climate agenda and increasing protein demand



Improving product quality, availability and pricing



NEW LIGHTHOUSE: Fermented Plant Bases

'FERMENTED MILK' ALTERNATIVES

Solutions for spoonable and drinkable formats

FERMENTED BEVERAGES

Solutions for non-/low-alcohol beer & fermented tea

'MEAT' ALTERNATIVES

'CHEESE' ALTERNATIVES

ACCELERATE

EXPLORE

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We use fermentation to transform proteins into great foods

– no matter which base



NUTRITIONAL VALUE

Per 100g

ENVIRONMENTAL IMPACT

Per 1kg

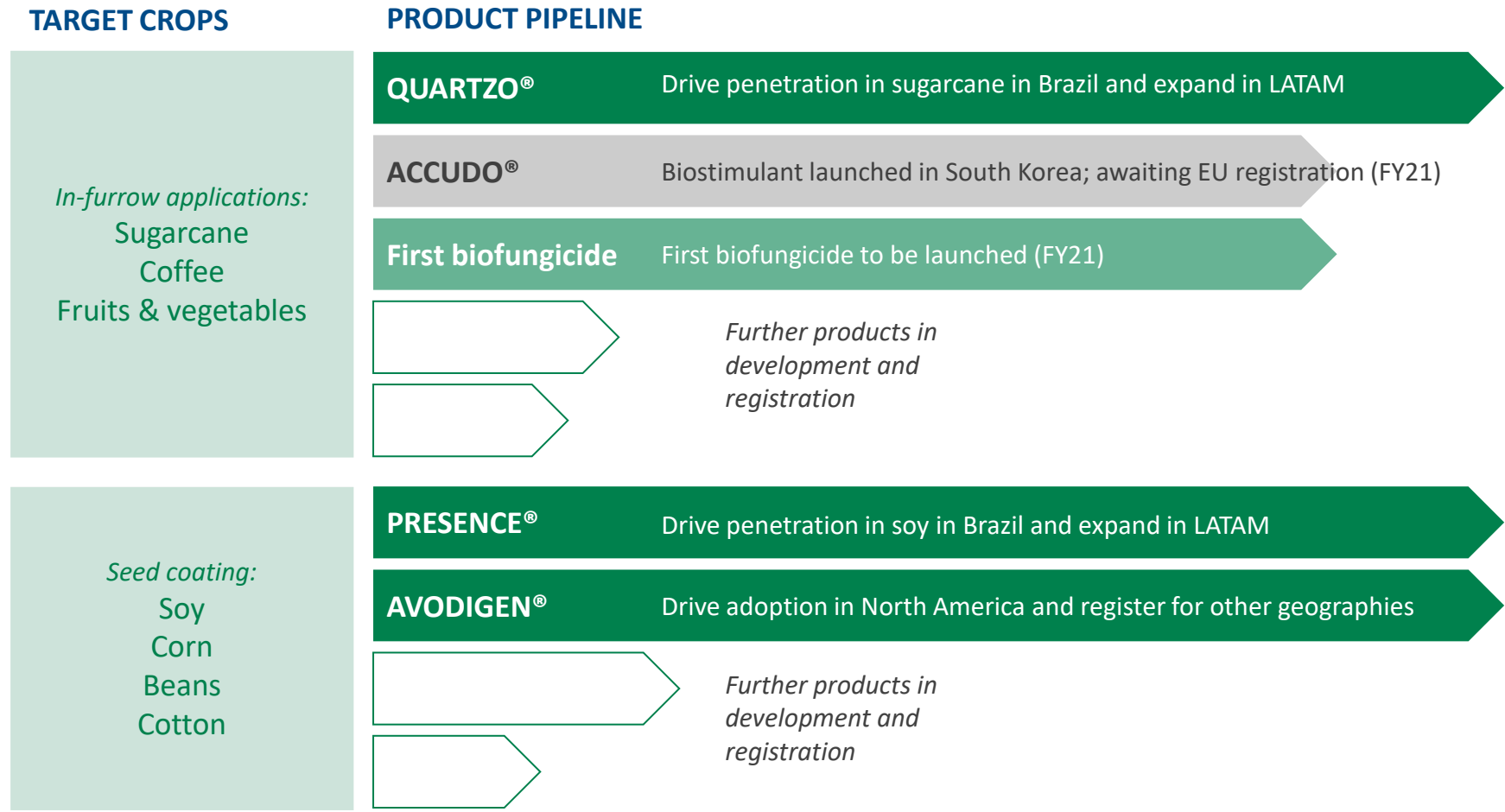
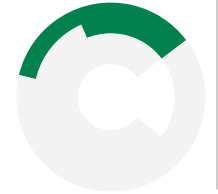
MICROBIAL SOLUTIONS

		Calories (kcal)	Protein (g)	Calcium (mg)	Vitamin B12 (µg)	Water footprint in l	Carbon footprint in kg CO ² eq.	Land use in m ²				
Cow's milk		65.1	3.33	120	0.24	1,020	23-52	33-158	FERMENTATION for texture, taste, less sugar/salt	BIOPROTECTION for shelf life extension, clean labelling, food safety	PROBIOTICS for gut health, immunity, novel indication areas	ENZYMES for coagulation, lactose reduction, productivity
Nuts	Coconut milk	31	0.21	18	-	9,063	1.5	4.3				
Cereals	Soy milk	37.1	3.31	12	-	1,644l	0.54	1.4				
	Oat milk	42.6	<0.46	1	-							

Sources: Euromonitor (2020), CIQUAL, USDA National Nutrient Database 2019, Nijdam D et al. Food Policy. 2012 (37) 6,p760-770; Treu et al. Journal of Cleaner Production161 (2017): 127-142, waterfootprint.org/en/waterfootprint/product water footprint.

We have a strong product pipeline in Plant Health

to bring biological crop protection solutions to market



50% reduction
 in chemical pesticides
 targeted by EU until 2030¹

27
 Chemicals may be banned in India
 which is the fifth largest market
 for crop protection²

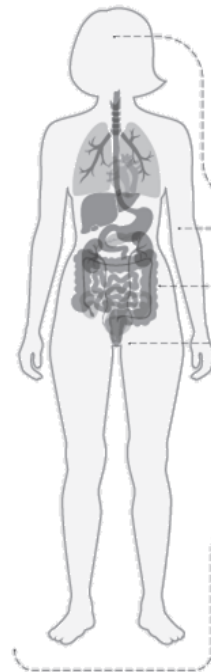
¹ See European Commission EU Green Deal, Farm to Fork strategy.
² Indian Government published draft proposal to ban 27 chemical pesticides that present 40% of total crop protection sales in May 2020.

Our joint venture Bacthera

is a crucial enabler for the emerging live biotherapeutics or 'bugs as drugs' industry



RAPIDLY EMERGING MARKET FOR LIVE BIOTHERAPEUTICS



+100 THERAPIES TARGETING MICROBIOME IN DEVELOPMENT

Depression, Alzheimer's, Parkinson's

Psoriasis, acne, atopic dermatitis

Crohn's disease, IBD, C. diff. infection

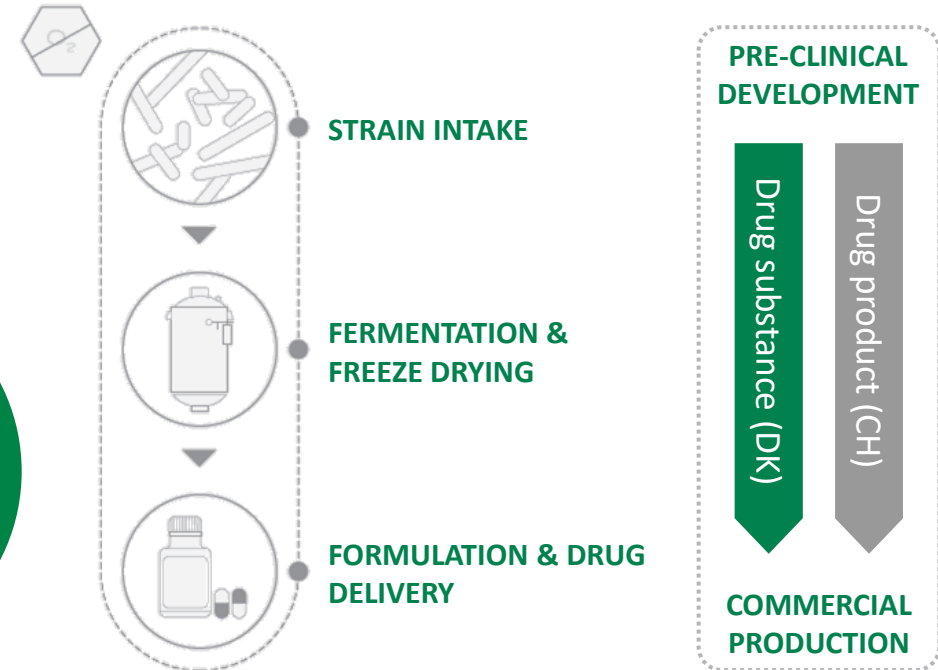
Urinary infection, fertility issues

Cancer (with immunotherapy), diabetes, obesity, allergy

EUR >1bn
long-term
market potential

EUR 150-200m
in 2025 (only
clinical trial)

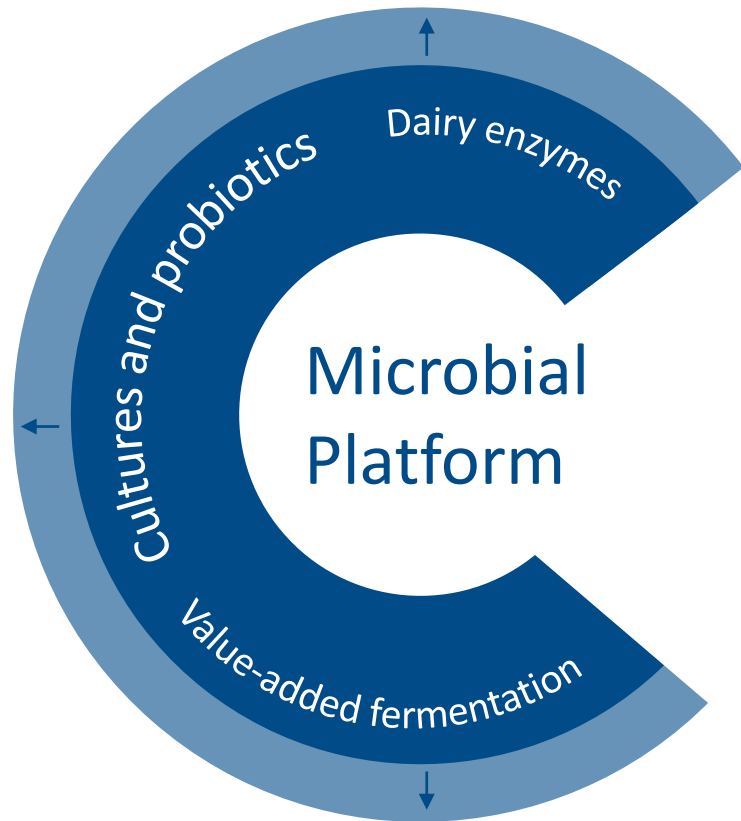
FULL SUPPLY CHAIN OFFERING WITH TRULY DISTINCT CAPABILITIES



- Organization established (+50 FTEs) and first customer contracts signed; strong pipeline
- Supply chain build-out progressing well with first phase of investments to be completed by end of Q1 FY21 (EUR 90m in total FY20-22 split between CHR/Lonza)
- Largely self-funding after FY22

We EXTEND our Microbial Platform through M&A and partnerships

to further enhance our microbial and fermentation capabilities



COMPLEMENTED WITH BOLT-ON ACQUISITIONS

2015
DIAL



2016
NPC



2016
LGG



2018
Hunzbichler



2020
HSO



2020
UAS Labs



2020
Jennewein



STRONG NETWORK OF GLOBAL PARTNERS



FOOD OPTIMIZED

Lonza



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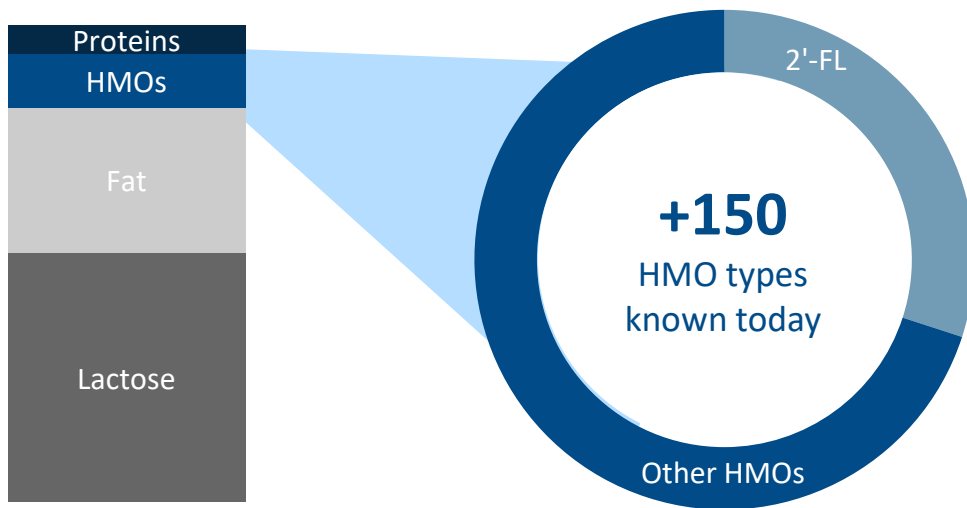
High growth in global HMO market

driven by consumer demand for 'close-to-nature' infant formula and increasing scientific evidence



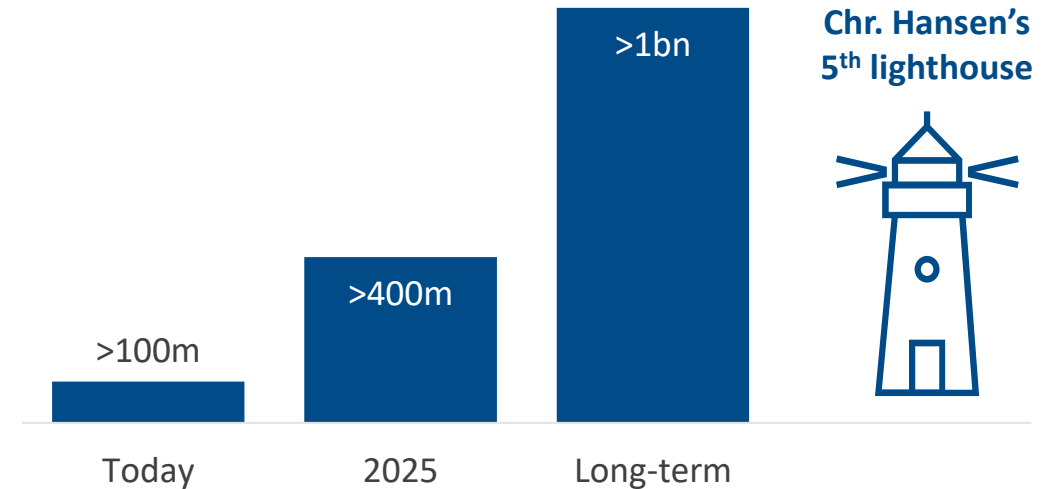
HMOs ARE THE THIRD LARGEST COMPONENT IN HUMAN MILK

Nutrient composition in human milk



DEMAND FOR HMOs IS EXPECTED TO INCREASE MEANINGFULLY

Addressable market in EUR¹



Selected health benefits:

- Support neuronal & brain development of infants
- Reduce risk of NEC in pre-terms infants
- Improve digestive health & strengthen immune system
- Immunomodulatory effect
- Act against bacterial/viral pathogens and toxins

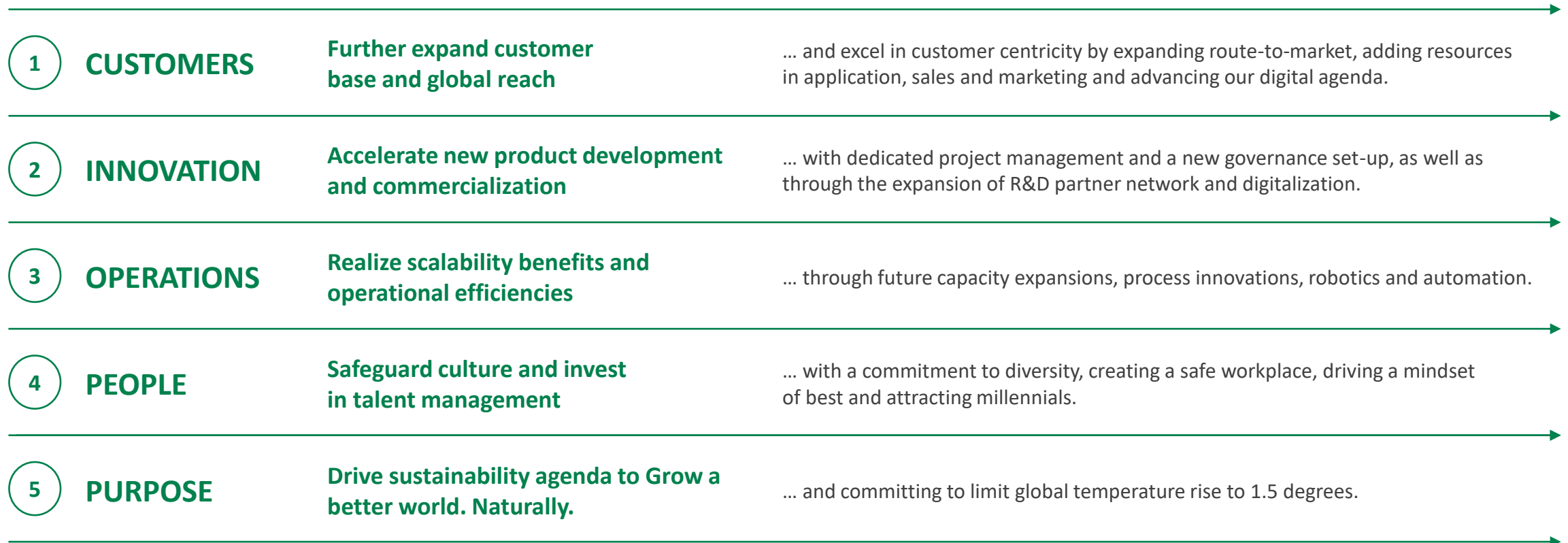
Growth drivers:

- Premiumization trend in infant formula to drive penetration
- Regulatory approval in NA, Europe and parts of LATAM and Asia; further countries to come
- Increasing scientific evidence around health benefits
- Combination products and new applications

¹ Management estimates.

We implement our 2025 Strategy across five dimensions

How to win

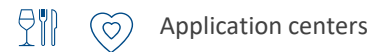
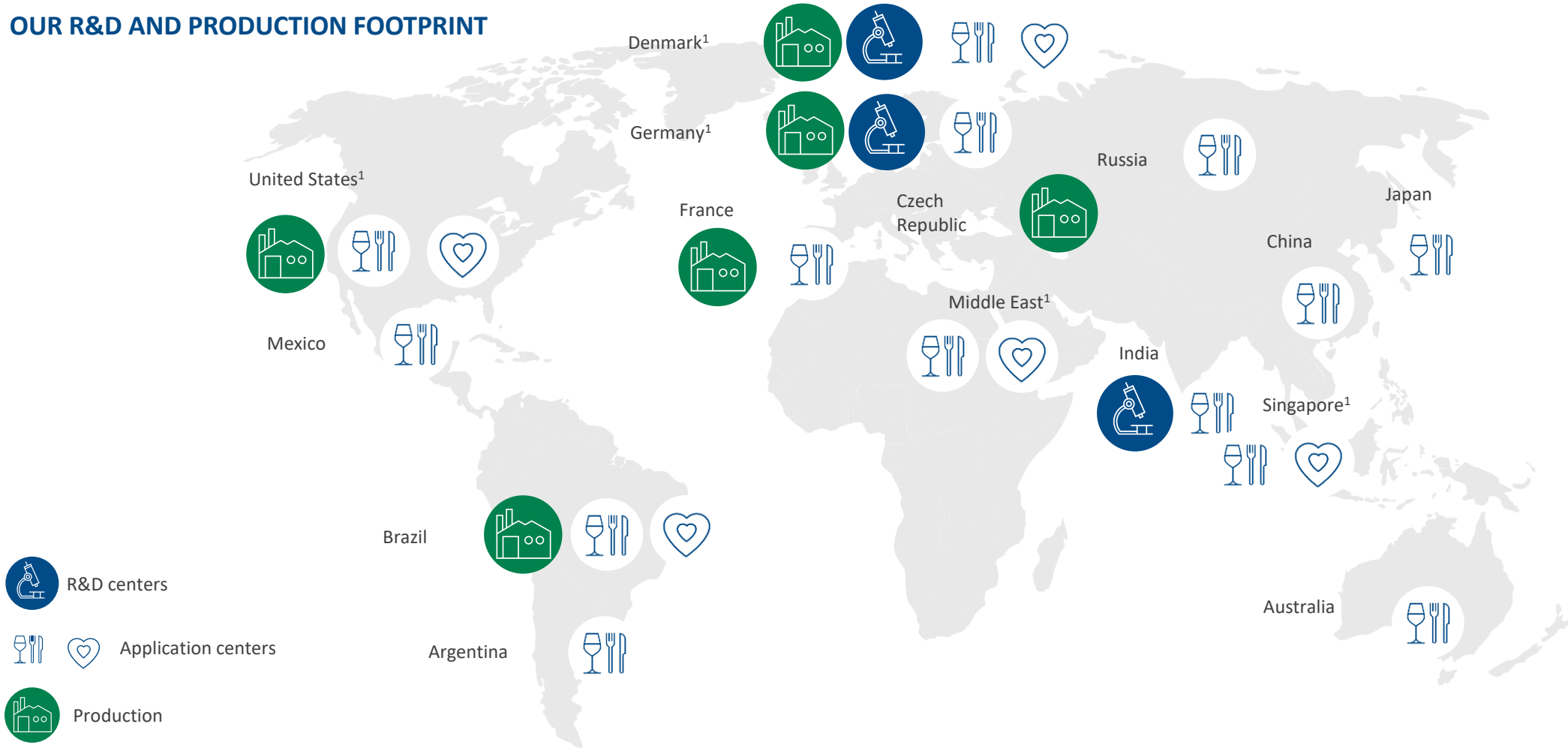


We aim to further expand our global presence

and strengthen our position in emerging markets



OUR R&D AND PRODUCTION FOOTPRINT

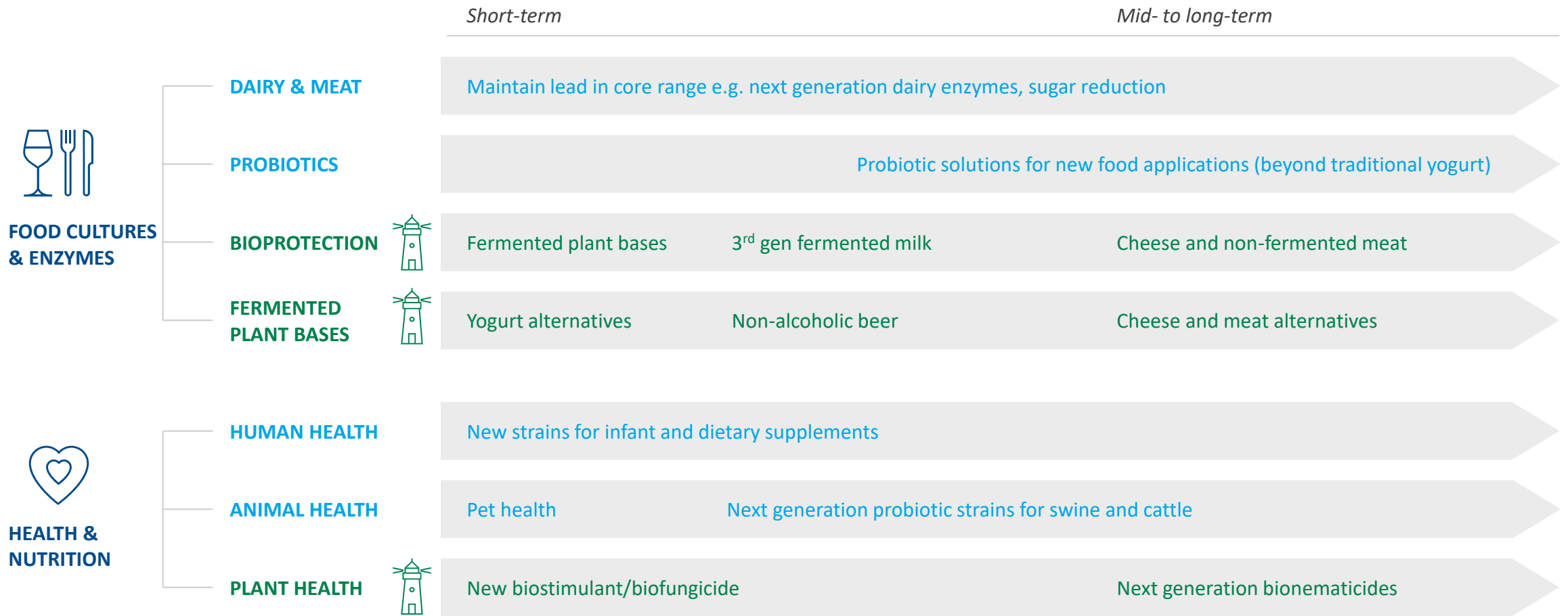
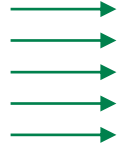


¹ New application center or further expansion/investments during strategy period.

We have a strong and well-balanced R&D pipeline

across core businesses and lighthouses to drive growth during 2025 Strategy period and beyond

INNOVATION



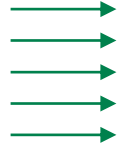
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We will expand our production capacity

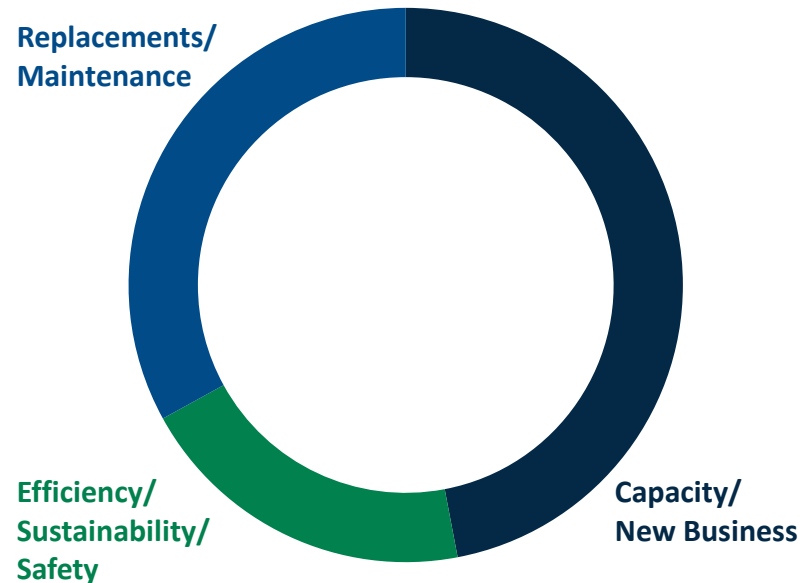
while realizing optimization initiatives and synergies from UAS Labs integration

OPERATIONS



MOST OF OUR CAPEX PROJECTS ARE CENTERED AROUND BUILDING CAPACITY

Illustrative based on capex spend in the last 5 fiscal years



WE CONTINUE TO DRIVE OPERATIONAL EFFICIENCIES THROUGH AMBITIOUS EFFICIENCY PROGRAMS ACROSS LEAN, PROCESS INNOVATIONS & DIGITALIZATION



Fermentation yields

Increasing fermentation yield of Animal and Plant Health production strains via fed-batch process



Downstream optimization

Optimizing separation techniques to reduce energy consumption and increase yields



Robots and automation

Reduce repetitive workload and manning e.g. via intelligent internal transportation system

We commit to further reducing our environmental footprint

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

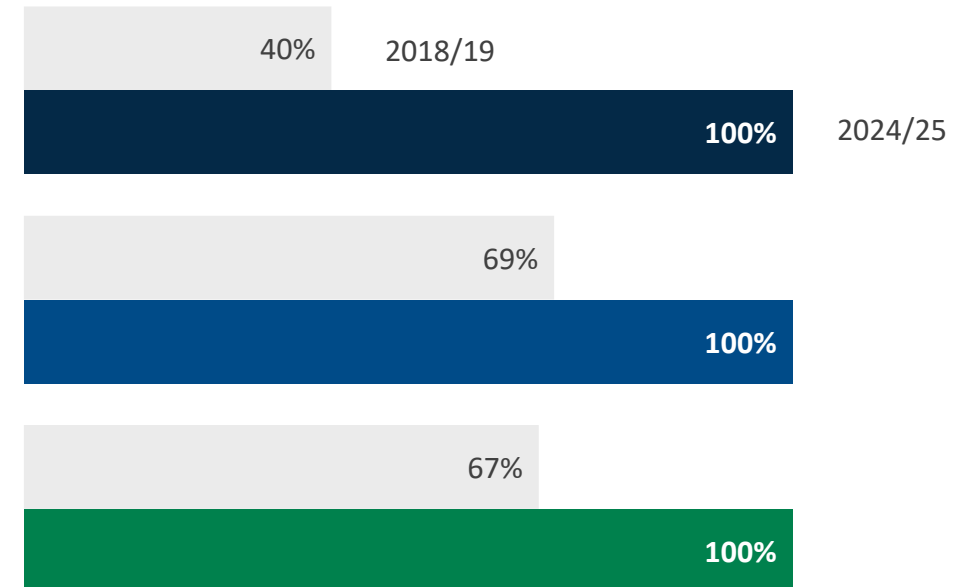


INITIATIVES

<p>RENEWABLE ENERGY</p>	<p>Use electricity from renewable sources for all global operations</p>
<p>CIRCULAR MANAGEMENT OF BIO WASTE</p>	<p>Recycle or reuse biowaste generated from our operations</p>
<p>KEY PACKAGING MATERIALS RECYCLABLE</p>	<p>Deliver all products with recyclable packaging materials</p>



AMBITION FOR GLOBAL OPERATIONS UNTIL 2024/25 compared to 2018/19



SBT-INITIATIVE JOINED IN JULY 2020 COMMITTING TO LIMIT GLOBAL TEMPERATURE RISE TO 1.5 °C



ACTIVITIES TO BE INITIATED DURING 2021/2022 TO START REPORTING IN LINE WITH TCFD RECOMMENDATIONS



Improving food & health



We work for a better world

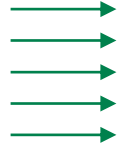
We rely on each other

We act with freedom

We deliver results

We safeguard our culture and invest in talent management and diversity

PEOPLE



SAFEGUARD CULTURE & SUCCESSFUL ONBOARDING OF NEW EMPLOYEES

- Top 25% score in employee engagement survey
- 100% of new employees introduced to culture model
- **2019/20 performance: 100 % introduced**



COMMITMENT TO TALENT MANAGEMENT AND DIVERSITY

- 1:1 ratio between female employees and managers
- **2019/20 performance: 43:37 ratio between female employees and managers**



SAFE PLACE TO WORK

- <1.5 lost-time incident frequency
- **2019/20 performance: LTIF: 1.3**



ATTRACTIVE COMPENSATION FOR MANAGEMENT

- Performance metrics aligned with shareholder interests
- In line with industry benchmarks

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We strive everyday to grow a better world. Naturally.

PURPOSE



SUSTAINABLE AGRICULTURE



BETTER FOOD PRODUCTION



IMPROVED HEALTH



Natural plant protection



Better quality silage



Animal nutrition



Quality and safety



Efficient production



Less waste



Healthier food



Supporting health



Next generation health

Executive compensation linked to sustainability

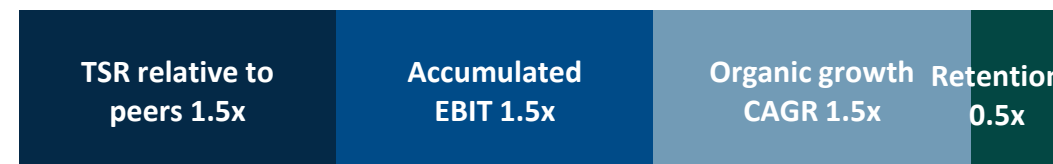
and closely aligned with shareholder interests; strong incentive component

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%

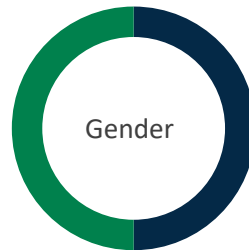
¹ Base plus pension.

Strong governance

with diverse competencies and dual management system

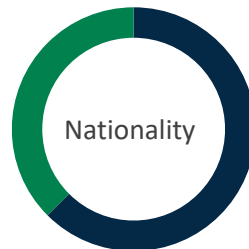
DIVERSITY OF BOARD OF DIRECTORS (shareholder electives)

50%
Female



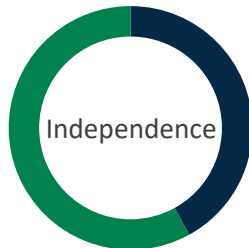
50%
Male

37%
Danish



63%
Non-Danish

87%
Independent



13%
Not independent

GOVERNANCE



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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



* **FC&E** Food Cultures & Enzymes **NCD** Natural Colors Division **H&N** Health & Nutrition

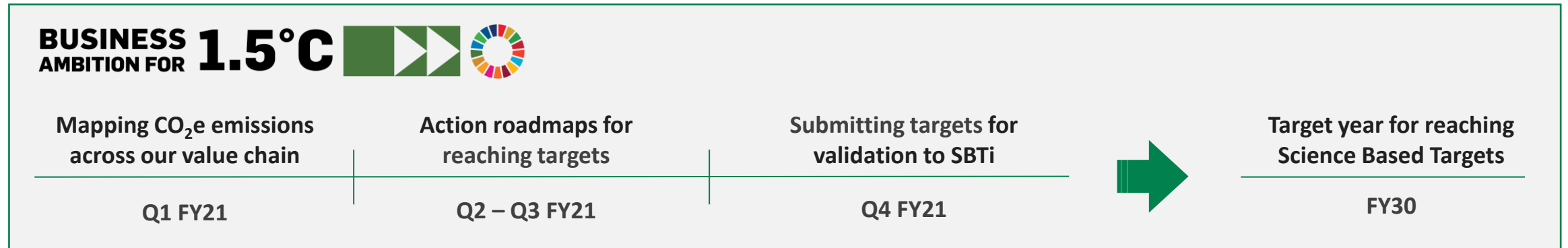
Sustainability ratings & rankings

Chr. Hansen regularly submit information about our performance to customers and investors via global reporting platforms, such as MSCI, Oekom, Eco-Vadis, Sustainalytics, the Carbon Disclosure Project, FTSE4Good and Sedex.

RATING	RANK	DESCRIPTION
	B	▶ Above sector average (D)
	AA	▶ Robust product safety strategy, strong governance structures
	4th of 121	▶ Ranked 4 th in subindustry, Specialty Chemicals
	94 th percentile	▶ Awarded silver rating
 FTSE4Good	✓	▶ Chr. Hansen listed as a constituent
 <i>The Magazine for Clean Capitalism</i>	No. 24	▶ Ranked the 24 th most Sustainable Company in the World

A Decade of Action: Climate commitment to Business Ambition for 1.5°C and the Science Based Targets initiative

ROADMAP FOR SCIENCE-BASED TARGETS



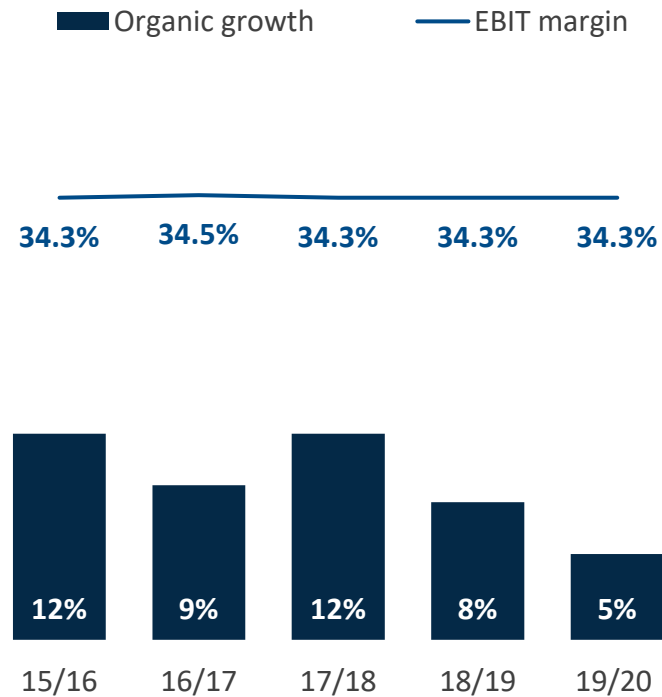
ACTIVITIES IN SCOPE FOR MAPPING CO₂e



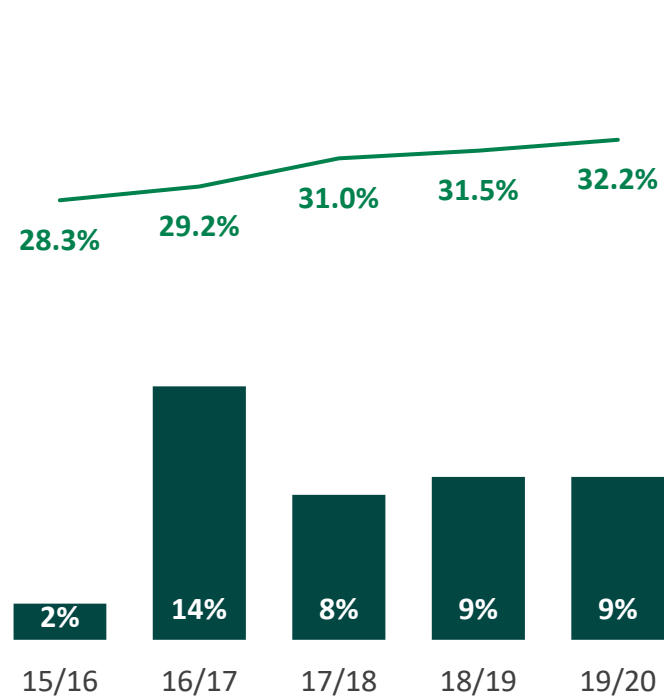
We aim for industry-leading organic growth

across our two segments

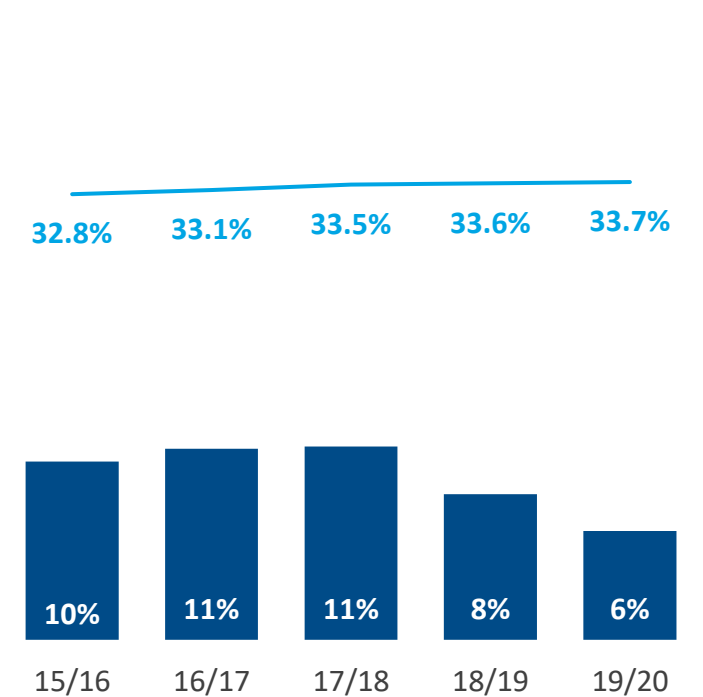
FOOD CULTURES & ENZYMES



HEALTH & NUTRITION



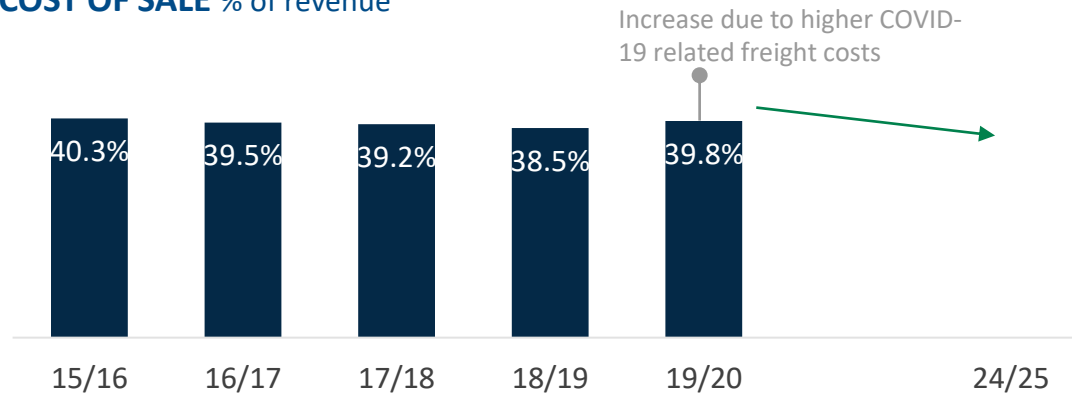
CONTINUING OPERATIONS



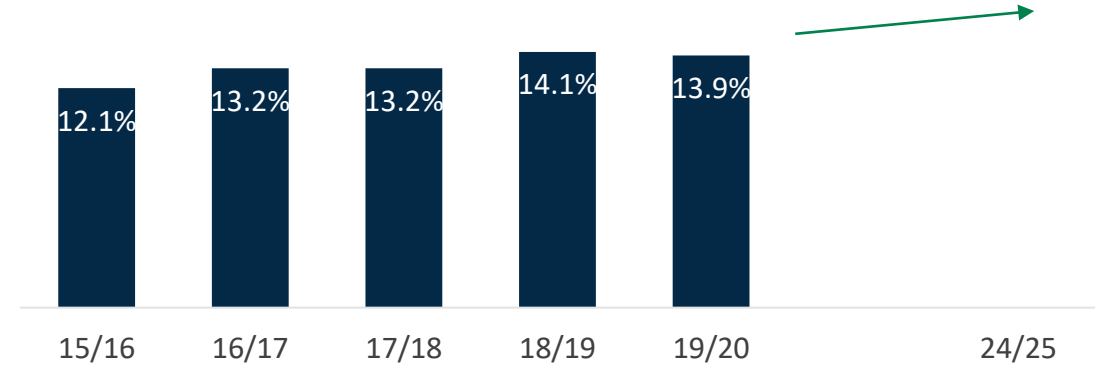
We remain committed to driving gross margin expansion

while investing in sales & marketing and R&D to support future growth

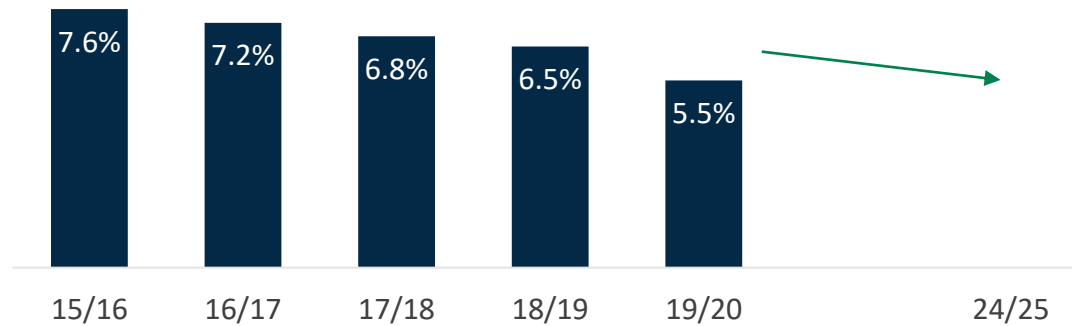
COST OF SALE % of revenue



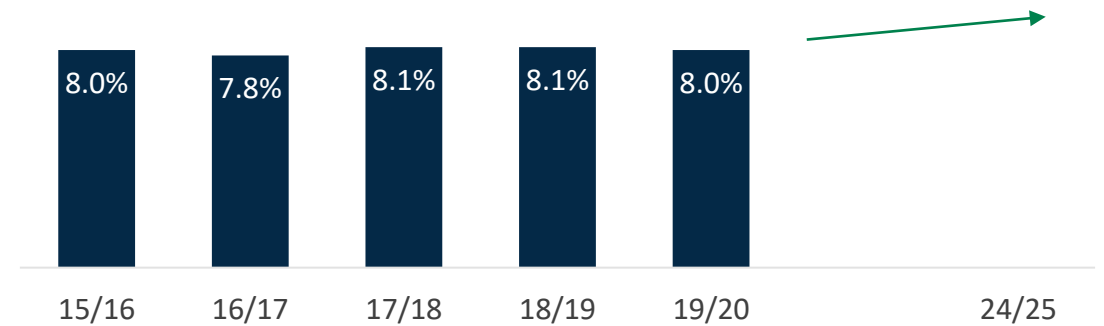
SALES & MARKETING EXPENSES % of revenue



ADMINISTRATIVE EXPENSES % of revenue



R&D EXPENSES INCL. CAPITALIZATIONS % of revenue



Note: Restated figures for continuing operations.

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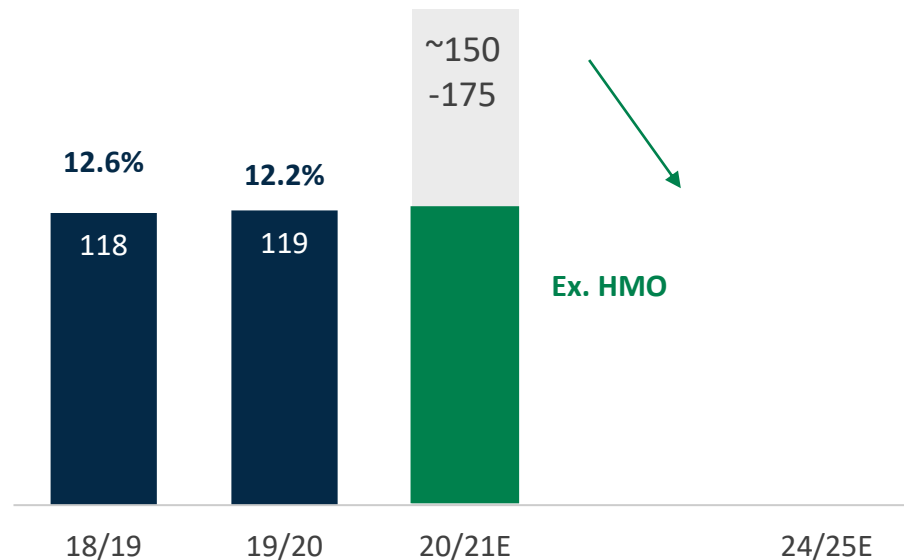
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Growth in free cash flow to exceed growth in absolute EBIT

supported by reduced investment needs until 2024/25

CAPEX SPENDING FOR CONTINUING OPERATIONS in EUR million and % of revenue



UAS LABS ACQUISITION AND PRODUCTION OPTIMIZATION ALLOW FOR PHASING OF CAPEX PROJECTS TO BEYOND THE STRATEGY PERIOD

Selection of large capex projects	Expected completion
Capacity upgrade, Roskilde 	2021/22
Freeze dried & powder packaging, Copenhagen  	2022/23
Additional fermentation capacity upgrades, US 	2022/23
NEW: HMO production, Kalundborg (phase I) 	2022/23-23/24
Additional fermentation capacity upgrades, Germany  	2024/25
Innovation campus incl. application center & new pilot plant, Denmark 	2022/23
Next large-scale dairy expansion 	After 2024/25

Postponements of capex due to UAS Labs acquisition:

Expansion of Human Health facility, Roskilde

Dairy alternatives production

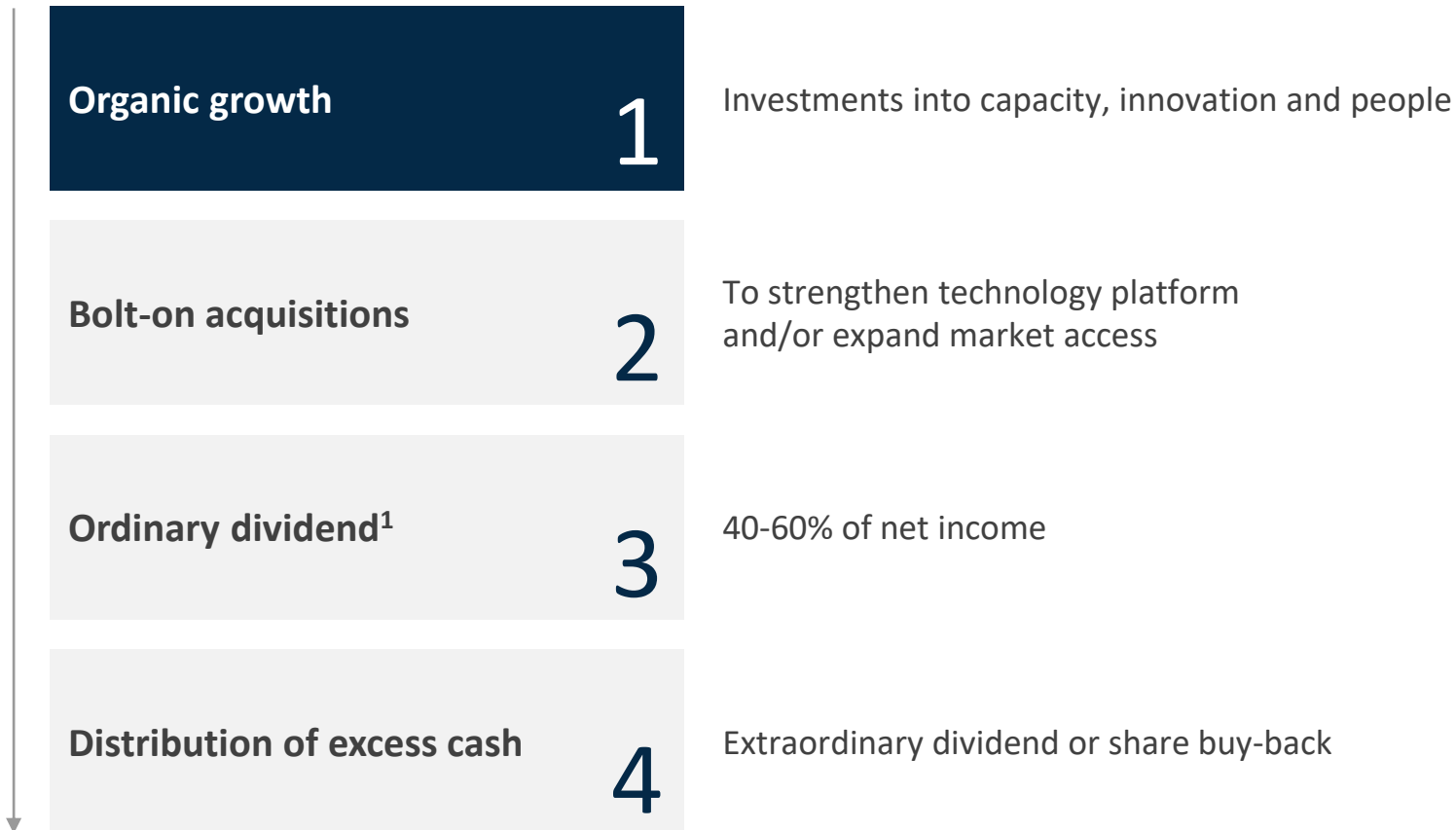
CHR HANSEN

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

Financial calendar

April 15, 2021

Interim Report Q2 2020/21

July 8, 2021

Interim Report Q3 2020/21

October 14, 2021

Annual Report 2020/21

November 24, 2021

Annual General Meeting 2021

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