

Policy on Stock Ownership for Directors and Executive Officers

The Board of Directors of Balchem Corporation (the "Company") believes that stock ownership by the Company's non-employee directors ("Directors") and Executive Officers is important for the continued success of the Company. Stock ownership demonstrates to our shareholders, the investing public and the Company's employees, the commitment of the Directors and Executive Officers to the Company, and directly aligns their interests with the Company's shareholders.

DIRECTORS

Each Director shall own shares of the Company's common stock at least equal to five times (5X) their annual cash retainer. Existing Directors will have five (5) years from the date of the adoption of this Policy to attain such level of ownership. It is recommended that Directors acquire at least 1/5 of the ownership amount each year, until the total requirement is met.

EXECUTIVE OFFICERS

Each Executive Officer shall own shares of the Company's common stock as determined by a multiple of the Executive Officer's annual base salary as follows:

POSITION MULTIPLE OF BASE SALARY

- Chief Executive Officer: 3x
- Chief Operating Officer: 2x
- Chief Financial Officer: 1.5x
- Vice President/Officer: 1x

Existing Executive Officers will have five (5) years from the date of their appointment as an Executive Officer to attain such level of ownership.

[Corporate Governance Guidelines](#)

[Code of Business Conduct and Ethics](#)