

# Launch of Long-Term Incentive Plan for key employees



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Royal Unibrew A/S launches a new share based Long-Term Incentive Plan (LTIP) for selected key employees (SVP, VP and selected key employees - excluding Executive Management) for 2022 designed to align the interests of Royal Unibrew's employees and shareholders and to retain and reward the employees for dedicated and focused achievements of the company's strategy and long-term objectives aligned with shareholders' interests. The new LTIP for 2022, has been approved by the Board of Directors. Previously, Long-Term Incentive Plans for key employees have been cash-based.

The LTIP implies the grant of a number of Performance Share Units (PSU) to each key employee. The PSUs are granted in 2022 for vesting in 2024. In 2024, each PSU may vest into one Royal Unibrew A/S share according to the company's performance in 2022 to 2024, the terms of the LTIP after the Board of Directors' approval and publication of the annual report for 2024.

The total number of shares allocated by the company under the LTIP is up to 30,000 shares, corresponding to 30,000 PSUs.

The allocation of shares is based on the average price for Royal Unibrew A/S' shares on Nasdaq OMX Copenhagen during the first five trading days following the release of the annual report for 2021 (DKK 594,56 per share of a nominal value of DKK 2,00).

The PSUs granted in 2022 to each participant will vest within 0-100% of the granted PSUs depending on achievement of the defined KPIs during the period from 2022 to 2024. The KPIs used in the program are (a) organic EBIT achieved in 2024 (50% weight); (b) accumulated free cash flow for the years 2022 to 2024 (25% weight); and (c) CSR rating at the end of 2024 relative to a beverage peer group (25% weight). Each KPI is defined by a target and a threshold. If the performance is below the threshold, no PSUs will vest. Performance between the threshold and the target will be calculated linearly. No additional PSUs are awarded if the KPI exceeds the Target.

Assuming that all KPIs meet their targets, the maximum value at grant is around DKK 18m, whereas the theoretical market value of the LTIP at the time of grant is around DKK 12 million. The program does not include the Executive Management whose LTIP is described in the company's Remuneration Report 2021, page 11.

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