

No. 510

**COMPANY ANNOUNCEMENT**

29 March 2019

## **LONG-TERM INCENTIVE PROGRAM FOR EXECUTIVE MANAGEMENT AND OTHER KEY EMPLOYEES IN PANDORA**

In accordance with Pandora's guidelines for incentive pay, the Board of Directors of Pandora has approved a long-term incentive programme (LTIP) for 2019. The programme includes a potential grant of up to 120.386 performance shares to the Company's Executive Management and up to 355.150 performance shares to key employees. The LTIP is a three-year programme with an additional two-year vesting period for executive management.

The grant is subject to performance targets related to 2019 EBIT margin, 2019 total like-for-like, and total shareholder return (TSR) relative to a defined peer group, measured over three years. To release all performance shares, financial performance in 2019 must be above the financial guidance for both EBIT-margin and total like-for-like and the three-year TSR performance must be among top 25% in the peer group. No performance shares will be released under the programme if the 2019 EBIT margin and total like-for-like is below guidance and the TSR over the three-year period is below the median performance in the peer group. Further details will be announced in the 2019 Remuneration Report in February 2020.

The performance shares are for tax reasons, granted as a stock option with a strike price of 1%. All payments are subject to claw back and adjustment by the Board of Directors. All payments are subject to income tax at the time of exercise.

The current market value of the total LTIP is approximately DKK 99 million. In accordance to IFRS standards, the LTIP will be recognised in the income statement over the three-year performance period.

If the performance conditions are met, members of Executive Management are subject to an additional two-year vesting period before the performance shares can be exercised. There are no performance criteria tied to the additional two-year vesting period.

## **ABOUT PANDORA**

Pandora designs, manufactures and markets hand-finished and contemporary jewellery made from high-quality materials at affordable prices. Pandora jewellery is sold in more than 100 countries on six continents through more than 7,700 points of sale, including more than 2,700 concept stores.

Founded in 1982 and headquartered in Copenhagen, Denmark, Pandora employs more than 32,000 people worldwide of whom more than 14,000 are located in Thailand, where the Company manufactures its jewellery. Pandora is publicly listed on the Nasdaq Copenhagen stock exchange in Denmark. In 2018, Pandora's total revenue was DKK 22.8 billion (approximately EUR 3.1 billion).

## **CONTACT**

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