

## **PANDORA A/S**

### **NOTICE OF ANNUAL GENERAL MEETING**

The Annual General Meeting of Pandora A/S (the "Company") is hereby convened to be held on

**Wednesday 13 March 2019 at 10:00 a.m. CET (doors will open at 9:00)**

The General Meeting will be held at

**Tivoli Hotel & Congress Center, Arni Magnussens Gade 2, 1577 Copenhagen V, Denmark**

with the following agenda:

1. The Board of Directors' report on the Company's activities during the past financial year.
2. Adoption of the audited 2018 Annual Report.
3. Adoption of proposal on the Board of Directors' remuneration for 2019.
4. Proposed distribution of profit as recorded in the adopted Annual Report, including the proposed amount of any dividend to be distributed or proposal to cover any loss.
5. Election of members to the Board of Directors.
6. Election of auditor.
7. Resolution on the discharge from liability of the Board of Directors and the Executive Management.
8. Any proposal by the shareholders and/or Board of Directors.

The Board of Directors has submitted the following proposals:

- 8.1 Reduction of the Company's share capital.
- 8.2 Language of company announcements.
- 8.3 Language of internal documents relating to the Company's general meetings.
- 8.4 Authority to the Board of Directors to let the Company buy back treasury shares.
- 8.5 Authority to the Board of Directors to distribute extraordinary dividend.
- 8.6 Authority to the chairman of the Annual General Meeting.

9. Any other business.

## Complete proposals

### Re agenda item 2:

The Board of Directors proposes that the audited 2018 Annual Report be approved by the General Meeting.

### Re agenda item 3:

The Board of Directors proposes that the remuneration of the Board of Directors for 2019 be approved by the General Meeting (unchanged from 2018):

The Chairman of the Board of Directors receives a fixed fee of DKK 1,500,000, the Deputy Chairman receives DKK 750,000, and other members of the Board of Directors each receive DKK 500,000. Furthermore, a number of committees have been established. The chairman of a committee receives a fixed fee of DKK 150,000 and a committee member receives a fixed fee of DKK 100,000 for this work, regardless of how many committees a member is involved in. The chairman and members of the audit committee, however, each receive an additional fee of DKK 50,000. The Chairman of the Board of Directors does not receive any committee fee.

### Re agenda item 4:

The Board of Directors proposes that a dividend of DKK 9.00 per share of DKK 1 be paid on the profit for the year available for distribution according to the 2018 Annual Report. No dividend will be paid on the Company's portfolio of treasury shares. The remaining amount will be transferred to the Company's reserves.

### Re agenda item 5:

All members of the Board of Directors elected by the General Meeting stand for election.

The Board of Directors currently consists of the following 7 board members elected by the General Meeting:

Name	Up for re-election?
Peder Tuborgh (Chairman)	Yes
Christian Frigast (Deputy Chairman)	Yes
Andrea Dawn Alvey	Yes
Ronica Wang	Yes
Bjørn Gulden	No
Per Bank	Yes
Birgitta Stymne Göransson	Yes

In addition, the Board nominates the following candidates as new members of the Board of Directors:

Name
Sir John Peace
Isabelle Parize

The composition of the Company's Board of Directors, including the nominated new candidates, reflects the skills and experience which are deemed required to manage a publicly listed company. The Company aims at composing

the Board of Directors to consist of persons who possess the professional skills and international experience required to serve as a board member.

A detailed description of each of the board candidates and information on their managerial posts are attached hereto as Appendix 1. The description is also available on the Company's website [www.pandoragroup.com](http://www.pandoragroup.com).

**Re agenda item 6:**

The Board of Directors proposes re-election of Ernst & Young P/S in accordance with the audit committee's recommendation. The Audit Committee has not been influenced by third parties and has not been subject to any agreement with third parties, which limits the General Meeting to the election of certain auditors or audit firms.

**Re agenda item 7:**

The Board of Directors proposes that the General Meeting discharges the Board of Directors and the Executive Management from liability.

**Re agenda item 8:**

The Board of Directors has submitted the following proposals:

- 8.1 Reduction of the Company's share capital.
- 8.2 Language of company announcements.
- 8.3 Language of internal documents relating to the Company's general meetings.
- 8.4 Authority to the Board of Directors to let the Company buy back treasury shares.
- 8.5 Authority to the Board of Directors to distribute extraordinary dividend.
- 8.6 Authority to the chairman of the Annual General Meeting.

*Re agenda item 8.1*

In 2018 the Company launched a share buyback programme of up to a maximum consideration of DKK 4,000 million. The purpose of the share buyback programme is to reduce the Company's share capital and to meet its obligations under the applicable share based incentive programmes for the Company's employees. The Board of Directors proposes to reduce the Company's share capital to the effect that a part of the total portfolio of treasury shares are cancelled while the remaining part is retained for the purpose of fulfilling the Company's obligations in connection with said incentive programmes.

The share buyback programme covers the period from 14 March 2018 to 13 March 2019. Reference is made to the company announcements available on the Company's website [www.pandoragroup.com](http://www.pandoragroup.com).

Against that background, the Board of Directors proposes that the Company's share capital be reduced by a nominal amount of DKK 10,029,003 by cancellation of a nominal amount of 10,029,003 treasury shares of DKK 1, equal to 9.1% of the Company's total share capital. Under section 188 of the Danish Companies Act it is stated that the purpose of the reduction is to cancel a part of the Company's portfolio of treasury shares. According to the Danish Business Authority's practice, this purpose may be compared to a capital reduction to be distributed to the shareholders, see section 188(1)(ii) of the Danish Companies Act. To that end, the Board of Directors states that a nominal amount of DKK 9,867,142 of the treasury shares have been acquired in the period between 14 March 2018 and 18 February 2019 for a total amount of DKK 4,052,721,801 to the effect that, in addition to the nominal reduction amount of DKK 9,867,142, an amount of DKK 4,042,854,659 has been distributed. The remaining shares of a nominal amount of DKK 161,861 will be acquired in the period until the General Meeting for a purchase price not diverging from the price quoted on NASDAQ Copenhagen at the time of acquisition by more than 10%. The total amount of distribution for the shares will be disclosed at the General Meeting. Following the capital reduction, the Company's nominal share capital will be DKK 100,000,000.

As a result of the share capital reduction, it is proposed that article 4.1 of the Articles of Association should be amended to read as follows after expiry of the time period prescribed in section 192 of the Danish Companies Act:

*"The Company's share capital is nominally DKK 100,000,000, divided into shares of DKK 0.01 or any multiple thereof."*

Before the implementation of the capital reduction, the Company's creditors will be requested, through the Danish Business Authority's IT system, to file their claims within a time limit of 4 weeks. The implementation of the capital reduction and the resulting amendment to the Articles of Association will be finally registered upon the expiry of the time limit.

*Re agenda item 8.2*

The Board of Directors proposes that the General Meeting authorises the Board of Directors to decide whether company announcements shall be prepared in English only. The authorisation is inserted as a new Article 3.2 in the Company's Articles of Association with the following wording:

*"Company announcements may be prepared in English only, if decided by the Board of Directors."*

For clarification purposes, the heading of Section 3 is consequently amended from "Group Language" to "Language".

*Re agenda item 8.3*

The Board of Directors proposes that internal documents relating to the Company's general meetings (including notice, agenda and minutes, etc.) going forward are prepared in English only. A provision on this matter is recorded as a new Article 8.3 in the Articles of Association with the following wording:

*"Internal documents relating to the Company's general meetings (including notice, agenda and minutes, etc.), are prepared in English only."*

*Re agenda item 8.4*

The Board of Directors proposes that the General Meeting authorises the Board of Directors to, in the period until 13 March 2024, allow the Company to acquire treasury shares up to an aggregate nominal value of 10% of the Company's share capital, provided that the Company's holding of treasury shares does not at any time exceed 10% of the Company's share capital. The purchase price paid in connection with acquisition of treasury shares must not diverge from the price quoted on NASDAQ Copenhagen at the time of acquisition by more than 10%.

*Re agenda item 8.5*

The Board of Directors proposes that the Company's Board of Directors is granted the authority for the period until the next Annual General Meeting, in accordance with sections 182-183 of the Danish Companies Act, to pass one or more resolutions to distribute extraordinary dividends of up to a total amount of DKK 9.00 per share of DKK 1.

*Re agenda item 8.6*

The Board of Directors proposes that the chairman of the Annual General Meeting is authorised to make such amendments and additions to the resolutions passed by the Annual General Meeting and to the application for registration with the Danish Business Authority as the Authority may require for registration.

**VOTING REQUIREMENTS**

The resolution under agenda item 8.1 proposed by the Board of Directors requires at least two-thirds of the votes cast and of the share capital represented at the Annual General Meeting. All other proposals may be passed by a simple majority of votes.

## DATE OF REGISTRATION, ADMISSION, PROXY AND POSTAL VOTE

### Date of registration, right to attend and right to vote

A shareholder's right to attend the General Meeting and to vote is determined on the basis of the shares held by such shareholder at the date of registration.

The date of registration is **Wednesday 6 March 2019**. The shares held by each shareholder are determined at 11:59 p.m. CET at the date of registration on the basis of the shareholdings registered in the share register and in accordance with any notices on shareholdings received by the Company but not yet registered in the share register.

### Notice of attendance and admission card

The Company must be duly notified of attendance to the Annual General Meeting. A shareholder, its proxy or advisor wishing to attend the General Meeting and to receive an admission card must notify the Company of their attendance no later than on **Friday 8 March 2019 11:59 p.m. CET**.

**Admission cards will be sent electronically via e-mail to the e-mail address listed in the Company's Investor Portal at registration. The admission card must be brought along to the Annual General Meeting either electronically on a smart phone/tablet or in print.**

**Please note that admission cards will be sent out automatically via e-mail immediately after notification of attendance through the Investor Portal.**

**Shareholders whose attendance has been notified on time but without entry of an e-mail address may collect the admission card at the entrance to the General Meeting upon presentation of ID.**

**Voting cards are distributed at the entrance to the General Meeting.**

### Proxy/postal vote

Shareholders prevented from attending the General Meeting may either vote by proxy by authorising the Board of Directors or a named third party as proxy representative or by postal voting.

- Electronic proxy forms or electronic postal votes may be submitted through the Investor Portal on the Company's website [www.pandoragroup.com](http://www.pandoragroup.com) by using NemID or username and password.
- Physical proxy forms or physical postal votes may be submitted by using the Proxy and Postal Voting Form which can be printed from the Company's website [www.pandoragroup.com](http://www.pandoragroup.com). The duly completed, dated and signed Proxy and Postal Voting Form must be sent by letter to Computershare A/S, Lottenborgvej 26 D, 1. sal, DK-2800 Lyngby, Denmark, by email, scan-to-email to [gf@computershare.dk](mailto:gf@computershare.dk) or by fax +45 45 46 09 98.

Proxy forms/postal votes may be submitted for shares held at the date of registration as determined on the basis of the Company's share register as well as any information on shareholdings received by the Company but not yet registered in the share register.

Proxy forms (electronic or physical) must be received by Computershare A/S no later than on **Friday 8 March 2019 at 11:59 p.m. CET**, whereas postal voting forms (electronic or physical) must be received by Computershare A/S no later than on **Tuesday 12 March 2019 at 12:00 p.m. CET (noon)**.

Once received by the Company, a postal vote is binding on the shareholder and cannot be revoked.

## SHARE CAPITAL, VOTING RIGHTS AND CUSTODIAN BANK

The Company's share capital is DKK 110,029,003, divided into shares of DKK 1.

The Company has appointed Nordea Bank Danmark A/S as account-holding bank through which the shareholders of the Company may exercise their financial rights.

## **QUESTIONS**

At the General Meeting, the Board of Directors and the Executive Management will answer questions from the shareholders on matters of relevance to the assessment of the 2018 Annual Report, the Company's position and any other questions to be addressed at the General Meeting. Questions may be submitted in writing until **Tuesday 12 March 2019** 12:00 p.m. CET (noon) to Pandora A/S, Havneholmen 17-19, DK-1561 Copenhagen V, Denmark, addressed to Group Legal for the attention of VP, Group Legal & General Counsel Peter Ring or by email to [legal@pandora.net](mailto:legal@pandora.net). Questions from shareholders can be asked in both Danish and English. Such questions will be answered in English and may be answered in Danish if so requested by the shareholder.

## **AGENDA, LANGUAGE, ETC.**

No later than 3 weeks before the General Meeting, the complete, unabridged text of the documents to be submitted to the General Meeting as well as the agenda with the complete proposals to be transacted at the General Meeting will be made available for inspection at the reception desk at the Company's registered office, Havneholmen 17-19, DK-1561 Copenhagen, Denmark, on all business days from 8:00 a.m. to 5:00 p.m. CET.

No later than 3 weeks before the General Meeting, the following information will also be made available on the Company's website [www.pandoragroup.com](http://www.pandoragroup.com):

- 1) The notice convening the General Meeting with appendices.
- 2) The total number of shares and voting rights at the date of the notice convening the General Meeting.
- 3) The documents to be submitted to the General Meeting, including the agenda and the complete proposals and the audited 2018 Annual Report.
- 4) The forms to be used for voting by proxy and postal voting.

The financial highlights and a 5 year financial overview for the Company is available on the Company's website [www.pandoragroup.com](http://www.pandoragroup.com).

The General Meeting will be held in English. Irrespective of article 9.8 of the Articles of Association and as a service to the shareholders, the Company will offer simultaneous interpretation to or from Danish to any shareholder who so wishes during the General Meeting.

## **DATA PRIVACY**

In connection with the General Meeting, the Company collects, processes and retains certain personal data. To this effect reference is made to the document about processing of personal data in connection with general meetings in Pandora A/S, which is available on the Company's website [www.pandoragroup.com](http://www.pandoragroup.com).

## **PRACTICAL INFORMATION**

Admission and registration at the General Meeting will commence on Wednesday 13 March 2019 at 9:00 a.m. CET where coffee and tea will also be served.

Copenhagen, 19 February 2019

Pandora A/S

Board of Directors

## APPENDIX 1

### Description of the candidates proposed by the Board of Directors

#### RE-ELECTION

**Peder Tuborgh** was born in 1963 and holds a Danish citizenship.

Peder Tuborgh has been Chairman and member of the Board of Directors since October 2014 and is also Chairman of the Remuneration Committee and a member of the Nomination Committee. Peder Tuborgh is regarded as an independent board member.

The special skills possessed by Peder Tuborgh that are important for the performance of his duties as a member of the Board of Directors of Pandora A/S are his experience in general management, digital and e-commerce, global and cross-platform branding as well as global supply chain.

Peder Tuborgh holds an MSc in Economics and Business Administration from Odense University, Denmark. Currently, he is CEO of Arla Foods amba. In addition, Peder Tuborgh is vice chairman of Aarhus University and board member of Global Dairy Platform.

**Christian Frigast** was born in 1951 and holds a Danish citizenship.

Christian Frigast has been a member of the Board of Directors since August 2010 and is also Deputy Chairman of the Board, Chairman of the Nomination Committee and member of the Remuneration Committee and the Audit Committee. Christian Frigast is regarded as an independent board member.

The special skills possessed by Christian Frigast that are important for the performance of his duties as a member of the Board of Directors of Pandora A/S are his experience in general management and active involvement in a number of retail and other companies which has given him great insight in capital markets, consumer sales and retail execution.

Christian Frigast holds an MSc in Economics from Copenhagen University. He has been Managing Partner at Axcel Management A/S since the founding of the company in 1994 until October 2016, and continues as Executive Chairman at Axcel Management A/S.

Christian Frigast is chairman of Danmarks Skibskredit Holding A/S and EKF Danmarks Eksportkredit (Denmark's Export Credit Agency). Christian Frigast is vice chairman of PostNord, the Danish Venture Capital and Private Equity Association (DVCA) and Axcel Advisory Board. He also sits on the boards of Frigast A/S, Danmarks Skibskredit and Nissens. In addition, Christian Frigast chairs and co-founded Axcel's own think-tank, Axcelfuture, which is working to improve the investment climate in Denmark, and he is an associate professor at Copenhagen Business School.

**Andrea Dawn Alvey** was born in 1967 and holds a US citizenship.

Andrea Dawn Alvey has been a member of the Board of Directors since August 2010 and is also a member of the Audit and Remuneration Committees. Andrea Dawn Alvey is regarded as an independent board member.

The special skills possessed by Andrea Dawn Alvey that are important for the performance of her duties as a member of the Board of Directors of Pandora A/S are her experience and insight in global supply chains, digital and e-commerce, IT operations and financial insight.

Andrea Dawn Alvey holds a Bachelor of Science in Business Economics/Statistics from Southern Connecticut State University. Currently, Andrea Dawn Alvey is President of Kitabco Investments, Inc. and Regional Developer for Max One Nutrition.

**Ronica Wang** was born in 1962 and holds a Hong Kong citizenship.

Ronica Wang has been a member of the Board of Directors since March 2012 and is also member of the Nomination Committee. Ronica Wang is regarded as an independent board member.

The special skills possessed by Ronica Wang that are important for the performance of her duties as a member of the Board of Directors of Pandora A/S include her international experience within fashion/jewellery, digital and e-commerce, retail strategy, marketing and execution as well as global and cross platform branding.

Ronica Wang holds an MBA from The Wharton Business School, University of Pennsylvania, and a Bachelor Degree in Applied Science and Engineering (Industrial Engineering) from the University of Toronto. She has also studied multinational management at The London Business School. Currently, Ronica Wang is the chairman and managing director of The InnoGrowth Group, Ltd., which she co-founded in 2007. She is member of the board of directors of GN Store Nord A/S\*.

**Per Bank** was born in 1967 and holds a Danish citizenship.

Per Bank has been a member of the Board of Directors since March 2014 and is also member of the Nomination Committee. Per Bank is regarded as an independent board member.

The special skills possessed by Per Bank that are important for the performance of his duties as a member of the Board of Directors of Pandora A/S are his experience within general management, digital and e-commerce, manufacturing and retail execution.

Per Bank graduated as an industrial engineer from the University of Southern Denmark. Currently, Per Bank is the managing director of Salling Group A/S. Furthermore, Per Bank is currently chairman of the boards of directors of F. Salling A/S and Købmand Ferdinand Sallings Mindefond as well as a member of the board of directors of Nationalbanken (Central Bank of Denmark).

**Birgitta Stymne Göransson** was born in 1957 and holds a Swedish citizenship.

Birgitta Stymne Göransson has been a member of the Board of Directors since March 2016 and is also Chairman of the Audit Committee. Birgitta Stymne Göransson is regarded as an independent board member.

The special skills possessed by Birgitta Stymne Göransson that are important for the performance of her duties as a member of the Board of Directors of Pandora A/S are her experience from general management, consumer and retail execution, financial insight and capital markets.

Birgitta Stymne Göransson holds an MBA from Harvard Business School and a Master of Science in Chemical Engineering from the Royal Institute of Technology, Stockholm. Birgitta Stymne Göransson currently works as Senior Industrial Advisor. She is chairman of the boards of BCB Medical Oy and MAG Interactive\*, and is member of the board of directors of Elekta AB\*, Midsona AB\* and Sportamore AB\*.

## NEW CANDIDATES

**Isabelle Parize** was born in 1957 and holds a French citizenship.

If elected she will be regarded as an independent board member.

The special skills possessed by Isabelle Parize that are important for the performance of her duties as a member of the Board of Directors of Pandora A/S are her operational experience in international retail and brand execution via omni-channel and digitally. In addition, she brings extensive experience from her board positions in several listed and privately held international companies.

Isabelle Parize is a graduate from Ecole Supérieure de Commerce de Paris. Currently, she works as CEO of DELSEY Paris. She is furthermore member of the Board of Directors of Robertet S.A.\* and Air France-KLM S.A\*.

**Sir John Peace** was born in 1949 and holds a British citizenship.

If elected he will be regarded as an independent board member.

The special skills possessed by Sir John Peace that are important for the performance of his duties as a member of the Board of Directors of Pandora A/S are his profound experience from over 35 years in the international retail industry on executive level and his board and capital markets experience from Burberry Group Plc. and Standard Chartered Plc. He holds an honorary doctorate from the University of Nottingham and is furthermore the chairman of the board of directors in Octo Telematics Ltd.

\* Publicly listed company.