

TERMS OF REFERENCE OF THE NOMINATION COMMITTEE OF PANDORA A/S, CENTRAL BUSINESS REGISTER (CVR) NO. 28 50 51 16

These terms of reference specify the powers of the nomination committee and lay down the guidelines governing the nomination committee's work.

1. OBJECTIVE

- 1.1 The nomination committee is a committee of directors, which has as its objective, among other things, to improve the quality of the work of the Board of Directors ("the Board") by contributing to the preparation of the basis for the Board's decisions in connection with (i) the nomination and appointment of members of the Board of Directors and the Executive Board; (ii) ensuring that the Board of Directors and the Executive Board have the appropriate number of members with the required qualifications and experience at all times; and (iii) the conduct of regular evaluations of the Board of Directors' and the Executive Board's performance.
- 1.2 The nomination committee's function is preparatory only in connection with the transaction of business by the Board of Directors. Accordingly, the work of the nomination committee does not limit or render superfluous any consideration by the Board of Directors, and important information required by all members of the Board of Directors must therefore be provided to all Board members and not only to the nomination committee.
- 1.3 The Board of Directors has full responsibility for all resolutions that have been prepared by the nomination committee.
- 1.4 The nomination committee reviews these terms of reference on a yearly basis. Changes must be approved by the Board of Directors.

2. MEMBERS AND COMPOSITION

- 2.1 The nomination committee consists of at least three members who are appointed by the Board of Directors among its members.
- 2.2 Appointments to the committee are for one-year terms. Members may be removed by the Board of Directors at any time. Any member of the nomination committee who resigns from the Board of Directors must also resign from the committee.
- 2.3 The nomination committee elects a chairman, who must either be the chairman of the Board of Directors or the deputy chairman. However, the chairman of the Board of Directors may not be the chairman of the nomination committee when a new chairman of the Board is to be nominated.
- 2.4 More than half of the nomination committee members must be independent members of the Board of Directors.
- 2.5 Members of the nomination committee must be sufficiently qualified.

2.6 The Board of Directors will determine whether any member of the nomination committee can be deemed independent or not.

3. DUTIES

3.1 Assessment of the Board of Directors and the Executive Board

3.1.1 The nomination committee must annually assess the Board of Directors' structure, size, composition and performance, and recommend any changes to the Board of Directors.

3.1.2 In connection with the annual evaluation of the Board of Directors, the nomination committee must also assess the cooperation between the Board of Directors and the Executive Board. The Board's Chairmanship will assess the performance of each member of the Board of Directors.

3.1.3 The nomination committee must once every year evaluate the work and performance of the executive board in accordance with pre-defined criteria and report its conclusions to the Board of Directors.

3.1.4 The Chief Executive Officer must annually perform an assessment of the individual members of the executive management team (the Executive Board and Executive Vice Presidents) and report the results to the nomination committee. The assessment should take into consideration the persons' qualifications, knowledge, experience and performance.

3.2 Nomination of candidates to the Board of Directors and the Executive Board

3.2.1 The nomination committee must nominate candidates for approval by the Board of Directors to fill vacancies on the Board. Board members will be elected by the general meeting.

3.2.2 The nomination committee must nominate candidates for approval by the Board of Directors to fill vacancies on the Executive Board.

3.2.3 In connection with its nominations submitted to the Board of Directors, the nomination committee must consider any proposals for candidates to the Board of Directors and the Executive Board from relevant persons, including shareholders and members of the Board of Directors and the Executive Board.

3.2.4 The selection and nomination of candidates to the Board of Directors and the Executive Board must be carried out through a formal and thorough process, which is transparent for all board members.

3.2.5 The selection and nomination of candidates must take into consideration the need for integration of new talent and the need for diversity in relation to international experience, gender and age.

3.3 Assessment of appointments, etc.

3.3.1 The nomination committee must describe the qualifications required for members of the Board of Directors and the Executive Board and for any particular office, and must specify the time estimated to be required for discharging the function.

- 3.3.2 The nomination committee must maintain and annually review a competency profile for the Board of Directors outlining the required consolidated skills of the Board of Directors in light of the company strategy.
- 3.3.3 The nomination committee must annually assess the individual board members' qualifications, knowledge, experience and independence in light of the Board competency profile and report its assessment to the Board of Directors.
- 3.3.4 The nomination committee must also maintain an introduction programme for new Board members to ensure that the consolidated competencies of the Board at any time enable the Board to guide and oversee the company's development and diligently address the specific opportunities and challenges faced by the company.

3.4 Monitoring of the Board of Directors' selection and appointment policy

- 3.4.1 The nomination committee must monitor the Board of Directors' selection and appointment policy for executive officers.

3.5 Succession Planning

- 3.5.1 The nomination committee must ensure that procedures are in place in the company to ensure appropriate succession planning for all Management Board (MB) positions.
- 3.5.2 The Chief Executive Officer must provide annually updated profiles for all MB members and potentials to these positions to the nomination committee.

3.6 Diversity

- 3.6.1 The nomination committee must annually review for board approval the diversity targets defined for the Board of Directors and PANDORA's management positions.

4. POWERS

- 4.1 The Board of Directors authorises the nomination committee to:
- Examine, investigate and assess all matters that fall within the guidelines set out in these terms of reference for the nomination committee.
 - Obtain all necessary information from the members of the company's Executive Board and employees who are under an obligation to cooperate with the nomination committee and to answer questions of relevance to the committee's work.
 - Obtain information from the company's auditor elected by the general meeting and from the company's internal auditors.
 - Obtain the advice, guidance and assistance from external advisers that the nomination committee deems to be necessary or appropriate for performing its duties. The company will provide the funds required for such purpose.

5. RESOURCES

- 5.1 The company must make available to the nomination committee the resources required for the performance of the committee's duties, including outside legal, accounting and other professional advice and assistance.
- 5.2 The company must make meeting facilities and secretarial assistance available to the nomination committee.
- 5.3 The chairman of the nomination committee must prepare an annual budget for the committee, which must be approved by the Board of Directors. The chairman must control the nomination committee's budget on an ongoing basis.

6. NOTICE OF MEETINGS

- 6.1 The nomination committee must meet as and when it deems appropriate, but not less than two times a year.
- 6.2 The chairman of the nomination committee must convene the committee's meetings. In the chairman's absence, meetings must be convened by an independent member of the nomination committee.
- 6.3 The chairman must convene meetings on request from a member of the nomination committee.
- 6.4 Before the beginning of every financial year, the nomination committee must prepare a meeting schedule for the next financial year. The nomination committee's meeting schedule must be adapted to the Board of Directors' annual meeting schedule so as to allow the board members reasonable time to prepare for the consideration of the recommendations for resolutions that the nomination committee has submitted to the Board of Directors following committee meetings.
- 6.5 Notice of nomination committee meetings must be given no later than one week (five business days) before the date of the meeting. The notice must specify the meeting place, date and time as well as the agenda for the meeting with related documents.
- 6.6 All proposals made by members of the nomination committee must be considered by the committee. Proposals must be submitted in writing to the chairman of the nomination committee.
- 6.7 Copies of all meeting agendas must be sent to the company's Board of Directors for information.

7. MEETINGS

- 7.1 The chairman of the nomination committee presides over the committee's meetings.
- 7.2 The nomination committee constitutes a quorum when two members are present.
- 7.3 The nomination committee only passes resolutions where recommendations are to be made to the Board of Directors. The nomination committee has no independent decision making power. All resolutions by the nomination committee must be passed by a simple majority of votes.

7.4 The nomination committee must keep a minute book.

8. PARTICIPATION IN MEETINGS

8.1 Only members of the nomination committee are entitled and required to attend the committee's meetings.

8.2 To ensure the nomination committee's independence and autonomy, members of the Executive Board, other members of the Board of Directors and the external auditor may only attend the committee's meetings on request from the committee.

8.3 The nomination committee may invite or summon managers, employees and/or experts to attend its meetings.

9. REPORTING TO THE BOARD OF DIRECTORS

9.1 Following all meetings of the nomination committee, minutes of the meeting must be prepared as soon as possible and no later than two weeks after the meeting.

9.2 The nomination committee's recommendations to the Board of Directors must be set out clearly in the minutes, including reasons.

9.3 Minutes of meetings must be approved by the chairman first and then forwarded to the other committee members for their approval. When all members of the nomination committee have approved the minutes, the minutes, with any appendices, etc. examined at the meeting and any other documents used for the committee's work, must be forwarded to all members of the Board of Directors. Minutes of meetings and related documents must be sent to all members of the Board of Directors no later than three weeks after the date of the meeting.

9.4 At least every six months, the nomination committee must report its activities, etc. to the Board of Directors, including in connection with the committee's duties under clause 0 of these terms of reference on recommendations for the company's pay and remuneration policy, among other things.

9.5 Meetings of the Board of Directors to consider the nomination committee's recommendations must be organised so as to enable the chairman of the committee or an independent member of the committee appointed by the chairman to attend the meeting.

10. PUBLICATION OF INFORMATION ABOUT THE NOMINATION COMMITTEE

10.1 The company must publish the following information in either its annual report or on its website:

- i. that the company has established a nomination committee;
- ii. the names of the members of the nomination committee;
- iii. the name of the chairman of the nomination committee;
- iv. which members of the nomination committee are independent members;
- v. significant provisions in the nomination committee's terms of reference;
- vi. the nomination committee's main activities during the past year; and
- vii. the number of meetings held by the nomination committee and the attendance rate.

10.2 The nomination committee must ensure that the information about the committee as set out in the company's annual report or on the company's website is true and accurate.

10.3 The nomination committee's terms of reference must be published in the company's annual report or on the company's website.

11. GENERAL MEETINGS

11.1 Being members of the Board of Directors, all members of the nomination committee will attend the company's general meetings.

11.2 At the company's general meetings, the chairman of the nomination committee must be available for answering questions about the committee's terms of reference and activities.

12. REMUNERATION

12.1 Each member of the nomination committee shall receive an annual fee to be proposed by the Board of Directors and approved by the Annual General Meeting.

13. DUTY OF CONFIDENTIALITY

13.1 The nomination committee is subject to the same duty of confidentiality and confidentiality undertakings as the Board of Directors.

As adopted at the board meeting held on 6 December 2017.

The Board of Directors:

Peder Tuborgh
Chairman

Christian Frigast
1st Deputy Chairman

Allan Leighton
2nd Deputy Chairman

Andrea Alvey

Bjørn Gulden

Ronica Wang

Anders Boyer-Søgaard

Per Bank

Birgitta S. Göransson

The nomination committee:

Christian Frigast

Ronica Wang

Peder Tuborgh

Per Bank