
CORPORATE GOVERNANCE STATEMENT

FOR THE FINANCIAL YEAR 2025

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Corporate Governance Statement for the financial year 2025, cf. Section 107(b) of the Danish Financial Statements Act

This Statement forms part of Management's review in the Pandora Annual Report covering the period 1 January – 31 December 2025 and is prepared pursuant to section 107(b) of the Danish Financial Statements Act.

As required for a listed company on Nasdaq Copenhagen under the rules for issuers of shares, Pandora also issues the below Statement of compliance with the Danish Committee on Corporate Governance's Recommendations using the "comply or explain"-principle (Appendix 1). The Corporate Governance Recommendations are published at <https://corporategovernance.dk>. Appendix 1 is not part of the auditor's statement in the Annual Report 2025.

RECOMMENDATIONS AND PRACTICE

Pandora's aim regarding good corporate governance is to ensure transparency, accountability, and that the Company meets its obligations to shareholders, customers, consumers, employees, authorities and other key stakeholders to the best of its ability in order to maximise long-term value creation.

Pandora strives to exercise good corporate governance at all times and assesses its practices against the Corporate Governance Recommendations of the Danish Committee on Corporate Governance. As a publicly listed company, Pandora is subject to the disclosure requirements in applicable legislation and the regulations of Nasdaq Copenhagen. The Board of Directors (the Board) remains committed to, and complies with, the Corporate Governance Recommendations as adopted in December 2020.

GOVERNANCE STRUCTURE

The shareholders exercise their rights at General Meetings, which is the company's supreme governing body. At least one Annual General Meeting is held, where, amongst other duties, members of the Board of Directors (the Board) are elected, the Annual Report is approved and any proposed amendments to the company's Articles of Association are discussed and either adopted or rejected. Pandora operates with a two-tier management structure consisting of the Board and Executive Management. The Board defines the overall vision, strategy and objectives of Pandora's business activities, supervises the performance of Executive Management and is responsible for overseeing the execution of Pandora's business- and sustainability priorities, performance and targets. Furthermore, the Board is responsible for overseeing cybersecurity governance, adopting sustainability-related policies, reviewing sustainability reporting and overseeing performance related to Pandora's strategic sustainability priorities and targets. Members of Executive Management are appointed by the Board and consist of two men representing two nationalities. The composition of the Executive Management Team is designed to ensure relevant and complementary competencies and diversity. Executive Management is responsible for the day-to-day management of the company and for executing Pandora's strategy.

In addition, Pandora has an Executive Leadership Team (ELT), consisting of one woman and seven men in 2025, representing seven different nationalities. Each ELT member is responsible for the daily operations of their respective business area and serves as a part of Pandora's overall leadership. Selected ELT members are also part of Pandora's Sustainability Board.

BOARD OF DIRECTORS

Composition

The Board consists of eight members, seven of whom were elected at the 2025 Annual General Meeting for a one-year term. Lars Sandahl Sørensen was elected at an Extraordinary General Meeting in August 2025. His current term expires at the 2026 Annual General Meeting. As of 31 December 2025, the Board comprises eight members, four women and four men, achieving equal gender representation in line with the Danish Gender Balance Act. In line with the Danish Recommendations on Corporate Governance, 88% of the Board members are regarded as independent. Due to his more than 12-year tenure on the Board, Christian Frigast no longer qualifies as independent. Christian Frigast has announced that he will not be seeking re-election at the 2026 Annual General Meeting.

The composition of the Board is designed to ensure relevant and complementary competencies and diversity. This approach supports Pandora's strategic goals and vision, while ensuring well-considered, diverse and judicious decision-making.

Board evaluation

Each year, the Board conducts a board review focusing on its effectiveness and skills. The ideal mix of skills and experience required of Board members includes:

- Board experience
- Executive management
- Sectoral experience
- Marketing and brand
- Retail
- Digitalisation
- Sustainability
- Finance
- Governance

An external assessment of the Board's skills and effectiveness is conducted every three years to ensure objectivity and benchmarking. In 2025, the Board effectiveness review was conducted internally and the results identified that the Board continues to be well-established and well-functioning, supported by a strong belief in the strategy and effectiveness in collaboration with the committees and Executive Management.

Board activities in 2025

The Board held 10 meetings in 2025. Its primary focus was to strengthen the company's resilience to external factors and navigate Pandora through continued macroeconomic uncertainty, including the implications from increased commodity prices, fluctuating foreign exchange rates, imposed US tariffs and complex socio-political environments. Additionally, the Board ensured that Pandora remained aligned with the Next Growth Chapter of the Phoenix

strategy, announced at Pandora's Capital Markets Day in 2023. The Board also appointed Berta de Pablos-Barbier as new CEO. She succeeded Alexander Lacik on 1 January 2026. Furthermore, the Board continued to oversee cybersecurity governance and the integration of sustainability into relevant processes across Pandora, ensuring alignment with our strategic priorities and sustainability targets.

BOARD COMMITTEES

To support the Board in its duties, the Audit, Nomination and Remuneration Committees have been established. Each committee is responsible for carrying out various preparatory tasks within the Board's key areas of responsibility. The Remuneration Committee is responsible for incentive schemes and remuneration, including those related to sustainability. More information can be found in the [Remuneration Report](#). The committees' terms of reference are available at our website: <https://pandoragroup.com/investor/corporate-governance/governance-documents>.

Audit Committee

The Audit Committee currently has three members, each appointed for a one-year term. The Audit Committee's responsibilities include assisting the Board in monitoring the effectiveness of the internal control and risk management systems, as well as reviewing Pandora's financial and sustainability reporting and audit/assurance processes. The Audit Committee conducts its work in accordance with its Terms of Reference. In 2025, the Audit Committee met six times. Its main activities were to:

- Review key accounting principles, significant estimates, financial risks, and compliance with tax regulations, including deep dives into selected risk areas;
- Monitor the external financial and sustainability reporting process;
- Monitor the effectiveness of Pandora's internal control and risk management systems, including cyber security and ongoing improvements to controls related to financial and sustainability reporting;
- Reviewing the work performed and actions taken by the Group Internal Audit function;
- Monitor cooperation with external auditors and ensure their independence;
- Oversee the ERP implementation and its impact on reporting and controls;
- Review Pandora's whistleblowing reporting system and reported cases;
- Review Pandora's treasury and tax policies, as well as insurance coverage.

Independent auditor

Pandora's independent auditors are appointed for a one-year term at the Annual General Meeting following a proposal from the Board, based on a recommendation from the Audit Committee. The framework for the auditors' responsibilities, including their remuneration, audit and non-audit services, is agreed annually between the Board and the auditors following the recommendation of the Audit Committee

Remuneration Committee

The Remuneration Committee currently has four members, each appointed for a one-year term. The Remuneration Committee assists the Board in ensuring Pandora's remuneration policies strike a balance that aligns with the interests of Pandora's shareholders while providing rewarding and motivating remuneration for Executive Management and senior employees. In 2025, the Remuneration Committee met six times. Detailed information on the

Committee's key activities can be found in the Remuneration Report, accessible at our website: <https://www.pandoragroup.com/investor/corporate-governance/remuneration-reports>.

Nomination Committee

The Nomination Committee currently has four members, each appointed for a one-year term. The Nomination Committee works according to its Terms of Reference and its main responsibilities are assessment and evaluation of the Board and Executive Management, including performance, skills and experience, and nomination of candidates to the Board and Executive Management. Further, the committee monitors talent and succession policy and ensures compliance when making Board, Executive Management and Executive Leadership Team appointments. Finally, it deals with succession planning for Executive Management positions and reviews as well as monitors diversity policy to ensure compliance. In 2025, the Nomination Committee met six times.

SUSTAINABILITY GOVERNANCE

Sustainability is deeply embedded in Pandora's strategic direction and in how we conduct business. The Board governs sustainability at the highest level, approving the sustainability priorities, policies and targets, including the climate transition plan. Execution of the strategy is delegated to Pandora's Sustainability Board, which is responsible for integrating sustainability into business decisions and processes within their respective functions. Reporting to the Executive Leadership Team (ELT), the Sustainability Board is chaired by Pandora's Chief HR Officer and comprises nine senior leaders, including selected ELT members.

Two subject-specific committees (the Responsible Sourcing Committee and the Responsible Marketing Committee) oversee key sustainability areas on responsible sourcing and responsible marketing. The Low Carbon Forum remains active, while the CSRD Task Force has concluded its work.

In 2025, we reconfirmed the conditions of our 2024 Double Materiality Assessment (DMA) and Pandora's material sustainability matters (material matters). The 2025 DMA was approved by Pandora's Sustainability Board and the Audit Committee was engaged to ensure alignment with strategic priorities and targets.

INTERNAL CONTROL AND RISK MANAGEMENT

The Board and Executive Management are responsible for Pandora's internal control and risk management systems in relation to the financial and sustainability reporting process.

Control environment

The Group's internal control framework identifies key processes, inherent risks and control procedures to reduce and mitigate financial and sustainability risks and ensure reliable financial and sustainability reporting. The Audit Committee assists the Board in supervising the financial and sustainability reporting process and monitoring the effectiveness of the internal control and risk management systems. Executive Management is responsible for safeguarding the overall control environment, identifying weaknesses and ensuring necessary steps are taken to mitigate financial and sustainability risks through standardisation and process optimisation. The Internal Audit and Compliance Controlling (IACC) function serves to help Pandora accomplish its objectives by bringing a systematic and disciplined approach to evaluating and improving the effectiveness of internal control, compliance and governance processes. The head of the IACC function reports to Pandora's Chief Financial Officer, with a dotted reporting line to the Audit Committee Chair.

Risk assessment

The Board and Executive Management assess risks on an ongoing basis, including risks related to the financial and sustainability reporting, and they assess measures to manage, mitigate, reduce or eliminate identified risks. The IACC function assists Executive Management and the Audit Committee in identifying and monitoring financial and sustainability risks in the reporting process. The Audit Committee frequently reviews selected high-risk areas, including significant accounting estimates and material changes to accounting policies. Pandora's Global Risk Management function facilitates identification and monitoring of material enterprise risks and validates measurements taken to reduce the risks to an acceptable level.

Control activities

The financial and sustainability information reported by Pandora and its subsidiaries follows a formalised and structured process and is controlled by local controllers with local market knowledge as well as the controlling function within Pandora Global Business Services and Corporate Finance. The Group-controlling functions are continuously trained in new accounting, sustainability and reporting requirements and monitors compliance with relevant legislation and regulations on an ongoing basis.

The financial and sustainability reporting process is dependent on the Group's IT systems. Any weaknesses in system controls and related risks to the financial and sustainability reporting are mitigated by manual controls. Each entity and Global Business Services assess their control environment through a self-assessment of the effectiveness of implemented controls, including those related to sustainability. The sustainability processes and control activities continue to evolve alongside the maturation of the guidance of the requirements in this area. The IACC function evaluates the effectiveness of the Group's control environment on an ongoing basis and reports its findings to the Audit Committee.

Monitoring

Pandora's internal control procedures and risk management systems, including the whistleblowing function, are continuously monitored, tested and documented. The Audit Committee monitors internal controls and the risk management process to ensure that identified risks are mitigated. In addition to monitoring procedures and systems, financial and sustainability risks are reviewed through audits performed by the IACC function.

Information and communication

Group entities are assigned dedicated controllers within Corporate Finance to ensure a direct line of communication. The Corporate Finance function reports to the Chief Financial Officer. In addition, the IACC function is present at all Audit Committee meetings and provides regular status updates on the control environment. Furthermore, the head of the IACC has regular meetings with the Chief Financial Officer and meetings with the Audit Committee without the presence of Executive Management. This setup ensures transparency and that communication is shared with the Audit Committee on a timely basis. The Board has adopted an Investor Relations Policy that requires all communication to stakeholders, including financial and sustainability reporting, to be conducted adequately, timely and openly – both internally and externally – and to be conducted factually and truthfully and in compliance with laws and applicable regulations.

GENDER REPRESENTATION IN MANAGEMENT

In line with the Danish Gender Balance Act, Pandora A/S is committed to promoting an equal gender representation at management level. In 2025, we strengthened succession planning to develop internal female talent and updated recruitment processes to require diverse shortlists and structured evaluations to minimise bias. These key measures delivered positive results. In 2025, representation of the underrepresented gender (women) in our Leadership Team in Pandora A/S1 increased from 17% to 21%, and as of 31 December 2025, our Leadership Team in Pandora A/S comprised 14 members: 3 women (21%) and

11 men (79%). While we have not yet achieved equal gender representation, we will continue raising awareness across management levels and implementing measures until the current target of 28% and subsequent targets are met.

Appendix 1: Corporate Governance Statement

Recommendation	The company complies	The company complies partially	The company does not comply	The explanation for complying partially/not complying with the recommendation
1. Interaction with the company's shareholders, investors and other stakeholders				
<i>1.1. Communication with company's shareholders, investors and other stakeholders</i>				
1.1.1. The Committee recommends that the management through ongoing dialogue and interaction ensures that shareholders, investors and other stakeholders gain the relevant insight into the company's affairs, and that the board of directors obtains the possibility of hearing and including their views in its work.	✓			
1.1.2. The Committee recommends that the company adopt policies on the company's relationship with its stakeholders, and if relevant other stakeholders to ensure that the various interests are included in the company's considerations and that such policies are made available on the company's website.	✓			
1.1.3. The Committee recommends that the company publish quarterly reports.	✓			
<i>1.2. The general meeting</i>				
1.2.1. The Committee recommends that the board of directors organizes the company's general meeting in a manner that allows shareholders, who are unable to attend the meeting in person or are represented by proxy at the general meeting, to vote and raise questions to the management prior to or at the general meeting. The Committee recommends that the board of directors ensure that shareholders can observe the general via webcast or other digital transmission.	✓			

Recommendation	The company complies	The company complies partially	The company does not comply	The explanation for complying partially/not complying with the recommendation
1.2.2. The Committee recommends that proxies or postal votes to be used at the general meeting enable the shareholders to consider each individual item on the agenda allow shareholders to consider each individual item on the agenda.	✓			
1.3. Takeover bids				
1.3.1. The Committee recommends that the company has a procedure in place in the event of takeover bids, containing a “road map” covering matters for the board of directors to consider in the event of a takeover bid, or if the board of directors obtains reasonable grounds to suspect that a takeover bid may be submitted. In addition, it is recommended that it appears from the procedure that the board of directors abstains from countering any takeover bids by taking actions that seek to prevent the shareholders from deciding on the takeover bid without the approval of the general meeting.	✓			
1.4. Corporate Social Responsibility				
1.4.1. The Committee recommends that the board of directors adopts a policy for the company’s corporate social responsibility, including social responsibility and sustainability, and that the policy is available in the management commentary and/or on the company’s website. The Committee recommends that the board of directors ensures compliance with the policy.	✓			
1.4.2. The Committee recommends that the board of directors adopts a tax policy to be made available on the company’s website.	✓			
2. The duties and responsibilities of the board of directors				

Recommendation	The company complies	The company complies partially	The company does not comply	The explanation for complying partially/not complying with the recommendation
2.1. Overall tasks and responsibilities				
2.1.1. The Committee recommends that the board of directors in support of the company's statutory objects according to its articles of association and the long-term value creation considers the company's purpose and ensures and promotes a good culture and sound values in the company. The company should provide an account thereof in the management commentary and/or on the company's website.	✓			
2.1.2. The Committee recommends that the board of directors at least once a year discusses and on a regular basis follows up on the company's overall strategic targets in order to ensure the value creation in the company.	✓			
2.1.3. The Committee recommends that the board of directors on a continuously basis takes steps to examine whether the company's share and capital structure supports the strategy and the long-term value creation in the interest of the company as well as the shareholders. The Committee recommends that the company gives an account thereof in the management commentary.	✓			
2.1.4. The Committee recommends that the board of directors prepares and on an annual basis reviews guidelines for the executive management, including requirements in respect of the reporting to the board of directors.	✓			
2.2. Members of the board of directors				
2.2.1. The Committee recommends that the board of directors, in addition to a chairperson, appoints a vice chairperson, who can step in if the chairperson is absent and who can generally act as the chairperson's close sparring partner.	✓			

Recommendation	The company complies	The company complies partially	The company does not comply	The explanation for complying partially/not complying with the recommendation
2.2.2. The Committee recommends that the chairperson in cooperation with the individual members of the board of directors ensures that the members up-date and supplement their knowledge of relevant matters, and that the members' special knowledge and qualifications are applied in the best possible manner.	✓			
2.2.3. The Committee recommends that if the board of directors, in exceptional cases, requests a member of the board of directors to take on special duties for the company, for instance, for a short period to take part in the daily management of the company, the board of directors should approve this in order to ensure that the board of directors maintains its independent overall management and control function. It is recommended that the company publishes any decision on allowing a member of the board of directors to take part in the daily management, including the expected duration thereof.	✓			
3. The composition, organisation and evaluation of the board of directors				
3.1. Composition				
3.1.1. The Committee recommends that the board of directors on an annual basis reviews and in the management commentary and/or on the company's website states <ul style="list-style-type: none"> • Which qualifications the board of directors should possess, collectively and individually, in order to perform its duties in the best possible manner and • the composition of and diversity on the board of directors 	✓			
3.1.2. The Committee recommends that the board of directors on an annual basis discusses the company's activities in order to ensure relevant diversity at the different management levels of the company and adopts a diversity policy, which	✓			

Recommendation	The company complies	The company complies partially	The company does not comply	The explanation for complying partially/not complying with the recommendation
is included in the management commentary and/or available on the company's website.				
3.1.3. The Committee recommends that candidates for the board of directors are recruited based on a thorough process approved by the board of directors. The Committee recommends that in assessing candidates for the board of directors – in addition to individual competencies and qualifications – the need for continuity, renewal and diversity is also considered.	✓			
3.1.4. The Committee recommends that the notice convening general meetings, where election of members to the board of directors is on the agenda - in addition to the statutory items - also includes a description of the proposed candidates' <ul style="list-style-type: none"> • qualifications • other managerial duties in commercial undertakings, including board committees, • demanding organisational assignments and • independence. 	✓			
3.1.5. The Committee recommends that members to the board of directors elected by the general meeting stand for election every year at the annual general meeting, and that the members are nominated and elected individually.	✓			
3.2. The board of director's independence				
3.2.1. The Committee recommends that at least half of the members of the Board elected by the general meeting are independent in order for the board of directors to be able to act independently avoiding conflicts of interests. In order to be independent, the member in question may not:	✓			

Recommendation	The company complies	The company complies partially	The company does not comply	The explanation for complying partially/not complying with the recommendation
<ul style="list-style-type: none"> • be or within the past five years have been a member of the executive management or an executive employee in the company, a subsidiary or a group company, • within the last five years, have received large emoluments from the company/group, a subsidiary or a group company in another capacity than as member of the board of directors, • represent or be associated with a controlling shareholder, • within the past year, have had business relationship (e.g. personally or indirectly as a partner or an employee, shareholder, customer, supplier or member of a governing body in companies with similar relations) with the company, a subsidiary or a group company, which is significant for the company and/or the business relationship, • be or within the past three years have been employed with or a partner in the same company as the auditor elected by the general meeting, • be a CEO in a company with cross-membership in the company's management, • have been a member of the board of directors for more than twelve years, or • be closely related to persons who are not independent cf. the above-stated criteria <p>Even if a member of the board of directors does not fall within the above-stated criteria, the board of directors may for other reasons decide that the member in question is not independent.</p>				
<p>3.2.2. The Committee recommends that members of the executive management are not members of the board of directors and that members retiring from the executive management does not join the board of directors immediately thereafter.</p>	✓			
<p><i>3.3. Members of the board of directors and the number of other managerial duties</i></p>				

Recommendation	The company complies	The company complies partially	The company does not comply	The explanation for complying partially/not complying with the recommendation
3.3.1. The Committee recommends that the board of directors and each of the members on the board of directors, in connection with the annual evaluation, cf. recommendation 3.5.1., assesses how much time is required to perform the board duties. The aim is for the individual member of the board of directors not to take on more managerial duties than the board member in question is able to perform in a satisfactory manner.	✓			
3.3.2. The Committee recommends that the management commentary, in addition to the statutory requirements, contains the following information on the individual members of the board of directors the age and gender of the person in question, <ul style="list-style-type: none"> • position, age and gender • competencies and qualifications relevant to the company • independence • year of joining the board of directors • year of expiry of the current election period, • participation in the meetings on the board of directors and committee meetings, • managerial duties in other commercial undertakings, including board committees, and demanding organisational assignments, and • the number of shares, options, warrants etc. that the member holds in the company and its group companies and any changes in such holdings during the financial year. 	✓			
3.4. Board committees				
3.4.1. The Committee recommends that the management describes in the management commentary:	✓			

Recommendation	The company complies	The company complies partially	The company does not comply	The explanation for complying partially/not complying with the recommendation
<ul style="list-style-type: none"> the board committees' most significant activities and number of meetings in the past year, and the members on the individual board committees, including the chairperson and the independence of the members of the committee in question. <p>In addition, it is recommended that the board committees' terms of reference are published on the company's website.</p>				
3.4.2. The Committee recommends that board committees solely consist of members of the board of directors and that the majority of the members of the board committees are independent.	✓			
<p>3.4.3. The Committee recommends that the board of directors establishes an audit committee and appoints a chairperson of the audit committee, who is not the chairperson of the board of directors. The Committee recommends that the audit committee, in addition to its statutory duties, assists the board of directors in:</p> <ul style="list-style-type: none"> supervising the correctness of the published financial information, including accounting practices in significant areas, significant accounting estimates and related party transactions, reviewing internal control and risk areas in order to ensure management of significant risks, including in relation to the announced financial outlook, assessing the need for internal audit, performing the evaluation of the auditor elected by the general meeting, reviewing the auditor fee for the auditor elected by the general meeting, supervising the scope of the non-audit services performed by the auditor elected by the general meeting, and ensuring regular interaction between the auditor elected by the general meeting and the board of directors, for instance, that the board of directors 	✓			

Recommendation	The company complies	The company complies partially	The company does not comply	The explanation for complying partially/not complying with the recommendation
<p>and the audit committee at least once a year meet with the auditor without the executive management being present.</p> <p>If the board of directors, based on a recommendation from the audit committee, decides to set up an internal audit function, the audit committee must:</p> <ul style="list-style-type: none"> • prepare terms of reference and recommendations on the nomination, employment and dismissal of the head of the internal audit function and on the budget for the department, • ensure that the internal audit function has sufficient resources and competencies to perform its role, and • supervise the executive management's follow-up on the conclusions and recommendations of the internal audit function. 				
<p>3.4.4. The Committee recommends that the board of directors establishes a nomination committee to perform at least the following preparatory tasks::</p> <ul style="list-style-type: none"> • describing the required qualifications for a given member of the board of directors and the executive management, the estimated time required for performing the duties of this member of the board of directors and the competencies, knowledge and experience that is or should be represented in the two management bodies, • on an annual basis evaluating the board of directors and the executive management's structure, size, composition and results and preparing recommendations for the board of directors for any changes, • in cooperation with the chairperson handling the annual evaluation of the board of directors and assessing the individual management members' competencies, knowledge, experience and succession as well as reporting on it to the board of directors, 	✓			

Recommendation	The company complies	The company complies partially	The company does not comply	The explanation for complying partially/not complying with the recommendation
<ul style="list-style-type: none"> handling the recruitment of new members to the board of directors and the executive management and nominating candidates for the board of directors' approval, ensuring that a succession plan for the executive management is in place, supervising executive managements' policy for the engagement of executive employees, and supervising the preparation of a diversity policy for the board of directors' approval. 				
<p>3.4.5. The Committee recommends that that the board of directors establishes a remuneration committee to perform at least the following preparatory tasks:</p> <ul style="list-style-type: none"> preparing a draft remuneration policy for the board of directors' approval prior to the presentation at the general meeting, providing a proposal to the board of directors on the remuneration of the members of the executive management, providing a proposal to the board of directors on the remuneration of the board of directors prior to the presentation at the general meeting, ensuring that the management's actual remuneration complies with the company's remuneration policy and the evaluation of the individual member's performance, and assisting in the preparation of the annual remuneration report for the board of directors' approval prior to the presentation for the general meeting's advisory vote 	✓			
3.5. Evaluation of the board of directors and the executive management				
<p>3.5.1. The Committee recommends that the board of directors once a year evaluates the board of directors and at least every three years engages external assistance in the evaluation. The Committee recommends that the evaluation</p>	✓			

Recommendation	The company complies	The company complies partially	The company does not comply	The explanation for complying partially/not complying with the recommendation
<p>focuses on the recommendations on the board of directors' work, efficiency, composition and organisation, cf. recommendations 3.1.-3.4. above, and that the evaluation as a minimum always includes the following topics':</p> <ul style="list-style-type: none"> • the composition of the board of directors with focus on competencies and diversity, • the board of directors and the individual member's contribution and results, • the cooperation on the board of directors and between the board of directors and the executive management, • the chairperson's leadership of the board of directors, • the committee structure and the work in the committees, • the organisation of the work of the board of directors and the quality of the material provided to the board of directors, and • the board members' preparation for and active participation in the meetings of the board of directors. 				
<p>3.5.2. The Committee recommends that the entire board of directors discusses the result of the evaluation of the board of directors and that the procedure for the evaluation and the general conclusions of the evaluation are described in the management commentary, on the company's website and at the company's general meeting.</p>	✓			
<p>3.5.3. The Committee recommends that the board of directors at least once a year evaluates the work and results of the executive management according to preestablished criteria, and that the chairperson reviews the evaluation together with the executive management. In addition, the board of directors should on a continuous basis assess the need for changes in the structure and composition of the executive management, including in respect of diversity, succession planning and risks, in light of the company's strategy.</p>	✓			

Recommendation	The company complies	The company complies partially	The company does not comply	The explanation for complying partially/not complying with the recommendation
4. Remuneration of management				
<i>4.1. Remuneration of the board of directors and the executive management</i>				
4.1.1. The Committee recommends that remuneration for the board of directors and the executive management and the other terms of employment/service is considered competitive and consistent with the company's long-term shareholder interests.	✓			
4.1.2. The Committee recommends that share-based incentive schemes are revolving, i.e. that they are periodically granted, and that they primarily consist of long-term schemes with a vesting or maturity period of at least three years.	✓			
4.1.3. The Committee recommends that the variable part of the remuneration has a cap at the time of grant, and that there is transparency in respect of the potential value at the time of exercise under pessimistic, expected and optimistic scenarios.	✓			
4.1.4. The Committee recommends that the overall value of the remuneration for the notice period, including severance payment, in connection with a member of the executive management's departure, does not exceed two years' remuneration including all remuneration elements.	✓			
4.1.5. The Committee recommends that members of the board of directors are not remunerated with share options and warrants.	✓			
4.1.6. The Committee recommends that the company has the option to reclaim, in whole or in part, variable remuneration from the board of directors and the executive management if the remuneration granted, earned or paid was based on	✓			

Recommendation	The company complies	The company complies partially	The company does not comply	The explanation for complying partially/not complying with the recommendation
information, which subsequently proves to be incorrect, or if the recipient acted in bad faith in respect of other matters, which implied payment of a too large variable remuneration.				
5. Risk management				
<i>5.1. Identification of risks and openness in respect of additional information</i>				
5.1.1. The Committee recommends that the board of directors based on the company's strategy and business model considers, for instance, the most significant strategic, business, accounting and liquidity risks. The company should in the management commentary give an account of these risks and the company's risk management	✓			
5.2.1. The Committee recommends that the board of directors establishes a whistleblower scheme, giving the employees and other stakeholders the opportunity to report serious violations or suspicion thereof in an expedient and confidential manner, and that a procedure is in place for handling such whistleblower cases.	✓			