

PANDORA MEDIA, INC.

Code of Business Conduct and Ethics

Adopted as of June 1st, 2011

I. GENERAL POLICY

Scope

All domestic and international directors, employees and contractors (individually, a “**Pandora Worker**”; collectively, “**Pandora Workers**”) of Pandora and its subsidiaries are expected to comply with this policy, unless otherwise indicated.

Policy

A. General Statement

Pandora Workers should comply with both the letter and spirit of all applicable laws, rules and regulations. No Pandora Worker shall commit an illegal or unethical act or instruct others to do so, for any reason.

B. Company Records and Communications; Quality of Public Disclosures

Pandora Workers must strive to ensure that all information transmitted, both within and outside the company, is honest and well-founded; misrepresentation of information to create a misleading business picture is not permitted. Pandora Workers must never withhold or fail to communicate information that should be brought to the attention of any level of management, or intentionally falsify records, including digital copies and computer records. All company accounts, financial reports, research reports, marketing information, sales reports, competitive bids, requests for proposals, tax returns, expense accounts, time sheets, claims and any other company documents, including those submitted to governmental agencies, must be accurate. All entries on the company's books and records must represent, and not conceal, the true nature of each transaction.

Company reports and documents filed or submitted to the Securities and Exchange Commission, the Internal Revenue Service and other public communications shall include full, fair, accurate, timely and understandable disclosure.

C. Conflicts of Interest

All Pandora Workers must avoid any situation that interferes with, or appears to interfere with, the independent and objective exercise of their responsibilities.

The following list describes prohibitions on behavior that may be conflicts of interest. This list is not exhaustive. A conflict may occur when (i) a Pandora Worker takes an action or has an interest that may make it difficult for him or her to perform his or her work objectively and effectively, or (ii) when a Pandora Worker (or his or her family members)¹ receives improper personal benefits as a result of his or her position in the company.

Conflicts of Interest: Prohibited Behavior

- Gifts. Except as provided below, Pandora Workers and members of their immediate families may not directly or indirectly solicit, accept or provide gifts, gratuities, or other items of value, including private or personal discounts, or entertainment of any other form of similar consideration, from or to any person, corporation, partnership or other entity with which the company does business or is likely to do business.
 - Pandora Workers may not accept or provide gifts of cash, cash equivalents (including gift certificates), stock or stock equivalents;
 - Pandora Workers should decline any item offered with the intent to improperly influence a Pandora Worker in the performance of his or her duties; and

¹ A person's immediate family includes that person's spouse, parents, siblings, children, parents-in-law, sons-in-law, daughters-in-law, stepchildren, stepparents as well as any other individual living with that person.

- Pandora Workers should always inform their managers when receiving gifts or gratuities if anyone could perceive a conflict of interest, even if the employee doesn't believe the gift or gratuity would violate our guidelines.
- Provided the guidelines above are followed, then
 - Pandora Workers may accept gifts with a nominal value of \$50.00 or less; and
 - Pandora Workers may give gifts if pre-approved by the vice president in such employee's business group, or in the case of a vice president, that person's manager.

If any question exists about whether the gift is excessive in value, then the item should be returned or submitted to Human Resources for distribution in such a way that the value rule is not violated.

- Entertainment. Pandora Workers who provide or accept meals and refreshments that are business-related must comply with the company's Travel and Entertainment Policy and Gift and Entertainment Guidelines.
- Corporate Opportunities. Pandora Workers may not:
 - take advantage of business opportunities that arise by using corporate property, information or position for direct or indirect personal gain;
 - compete with the company (which includes engaging in the same line of business as the company, or any situation where the Pandora Worker takes away from the company opportunities for sales or purchases of products, services or interests); or
 - engage in any outside employment or business activities that conflict with, have the potential to conflict with, or even appear to conflict with, his or her ability to properly perform work for the company.
- Competition with the company. Pandora Workers, and members of their immediate families, shall not knowingly have any material financial interest in any: (a)

transaction to which the company is a party; (b) corporations, partnerships or other entities with which the company does business or is likely to do business; or (c) corporations, partnerships, or other entities that compete with the company. Whether a financial interest is material will depend on the facts and circumstances in each case. If you have a question regarding whether a financial interest is material, you should consult with the general counsel.

- Loans and Guarantees. Pandora Workers shall not knowingly receive a loan or guarantee of an obligation as a result of his or her position with the company.

D. Outside Business Contacts

Pandora Workers should only perform services, provide information, and answer questions that fall within the realm of their responsibilities.

Inquiries from the news media should be directed to the vice president of communications, unless you have received permission from the vice president of communications, chief executive officer, chief financial officer or general counsel to engage in certain outbound communications. Inquiries from stockholders and other investors in the company, as well as analysts, should be directed to the Investor Relations Department. Other inquiries regarding stock ownership or record keeping should be directed to the general counsel.

E. Government Inquiries, Investigations and Lawsuits

Pandora Workers must immediately contact the general counsel or her designee in the situations set forth below:

- If he or she obtains any knowledge that would lead to a belief that a government investigation, inquiry or lawsuit is underway or imminent.
- Any time any government investigator wants to ask questions about individual activities, whether the questions are asked on or off company property.

- Any time anyone receives a government inquiry through a written subpoena or written request for information, such request should immediately be submitted to the general counsel.

F. Community and Professional Organizations

Pandora supports and encourages Pandora Workers to participate in community activities and professional organizations in a responsible manner that will reflect favorably upon the Pandora Worker and the company. Before accepting any position with a community or professional organization, Pandora Workers should evaluate carefully whether the position could cause, or even appear to cause, a conflict of interest.

G. Political Contributions and Activities

Any political contributions made by or on behalf of the company and any solicitations for political contributions of any kind must be lawful and in compliance with company policies. This policy applies solely to the use of company assets and is not intended to discourage or prevent individual Pandora Workers from making political contributions or engaging in political activities on their own behalf. No one may be reimbursed directly or indirectly by the company for personal political contributions.

H. Loans and Gifts of Company Goods

No Pandora Worker, without prior approval by the appropriate supervisor, manager, or officer, may offer company property, loans, contributions or unpaid services to a member of the public, or to any employee or agent of another company or governmental entity. Bribes, kickbacks or illegal political contributions are expressly forbidden. The company shall not extend or maintain credit, arrange for the extension of credit, or renew credit in the form of a personal loan to or for any director or officer of the company.

I. Protection and Proper Use of Company Assets

Pandora Workers shall protect company assets and comply with internal controls to safeguard company assets against damage or loss from unauthorized use or disposition. Any

suspected loss, misuse or theft should be reported to the general counsel or her designee. Pandora Workers may not use company assets (including equipment, material, supplies, contractors or personnel) for personal gain and must use company property only to conduct company business.

J. Trading on Inside Information

Under the federal securities laws, a Pandora Worker may not buy or sell securities if he or she is in possession of material non-public information. Please refer to Pandora's Insider Trading Policy for more information.

K. Protection of Confidential and Proprietary Information

Confidential and Proprietary Information

Pandora Workers shall protect and maintain confidential and proprietary information in strict confidence, except when disclosure is authorized by the company or required by law. The use or disclosure of this information is for company purposes only and not for personal benefit or for the benefit of others. To preserve confidentiality, disclosure and discussion of proprietary or competitive information should be limited to those employees who have a need to know the information.

Confidential and proprietary information includes, but is not limited to:

- all non-public information that might be useful to competitors or that could be harmful to the company or its customers or vendors if disclosed;
- intellectual property such as trade secrets, patents, trademarks and copyrights, as well as business, research and new product plans, objectives and strategies, records, databases, salary and benefits data, employee medical information, customer, employee and suppliers lists and any unpublished financial or pricing information; and

- information concerning employees, listeners, advertisers, OEMs, artists, record labels or stockholders.

Pandora Workers shall respect the property rights and protect the proprietary information of other companies.

Copyright and Intellectual Property

Every Pandora Worker shall respect copyright and intellectual property laws and shall observe the terms and conditions of any license agreements to which the company has agreed. In most cases, this means the company must fairly and accurately report and pay applicable royalties or revenue shares on all content, music or otherwise, streamed to the company's listeners. This also means that the company does not have a right to copy copyrighted or other protected materials, including computer software that is licensed. Copyright and intellectual property laws and company policy also prohibit individuals from using or reproducing, for personal purposes, certain programs or materials they use at work.

The obligation to protect and hold confident all confidential and proprietary information shall survive termination of employment or service. Upon their termination of employment or service, all Pandora Workers will return confidential and proprietary information to the company.

L. Fair Dealing

Each Pandora Worker should endeavor to deal fairly with listeners, advertisers, OEMs, artists, record labels, competitors, the public and one another at all times and in accordance with ethical business practices. No one should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair dealing practice.

Except in certain limited circumstances, the Foreign Corrupt Practices Act ("FCPA") prohibits giving anything of value directly or indirectly to any "foreign official" for the

purpose of obtaining or retaining business. You should familiarize yourself with the company's policy related to FCPA compliance.

M. Responsibility for Compliance

Every Pandora Worker is responsible for compliance with the standards outlined in this Code. Managers and supervisors should maintain an open-door policy regarding this Code.

N. Reporting of Any Illegal or Unethical Behavior

Pandora Workers should report concerns as follows:

- Report matters relating to accounting, auditing or internal controls in accordance with the Whistleblower policy.
- Report other matters to the general counsel, human resources or your supervisor or manager as appropriate.
- Managers to whom employees raise concerns should report those concerns to the general counsel.

The general counsel of the company will have primary authority and responsibility for the enforcement of this Code, subject to the supervision of the Audit Committee of the Board of Directors, and the company will devote the necessary resources to enable the general counsel to establish such procedures as may be reasonably necessary to create a culture of accountability and facilitate compliance with the Code. Questions concerning this Code should be directed to the general counsel.

O. Failure to Comply

Any Pandora Worker who violates this policy is subject to disciplinary action, up to and including termination. The company is entitled to report to the appropriate authorities any violations of this Code that involve illegal behavior.

P. Waivers and Amendments

- Waivers of the provisions in this Code for officers or directors may only be granted by the Board of Directors and will be promptly disclosed to the company's stockholders as required by federal law or applicable stock exchange rules.
- Waivers of this Code for other employees may only be granted by the general counsel.
- Amendments to this Code must be approved by the Board of Directors and any such amendments applicable to the chief executive officer and the senior financial officers (including the chief financial officer, senior vice president for finance accounting and controller, along with any other senior financial employees designated by the Audit Committee) will also be promptly disclosed to the company's stockholders.

Q. Certification

On an annual basis, each Pandora Worker shall certify in writing, in the form requested, that he or she has read this Code as well as all other company policies made available to Pandora Workers on the company intranet or otherwise and will adhere to the provisions of this Code and such other company policies.

No written policy or guidelines can be all-inclusive, and responsibility for proper conduct rests with Pandora Workers. There is no substitute for personal integrity and good judgment.

II. WHERE TO GO FOR ADDITIONAL INFORMATION AND HELP

In a complex world, the right course of business conduct is not always clear. The best way to protect yourself and the company if you have any doubts about what is proper business conduct is to ask before you act. If you have questions about whether what you are about to do is ethical or legal, discussing the matter with your supervisor or manager is a good place to start. If you have additional questions or need more information, contact the general counsel.

General Counsel

Steve Bené
Phone: 510-593-2729

Audit Committee

Pandora Media, Inc.
2101 Webster Street, Suite 1650
Oakland, CA 94612
Attention: Chairman of the Audit Committee

Hotline Phone Number and Internet Address

Phone: 866-874-5593
Internet Address: www.pandora.ethicspoint.com

Related Policies

- FCPA Compliance policy
- Insider Trading policy
- Regulation FD policy
- Related Person Transaction policy
- Travel and Entertainment policy
- Gift and Entertainment guidelines
- Whistleblower policy