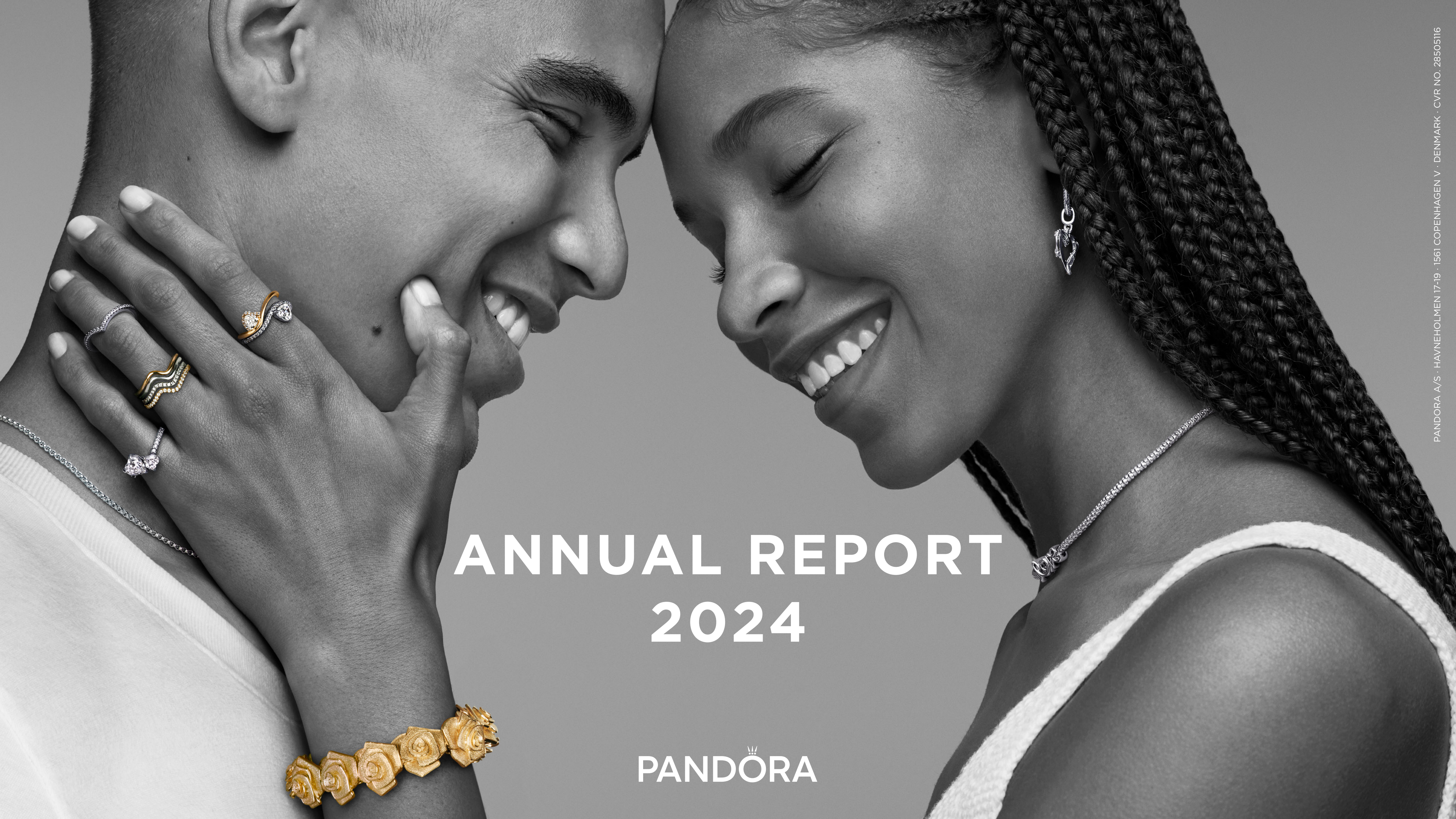


ANNUAL REPORT 2024

PANDORA

PANDORA A/S · HAVNEHOLMEN 17-19 · 1561 COPENHAGEN V · DENMARK · CVR NO. 28505116

ABOUT THIS REPORT

Pandora's 2024 Annual Report marks the beginning of fully integrated financial and sustainability reporting. The report aligns with the Danish Financial Statements Act, which incorporates the EU's Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS) and highlights the growing strategic importance of sustainability in our business.

Pandora's 2024 Annual Report is our detailed annual disclosure relating to company performance, strategy, corporate governance, sustainability and financial results. The Annual Report constitutes Pandora A/S' statutory report in accordance with the Danish Financial Statements Act, and includes our Financial Statements for both the Group and the Parent Company. Our Management Report consists of two parts: the Management Review (sections 01-04) and our Sustainability Statements (section 05). The Sustainability Statements replace the previous standalone Sustainability Report. References to CSRD-required content outside the Sustainability Statements are marked with the corresponding disclosure requirement in brackets. The report is available at pandoragroup.com/investor/news-and-reports/annual-reports ↗ and at the company register cvr.dk ↗ following approval at the Annual General Meeting.

OUR PURPOSE

WE GIVE A VOICE TO PEOPLE'S LOVES

As the world's largest jewellery brand, we empower people to express their stories and passions through jewellery with a meaning. We offer accessible luxury, crafted from high-quality materials by our skilled people, available in more than 100 countries.

Our range of styles provides endless opportunities for personalisation, allowing people to show who they are and what holds a special place in their hearts. As the leader in our industry, we embrace sustainable business practices to protect people and the environment for generations to come.

Stack and style
Danish supermodel and photographer Helena Christensen wears her top picks of Pandora jewellery, with the vibrant Murano glass charms standing out.

CONTENTS

Global flagship store
A glimpse into our newly opened flagship store in Copenhagen's central shopping street, Strøget.

THE BIG PICTURE

2024 AT A GLANCE

RANKED AMONG THE 100 MOST VALUABLE AND SUSTAINABLE BRANDS IN THE WORLD

Interbrand
Best Global Brands 2024

GLOBAL 100 2025
THE WORLD'S MOST SUSTAINABLE CORPORATIONS

TIME
WORLD'S MOST SUSTAINABLE COMPANIES
statista 2024

31.7 BN
DKK revenue

8.0 BN
DKK EBIT

113 M
Pieces of jewellery sold

13%
Revenue growth

25.2%
EBIT margin

17%
EPS growth

37,000
Employees on average

100%
Recycled silver and gold used in our jewellery crafting as of August 2024

90 M
DKK donated to UNICEF since 2019

17%
Reduction in CO_2 emissions since 2019

35%
Women in leadership

LETTER TO OUR SHAREHOLDERS

PHOENIX RISING

2024 was an outstanding year for our company. We are transforming the perception of Pandora into a full jewellery brand and unlocking the many untapped opportunities for future growth.

In a year where global consumers in general remained cautious, Pandora delivered very strong results. We upgraded our guidance three times and closed the year with 13% organic growth and a revenue of DKK 31.7 billion, compared to our latest guidance of DKK 31.0-31.3 billion. While investing in current and future growth, we maintained solid profitability, delivering a 25.2% EBIT margin in line with our guidance, supported by a record-high gross margin of 79.8%.

The strong performance in 2024 demonstrates the success of our Phoenix strategy, taking Pandora to new heights. As a unique global player in the accessible jewellery market, Pandora continues to benefit from the shift towards strong brands in a largely fragmented industry, gaining market share in many markets. As one of the world's most valuable brands, recognised by Interbrand, our efforts to strengthen Pandora's brand position have been validated on the global stage.

The essence of our growth strategy is to leverage our existing infrastructure and shift the perception of Pandora to a full jewellery brand. We invest in brand awareness and desirability, and although the journey has only just begun, we are already seeing a very positive response with increased traffic to our stores and online channels. Our *Fuel with more* segment grew by 22% in 2024, underscoring our evolution beyond charms and bracelets. With six product platforms aside from our Pandora Moments collection, we are unlocking new growth opportunities alongside further geographical expansion.

Our store network remains another important growth lever. We opened 236 net new stores in 2024, contributing 5% incremental growth, and we will continue to expand further through new openings. The rollout of the new store concept continues, supporting the "full jewellery brand" transformation.

To support our long-term growth, we have begun the construction of a new USD 150 million (DKK 1.1 billion) crafting facility in Vietnam. Our state-of-the-art crafting facilities have enabled us to achieve notable scale advantages over the past 25 years while ensuring high quality and sustainable production. The facility will boost our crafting capacity by around 50%, create 7,000 jobs and produce up to 60 million pieces of jewellery annually.

Sustainability remains a fundamental pillar of the Phoenix strategy. In 2024, we continued progress on our three strategic sustainability priorities: low-carbon business, circular innovation and inclusive, diverse and fair culture. Decoupling economic growth from environmental impact will not be a linear journey. We have reduced CO_2 emissions across our value chain by 17% since 2019, while growing the company by 45%. We aim to cut emissions by 50% by 2030 and reach net zero by 2040. The targets are validated by the Science Based Targets initiative.

In August, we achieved a significant milestone in circularity by transitioning all our crafting to 100% recycled silver and gold. Furthermore, our commitment to using only lab-grown diamonds and man-made stones enables us to further reduce our environmental impact and shape the future of sustainable, accessible luxury jewellery.

Our dedication to fostering an inclusive, diverse and fair culture remains central to our business. In 2024, we made progress towards achieving gender parity in leadership by 2030, with 35% women at VP-level and above. Through our partnership with UNICEF, we continue to empower children and young people, creating opportunities for future generations. We remain committed to the principles of the United Nations Global Compact and will continue to embed sustainability in our business activities, reflecting our belief that responsible growth is key to long-term success.

As we close the year, we thank our customers, shareholders and employees, for their continued trust in Pandora. There are numerous untapped growth opportunities within our existing business model across various geographies, jewellery categories and designs, and we see a bright future for our company and look forward to 2025.

PETER A. RUZICKA
Chair of the Board of Directors

ALEXANDER LACIK
President & Chief Executive Officer

EXECUTIVE SUMMARY

BRAND EVOLUTION SPARKS SOLID GROWTH

The strong performance in 2024 marks a successful beginning for the second phase of our Phoenix strategy. A year marked by solid growth and the first steps to reposition Pandora as a full jewellery brand.

We delivered yet another year with record-high revenue of DKK 31.7 billion, corresponding to organic growth of 13%. This was composed of like-for-like growth of 7% and network expansion of 5%. We delivered an EBIT margin of 25.2%. In our financial guidance for 2024, we had targeted an organic growth range of 11-12% and an EBIT margin around 25%.

ORGANIC GROWTH CAGR 2024-2026	EBIT MARGIN BY 2026[1]
7-9%	26-27%

[1] Pandora currently expects to be towards the low-end of the EBIT margin range.

This marks a strong start to Pandora's three-year financial targets for 2024-2026 aiming for organic growth with a compound annual growth rate (CAGR) of 7-9%. Our growth shows that the significant investments across the organisation are yielding positive results. The investments span across the Phoenix growth pillars with efforts in restaging the brand, expanding the store network, digital and technology as well as the people agenda. These investments are attracting more customers to the Pandora brand, both new and returning, while driving consistent brand heat as evidenced by rising unaided awareness and consideration.

BRAND DESIRABILITY ON THE RISE

In 2024, as part of Pandora's refreshed marketing strategy, we took the first steps to transform the consumer perception of Pandora into a full jewellery brand. This transformation is driven by the restaging of the brand through multiple initiatives, including the opening of new stores, the launch of the flagship store in Copenhagen, impactful PR efforts, engaging activations and not least a new marketing campaign under the BE LOVE banner. The star-studded multi-season campaign shows love as a way of being, inviting everyone to BE LOVE.

OUR GROWTH JOURNEY[1]

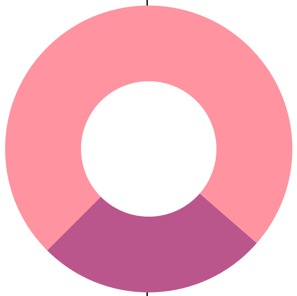
DKK billion

[1] Presented on the basis of the applicable accounting standards at the time.
[2] 2019 and 2020 figures exclude Programme NOW restructuring costs.

OUR SEGMENTS

Share of revenue, % of total

74%
CORE
2023: 78%



26%
FUEL WITH MORE
2023: 22%

Read more about our segments and revenue in *note 2.1 Segment and revenue information.* (ESRS 2 SBM-1)

The campaign is already driving encouraging results. Globally, our brand penetration is increasing, supported by rising consideration and unaided awareness, which have grown by 11% and 5%, respectively. The volume of new customers is increasing as we expand the awareness of our full jewellery offering with the *Fuel with more* segment over-indexing on new customers. In 2024, Pandora retained its position as the most searched for jewellery brand on Google, with the share of search reaching 39%. We achieved three times more searches than the closest brand in our category and had more searches than all other brands ranked 2 through 6 combined.

SOLID PERFORMANCE IN CORE, STRONG GROWTH IN FUEL WITH MORE

The *Core* segment represents the charms and carriers and is covering the collections Pandora Moments, Pandora ME and Collabs. In 2024, *Core* made up 74% of revenue and delivered stable like-for-like growth of 2%.

Fuel with more is made up of the collections Pandora Timeless, Pandora Signature, Pandora Lab-Grown Diamonds and the latest collection launched globally in the spring of 2024, PANDORA ESSENCE. *Fuel with more* made up 26% of revenue, up from 22% in 2023, as a result of strong like-for-like growth of 22%.

The development in both segments is the result of the deliberate strategic efforts and targeted initiatives to strengthen our brand and position Pandora as a full jewellery brand, driving sustainable growth across the segments.

The *Core* segment, centred around charms and carriers, remains the core of our brand. Pandora Moments, which has been established as a key Pandora icon over two decades, is still by far the largest collection and contributes to growth with solid like-for-like growth of 3%. It remains an ever-evolving canvas for personal expression, resonating with customers who seek to capture and celebrate life's precious moments through our iconic charms.

Pandora ME has found a place in the market as a symbol of individuality and self-expression. It makes up 3% of our revenue, with another year of strong double-digit like-for-like growth of 13%.

Collabs are closely tied to storytelling, allowing customers to express their identities through iconic partnerships. In 2024, we launched an exciting collaboration with Netflix, beginning with designs inspired by the popular show Stranger Things. Collabs contributed 8% to our revenue, with a like-for-like decline of -9%, as 2023's "Disney 100" collection, celebrating Disney's centenary, had driven a strong surge in interest.

Pandora Timeless is by far the largest collection within *Fuel with more*, making up 20% of revenue. The momentum from 2023 was carried into 2024, underscoring that we are on the right path to be perceived as a full jewellery brand. Pandora Timeless generated like-for-like growth of 22%, striking a chord with consumers looking for elegance and craftmanship. Pandora Signature represented 3% of our revenue, and whilst the performance was impacted by a cleanup of the assortment, the collection continues to serve as an important offering for our customers.

The new PANDORA ESSENCE collection, which was launched globally in Q2 2024, was off to a solid start and already makes up 2% of revenue.

PANDORA PRODUCT UNIVERSE

CORE
Charms and carriers

PANDORA MOMENTS

COLLABS

PANDORA ME

FUEL WITH MORE
Modern classics and Pandora Lab-Grown Diamonds

PANDORA TIMELESS

PANDORA SIGNATURE

PANDORA ESSENCE

PANDORA LAB-GROWN DIAMONDS

The collection expands into the aesthetic space of organic, fluid and natural jewellery design, which constitutes 17% of the global jewellery market, and draws inspiration from the beauty and simplicity of nature's organic shapes.

Our Pandora Lab-Grown Diamonds collection continues to gain ground, with like-for-like growth of 43% in 2024. The collection has also had a notable positive halo effect on the Pandora brand, increasing consideration to purchase jewellery from any of the collections. We believe the demand for lab-grown diamonds will keep gaining traction, and to facilitate this we added our new microfine diamonds range towards the end of the year. Our goal is to become the most desirable brand in the category while making diamonds accessible to everyone. (ESRS 2 SBM-1)

OUR MARKETS

In 2024, we achieved solid growth across multiple markets, despite persistently low consumer confidence, geopolitical challenges and uncertainties in many geographies. The solid like-for-like growth of 7% was driven by our sustained global brand momentum, which boosted traffic and enabled Pandora to capture market share, in a still uncertain consumer environment.

The US remains our largest market in terms of revenue, with a share of business of 31% in 2024, yet our market share is just around 2%. Despite a turbulent 2024 for US consumers, like-for-like growth was strong, driven by the brand momentum, and was further enhanced by the BE LOVE campaign and the positive halo effect from Pandora Lab-Grown Diamonds. This translated into like-for-like growth of 8% and organic growth of 14%, as network expansion further fuelled the growth. Throughout 2024, we have focused on expanding the store network and addressing growth opportunities, adding a net of 37 concept stores and acquiring 36 stores from partners.

Our key markets in Europe delivered like-for-like growth of 4% and a combined share of business of 31%. Growth here was predominantly driven by Germany, which delivered very strong like-for-like growth of 45%, coming into 2024 with strong brand momentum that carried on throughout the year. This momentum was supported by the always-on media model and the BE LOVE campaign, that resonates very well with the consumers. France delivered like-for-like growth of -5% and organic growth of 2%.

In the UK, like-for-like growth ended at -2% with organic growth at 0%, in a market which is impacted by dampened consumer sentiment. In Italy, we delivered like-for-like growth of -7% and organic growth of -3%. Pandora's brand metrics are moving in the right direction for France, the UK and Italy, although this is yet to translate into higher in-store traffic in a still tough consumer environment.

Australia was impacted by low consumer sentiment and subdued purchasing power with like-for-like growth ending at -4%.

China delivered like-for-like growth of -21%. The Chinese economy is still navigating its recovery from the pandemic's aftermath, with significant impact on our business in China. In 2023, following the lifting of restrictions, we initiated a restaging of the brand focusing on Shanghai. While performance in Shanghai is better than in the rest of mainland China, the demand generation is not yet sufficient to establish an attractive business model. We remain committed to build the brand in China and are currently considering the next steps on the journey. During 2025, the store network will be optimised with an anticipated closure of at least 50 stores. The closures has minimal impact on the growth from network expansion in 2025.

In Rest of Pandora, Pandora continued to demonstrate the broad-based appeal of the brand across numerous geographies where brand penetration is still building with a long runway ahead. Like-for-like growth was strong at double-digit levels of 13%, which reflected broad-based growth with strong contributions from many markets. Spain, Canada, Mexico and Poland are the biggest markets in this segment and delivered a combined like-for-like growth of 8%. Overall, Rest of Pandora ended 2024 with a revenue of DKK 10.6 billion. (ESRS 2 SBM-1)

SETTING NEW BENCHMARKS FOR THE JEWELLERY INDUSTRY

In 2024, we continued transforming our business to shape the future of sustainable, accessible luxury jewellery, making progress across our three strategic sustainability priorities: low-carbon business, circular innovation and an inclusive, diverse and fair culture.

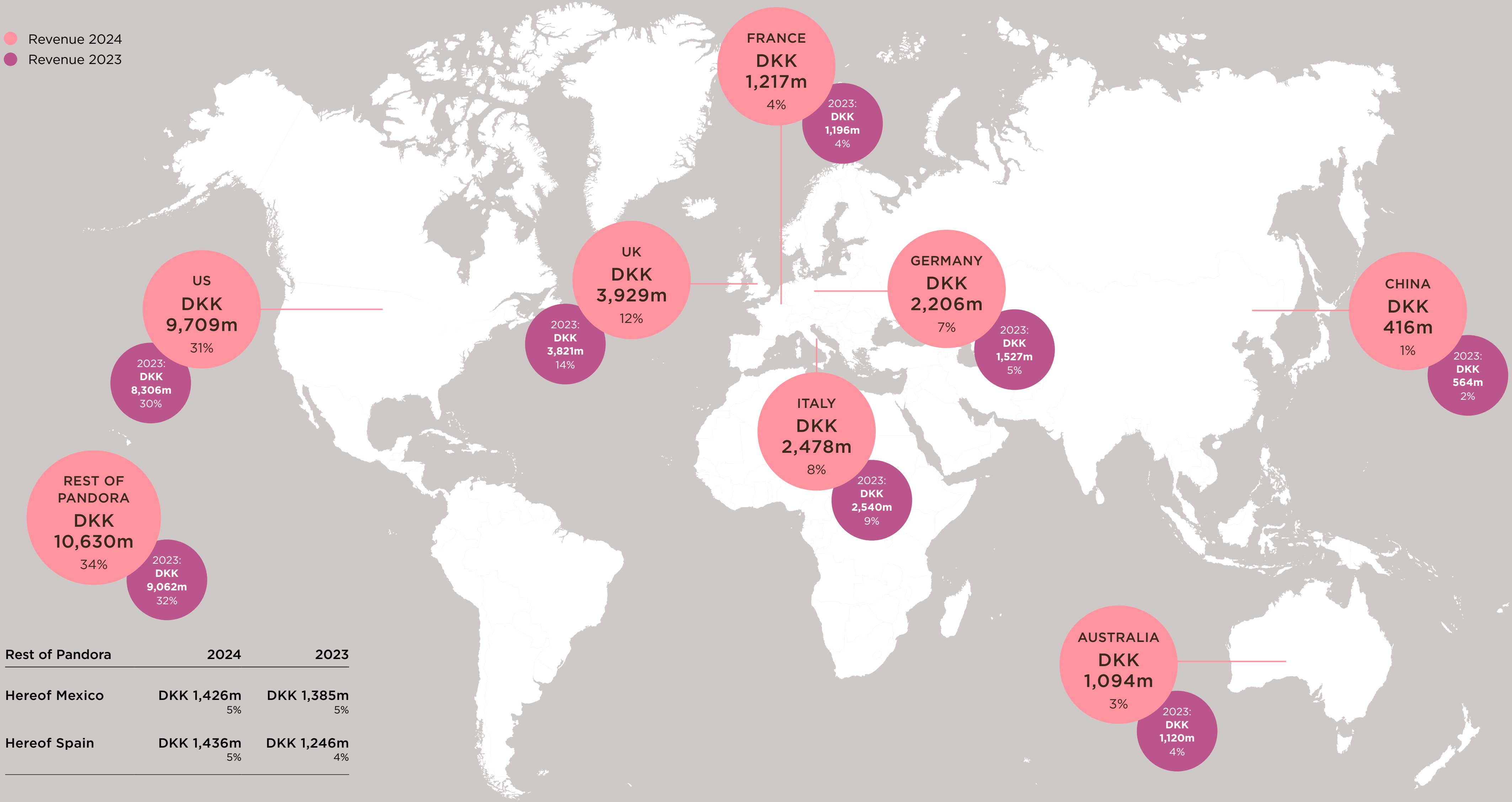
We are working towards ambitious climate targets to reduce our impact across our full value chain. By the end of 2024, we achieved a 17% reduction in emissions across our value chain compared to 2019, remaining focused on halving emissions by 2030. We also reached our short-term target of a 90% reduction in own operations, including 100% renewable electricity use. Our emissions increased by 5% from 2023 to 2024, primarily driven by the construction of our new crafting facility in Vietnam, network expansion, upgrades to our existing store fleet, as well as an increase in business travel. Our target to reach net zero by 2040 was approved by the Science Based Targets initiative (SBTi). In addition, we have been recognised with an "A" score for transparency and performance from the Carbon Disclosure Project (CDP) in past years. As we await the scores for our 2024 disclosure, refer to our website, pandoragroup.com, ↗ or CDP ↗ for updates.

Continuing our push towards circularity, as of August 2024, all our jewellery is now crafted using 100% recycled silver and gold. A significant step towards reducing carbon emissions and minimising environmental impact. Additionally, by committing exclusively to lab-grown diamonds and man-made stones, we are reducing our environmental footprint and setting a new standard in responsible jewellery production. We are growing our business while reducing our environmental impact, with revenue increasing by 45% and emissions decreasing by 17% compared to a 2019 baseline, moving towards decoupling growth from emissions.

Promoting an inclusive, diverse and fair workplace remains a cornerstone of our approach. As of the end of 2024, women held 35% of our VP-level and higher positions, and we continue to work towards achieving gender parity in our Leadership Team by 2030.

Our Pandora for UNICEF partnership remains an important element of our social responsibility, empowering children and young people worldwide. Since 2019, our support for UNICEF has raised DKK 90 million (USD 14 million), reaching and benefitting more than 2.4 million children globally.

OUR KEY MARKETS



Rest of Pandora	2024	2023
Hereof Mexico	DKK 1,426m 5%	DKK 1,385m 5%
Hereof Spain	DKK 1,436m 5%	DKK 1,246m 4%

HIGHLIGHTS 2024

PANDORA ESSENCE SOLIDIFIES POSITION AS FULL JEWELLERY BRAND

Crafted from high-quality materials like sterling silver, 14K plated gold and cultured pearls, the new PANDORA ESSENCE collection launched globally in May. This 50-piece collection, inspired by the beauty and simplicity of nature's organic shapes, is designed to be worn every day, all day. It marks another step in our strategic journey towards being perceived as a full jewellery brand.

PANDORA RANKS AMONG THE 100 MOST SUSTAINABLE COMPANIES IN THE WORLD

Pandora has earned a spot on two prestigious lists of the world's most sustainable companies. Corporate Knights ranked Pandora 48th overall and 2nd in the "Textiles, Apparel and Luxury Goods" industry, citing our progress in sustainable product development and environmental performance. Announced at the 2025 World Economic Forum in Davos, Switzerland, this ranking is based on an analysis of the prior year's performance, disclosures, and outcomes. Pandora was also recognised on TIME and Statista's "World's Most Sustainable Companies 2024" list, Pandora ranked 8th in our industry – Retail, Wholesale & Consumer Goods.

These recognitions are a testament to our commitment to environmental responsibility and sustainable practices. From using only renewable electricity at our crafting facilities and sourcing 100% recycled silver and gold to our women-in-leadership targets, we take great care to minimise our impact on the planet and foster a diverse, fair and inclusive culture.

BREAKING GROUND FOR A NEW CRAFTING FACILITY IN VIETNAM

In May, we hosted the ground-breaking ceremony for our new crafting facility in the Binh Duong province, about 40 kilometres north of Ho Chi Minh City, Vietnam. At full capacity, the new facility will produce up to 60 million pieces of jewellery a year. The facility is set to open in 2026 and will support our long-term growth, enhancing our overall crafting capacity by approximately 50%.

The investment of more than DKK 1.1 billion (USD 150 million) in this facility will create up to 7,000 jobs, and the facility will only use recycled silver and gold. It will run on 100% renewable electricity and be constructed in accordance with LEED Gold standards, a leading green building certification. The facility will be our fourth manufacturing site and the first outside of Thailand.

Photo by Getty Images

PANDORA LAB-GROWN DIAMONDS REDEFINE THE DIAMOND INDUSTRY

Driven by the belief that diamonds should be accessible to all, we introduced the Pandora Lab-Grown Diamonds collection to our home country Denmark – the first EU market to offer our innovative diamonds after launches in the Americas, Australia and the UK. Danish and international media reported on a "disruption of the diamond industry" and Pandora's lead in this significant transformation.

A standout moment was when model, actress and animal rights and environmental activist, Pamela Anderson, made her appearance at The Met Gala 2024 wearing bespoke Pandora Lab-Grown Diamonds. Her necklace was custom-made for the occasion and consisted of almost 200 carats of exquisite white and pink lab-grown diamonds.

In 2024, Pandora Lab-Grown Diamonds generated DKK 315 million in revenue.

UNVEILING PANDORA'S FIRST FLAGSHIP STORE

In June, we opened the first-of-its-kind flagship store in Copenhagen's central shopping street, Strøget – our largest Pandora store in the world to date, covering 500 m^2 across two floors.

Inspired by Danish design and materials, our new flagship store features a custom design unique to its Copenhagen location, based on the architectural principles of our new store concept. With its enhanced level of customisation, the store displays the full assortment and services, allowing customers to experience Pandora as a full jewellery brand. It also includes a Style Studio where customers can curate their own jewellery looks, and it offers bespoke services such as engraving, gifting and piercing.

NEW BOND LINKED TO CO_2 REDUCTIONS AND GENDER DIVERSITY

In May, for the second year in a row, we launched a EUR 500 million sustainability-linked bond where the interest rate level is linked to our targets and performance on carbon emission reductions and, as something new, to gender diversity in leadership.

FIVE-YEAR SUMMARY

DKK million	2024	2023	2022	2021	2020
Financial highlights					
Revenue	31,680	28,136	26,463	23,394	19,009
Organic growth, %	**13%**	**8%**	**7%**	**23%**	**-11%**
Like-for-like, %	7%	6%	4%	20%	-12%
Earnings before interest, tax, depreciation and amortisation (EBITDA)	10,327	9,118	8,716	7,838	4,999
Operating profit (EBIT)	7,974	7,039	6,743	5,839	2,684
EBIT margin, %[1]	**25.2%**	**25.0%**	**25.5%**	**25.0%**	**20.4%**
Net financials	-1,048	-805	-210	-461	-190
Net profit for the period	5,227	4,740	5,029	4,160	1,938
Financial ratios					
Revenue growth, DKK, %	13%	6%	13%	23%	-13%
Revenue growth, local currency, %	14%	9%	8%	24%	-11%
Gross margin, %	79.8%	78.6%	76.3%	76.1%	75.6%
EBITDA margin, %	32.6%	32.4%	32.9%	33.5%	26.3%
EBIT margin, %	25.2%	25.0%	25.5%	25.0%	14.1%
Effective tax rate, %	24.5%	24.0%	23.0%	22.6%	22.3%
Equity ratio, %	20%	23%	33%	38%	37%
NIBD to EBITDA, x[1]	1.1	1.1	0.8	0.4	0.5
Return on invested capital (ROIC), %[2]	46%	45%	49%	52%	20%
Cash conversion incl. lease payments, %	85%	78%	39%	88%	183%
Net working capital, % of last 12 months' revenue	-1.7%	1.8%	4.2%	-5.0%	-7.6%
Capital expenditure, % of revenue	6.1%	5.8%	4.9%	2.7%	2.6%

[1] 2020 figures exclude Programme NOW restructuring costs.
[2] The "Return on invested capital (ROIC), %" was updated in Q1 2024 from "Last 12 months' EBIT in % of invested capital" to "Last 12 months' EBIT in % of last 12 months' average invested capital" to present a more useful and less volatile KPI by switching to a moving annual average. All comparative periods have been restated.

DKK million	2024	2023	2022	2021	2020
Stock ratios					
Total payout ratio (incl. share buyback), %[3]	105%	136%	100%	115%	65%
Dividend per share, proposed for the year, DKK	20.0	18.0	16.0	16.0	-
Dividend per share, paid, DKK	18.0	16.0	16.0	15.0	-
Earnings per share, basic, DKK	64.8	55.5	54.2	42.1	20.0
Earnings per share, diluted, DKK	64.6	55.1	53.7	41.7	19.9
Consolidated balance sheet					
Total assets	27,758	23,798	22,013	18,542	19,984
Invested capital	16,515	15,126	13,961	9,884	10,540
Net working capital	-549	510	1,104	-1,181	-1,447
Net interest-bearing debt (NIBD)	11,008	9,770	6,794	2,882	3,151
Equity	5,508	5,355	7,167	7,001	7,389
Consolidated statement of cash flows					
Cash flows from operating activities	8,721	7,384	4,434	6,228	5,975
Capital expenditure, total	1,919	1,624	1,290	641	491
Capital expenditure, property, plant and equipment	1,419	1,176	929	341	369
Free cash flows incl. lease payments	6,767	5,489	2,602	5,137	4,908
Sustainability					
Scope 1, 2 & 3 emissions, tonnes CO_2 equivalent[4]	286,198	272,967	325,408	271,097	255,795
Share of renewable electricity, %	100%	87%	-	-	-
Recycled silver and gold, total, %	100%	97%	61%	54%	57%
Leadership Team gender ratio, female/male, %	35/65	34/66	29/71	23/77	-
Total employees (end of period), number	41,326	37,142	34,299	30,533	26,003

[3] Excluding sale of treasury shares amounting to DKK 1.8 billion in Q2 2020.
[4] In 2024, we have reassessed Pandora's calculation methodology and data for Scope 3 based on updated knowledge. This led to adjustments in total emissions (tonnes CO_2e), with decreases of 44,951 in 2020 (-15%), 49,524 in 2021 (-15%), and 16,340 in 2022 (-5%), as well as an increase of 8,423 in 2023 (+3%).

OUTLOOK

TARGETING ANOTHER YEAR OF PROFITABLE GROWTH

FINANCIAL GUIDANCE

The economic outlook for 2025 remains uncertain. Against this, we made a strong start to the next chapter of our Phoenix strategy, covering the 2024-2026 period, and we will continue to execute on this strategy, striving to attract more consumers to the brand.

We are currently targeting organic growth of 7-8% and an EBIT margin of around 24.5%.

We are currently expecting like-for-like growth of 4-5%. This falls within the range identified at the Capital Markets Day in 2023 of a 4-6% compound annual growth rate (CAGR), albeit slightly lower at the higher end, reflecting the macroeconomic and geopolitical uncertainty. Continued network expansion is expected to add 3%, taking the total organic growth to 7-8%. Finally, forward integration is expected to add around 1% revenue, with revenue growth in local currency ending at 8-9%.

The EBIT margin guidance for 2025 reflects another year of compounding growth fuelled by investments across the Phoenix growth pillars. We target strong profitability in 2025 and guide for an EBIT margin of around 24.5%, broadly flattish versus 2024 despite the significant 210 basis points headwind from commodity prices and foreign exchange rates.

As we continue the expansion of our profitable store network, a 40 basis points positive impact on the EBIT margin is expected in 2025. The operating leverage from like-for-like growth is set to be reinvested into initiatives supporting both future and current growth. These investments encompass various initiatives across the Phoenix growth pillars, such as the restaging of the brand, the continued rollout of the new store concept, personalised experiences, both online and offline,

ORGANIC GROWTH

7-8%

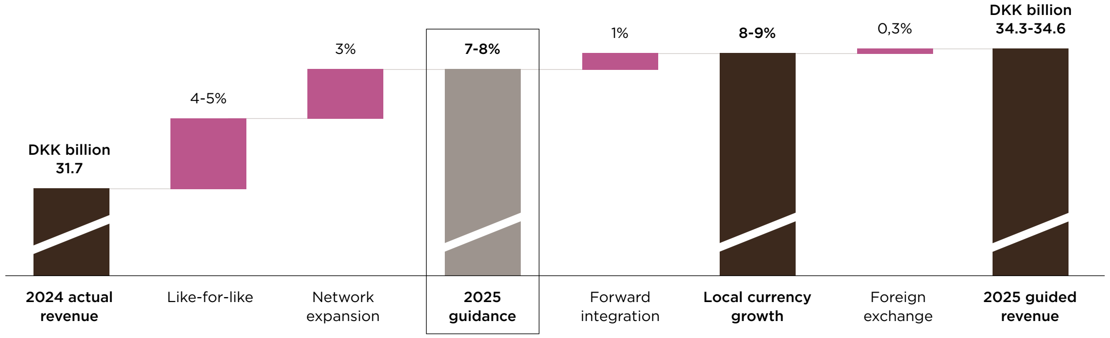
EBIT MARGIN

24.5%

The organic growth guidance can be illustrated as follows:

REVENUE GUIDANCE

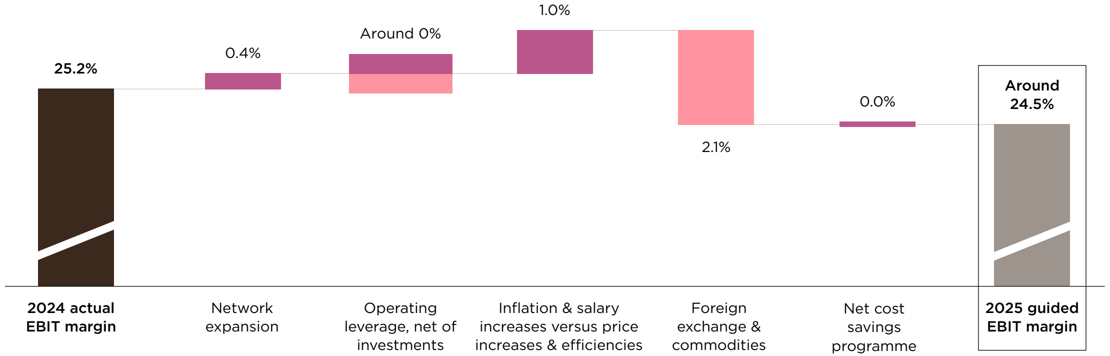
Percentage point approximation



The EBIT margin guidance can be illustrated as follows:

PROFITABILITY GUIDANCE

Percentage point approximation



as well as efforts to establish Pandora as the go-to destination for lab-grown diamonds.

The combined impact of silver and gold prices as well as foreign exchange fluctuations is projected to be a drag of 210 basis points. Support from price adjustments and operational efficiencies is expected to more than offset inflationary pressures, including salary increases, helping to mitigate the impact of higher silver prices and adverse foreign exchange movements.

Headwinds from commodity prices and foreign exchange rates are expected to increase throughout the year. Tied to that, the guided decline in the EBIT margin from 2024 to 2025 is expected to be more visible as we progress through 2025. However, the exact quarterly development will depend on the timing of actions taken to mitigate these effects, including pricing adjustments and cost-saving measures.

Lastly, the Group wide cost programme is expected to be self-funded in 2025, thereby representing no impact to the 2025 EBIT margin but expected to represent structural upside from 2026 onwards.

2025 GUIDANCE – OTHER PARAMETERS

We expect to open net 50-75 concept stores and around 25 Pandora owned shop-in-shops.

CAPEX is expected to end at around 7% share of revenue, as we continue to scale up investments into the store network with the rollout of our new store concept and network expansion, digital initiatives and crafting facilities.

The effective tax rate is expected to be 24-25% in line with 2024.

We expect net financial expenses to be DKK 1,000-1,050 million in 2025. The guidance consists of around DKK 1,000 million interest on debt, IFRS 16-related interest and fees and around DKK 0-50 million loss on non-cash foreign exchange adjustments on intercompany balances and foreign exchange hedging contracts. The latter depends entirely on the development of foreign exchange rates through the year and will be updated on a regular basis.

The guidance contains forward-looking statements, which include estimates of financial performance and targets. These statements are not guarantees of future performance and involve certain risks and uncertainties. Therefore, actual future results and trends may differ materially from what is forecasted in this report due to a variety of factors, refer to the disclaimer on page 147.

CAPITAL STRUCTURE POLICY AND CASH DISTRIBUTION

At the end of 2024, Pandora's leverage was 1.1x NIBD to EBITDA, in line with 2023 and remained around the midpoint of the capital structure policy range of 0.5x to 1.5x by year-end.

We aim for a leverage ratio of approximately 1.3x NIBD to EBITDA by the end of 2025. In line with the usual seasonality of the business, leverage will increase through the year, peaking in Q3 2025, and then fall back by year-end.

Pandora has paid out DKK 5.5 billion to shareholders in 2024, of which DKK 1.5 billion came from an ordinary dividend of DKK 18 per share and DKK 4.0 billion was distributed via share buybacks. For 2025, we propose a total cash distribution to shareholders of DKK 5.6 billion. Out of this, we propose to pay a dividend of DKK 20 per share and a new share buyback amounting to DKK 4.0 billion which will commence on 6 February 2025 and be completed no later than 30 January 2026.

OUR LONG-TERM COMMITMENT TO SUSTAINABILITY

As we continue to shape the future of accessible luxury, we remain committed to building a resilient, fair and future-fit business, step by step. Building on the solid foundation of our three current strategic sustainability priorities: low-carbon business, circular innovation, and an inclusive, diverse and fair culture, we will introduce additional targets and initiatives in the coming years.

This will further strengthen our social and environmental performance and actively engage key stakeholders, including customers. To drive the transformation, we will continue to invest in innovation and deepen collaboration across our value chain and with other partners. This will ensure our sustainability efforts drive impact and contribute to Pandora's long-term success.

FOREIGN EXCHANGE AND COMMODITY ASSUMPTIONS AND IMPLICATIONS – AS OF 27 JANUARY 2025	Average 2024	Average 2025	Financial impact 2025 Y-Y
USD/DKK	6.89	7.09	
THB/DKK	0.20	0.21	
GBP/DKK	8.81	8.87	
AUD/DKK	4.55	4.47	
MXN/DKK	0.38	0.35	
CAD/DKK	5.03	4.94	
TRY/DKK	0.21	0.20	
CNY/DKK	0.96	0.98	
Silver/USD (per ounce)	23.77	28.55	
Gold/USD (per ounce)	1,982	2.491	
Revenue (DKK million)			**Approx. 100**
EBIT (DKK million)			**Approx. -700**
EBIT margin (foreign exchange)			**Approx. -0.7%**
EBIT margin (commodities)			**Approx. -1.4%**

OUR BUSINESS

EQUITY STORY

A STRONG BRAND WITH VAST GROWTH OPPORTUNITIES

A STRONG BRAND IN AN ATTRACTIVE CATEGORY

Pandora stands as the sole global brand in accessible luxury jewellery, owning the distinct position of "jewellery with a meaning" with consumers worldwide.

The jewellery market has historically outpaced GDP growth and remains highly fragmented, with global brands expected to grow faster than the overall market.

Pandora holds the highest brand awareness in the industry.

AN ASSET-LIGHT, FULLY INTEGRATED BUSINESS MODEL

Our asset-light business model benefits from a unique fully vertically integrated ecosystem – from design and crafting to a vast distribution network.

This integration provides unrivalled scale and, together with our brand strength, drives our strong margin profile and high returns.

UNIQUE GROWTH OPPORTUNITIES

There are numerous untapped growth opportunities within our existing business model across various geographies, jewellery categories and designs.

The essence of our growth strategy is to shift the perception of Pandora to a full jewellery brand and leverage our existing infrastructure.

A RESILIENT, SUSTAINABLE BUSINESS

Sustainability is an integral part of our business and we are progressing toward some of the most ambitious sustainability targets in the industry, spearheading the use of recycled silver and gold and lab-grown diamonds.

DRIVING EPS GROWTH IN THE MID-TO-HIGH TEENS

We expect to outgrow the jewellery market, targeting annual high-single-digit organic growth while maintaining best-in-class profitability, with a gross margin around 80% and an EBIT margin increasing from around 25% today to 26-27% in 2026[1].

We anticipate to generate significant free cash flows, which, in line with our historic approach, will be fully returned to shareholders, driving annual EPS growth in the mid-to-high teens.

High single-digit organic growth

+

Industry-leading gross margin

+

Sustainable high EBIT margin

+

Significant cash flow generation

=

Mid-to-high-teens EPS growth

[1] The EBIT margin target for 2026 was based on September 2023 foreign exchange rates and a silver price of USD 23.6 / oz. At the current spot price of USD 30.5 / oz, Pandora confirms the target, although currently pointing towards the low-end of the range.

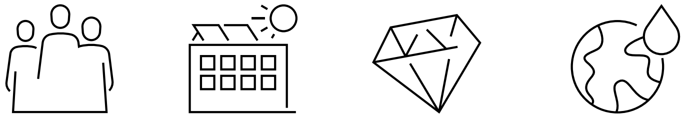
BUSINESS MODEL

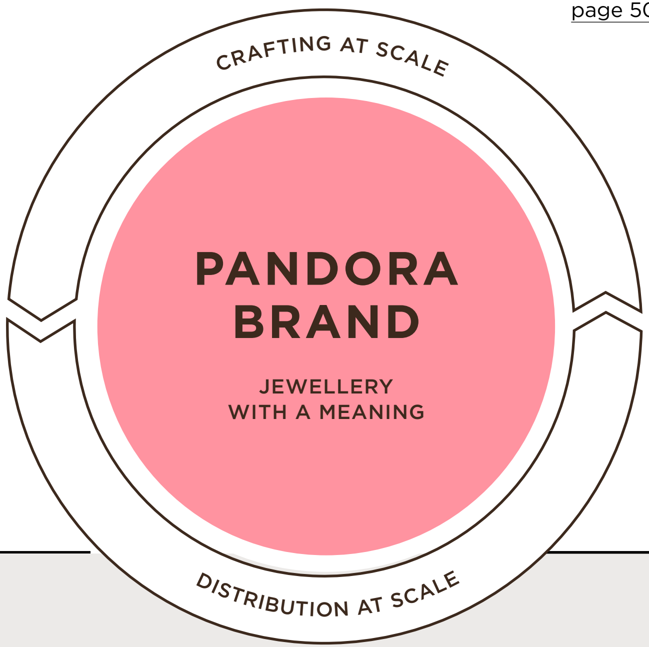
A FULLY INTEGRATED BUSINESS

Pandora is one of the world's most valuable brands, owning the space of jewellery with a meaning. Our unique business model builds on the Pandora brand and our in-house excellence. This translates into a fully integrated ecosystem, with both crafting and distribution at an unparalleled scale. With a strong commitment to sustainability, we deliver industry-leading growth and profitability while minimising our environmental footprint and supporting the communities we touch. Acknowledging both positive and negative impacts, as well as risks and opportunities, we have conducted a double materiality assessment, detailed on page 50. (ESRS 2 SBM-1)

KEY RESOURCES APPLIED

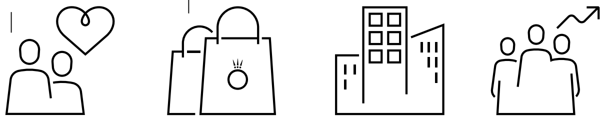
- An average of 37,000 employees globally
- State-of-the-art crafting facilities, powered by 100% renewable electricity
- Recycled silver and gold and lab-grown diamonds
- Water, energy and other raw materials





VALUE CREATED

- Safe and engaged workplace with an employee Net Promoter Score (eNPS) that puts us in the top 5% in the consumer sector globally
- 865 million customer visits to our stores and online channels, with more than 3 pieces sold every second
- DKK 1.7 billion paid in corporate income taxes
- DKK 5.5 billion in dividends and share buybacks to shareholders



OWN OPERATIONS

INNOVATIVE DESIGN → World-class creative design process with built-in consumer testing

RESPONSIBLE SOURCING → Materials sourced in a responsible, transparent and traceable way

HIGH-QUALITY JEWELLERY CRAFTING → Artistry and craftsmanship unmatched in the industry

GLOBAL BRAND AND MARKETING → Top brand equity in our key markets, guided by data and analytics

PACKAGING AND DISTRIBUTION → Serving customers and stores by delivering the jewellery safely and on time

OMNICHANNEL RETAIL → Personalised experiences for consumers, shoppers and brand lovers

PRODUCT REUSE AND REPAIR

Remelt of returning surplus and faulty products and minor repair services

STRATEGY

PHOENIX

Restaging Pandora to showcase the full jewellery brand and accelerate growth.

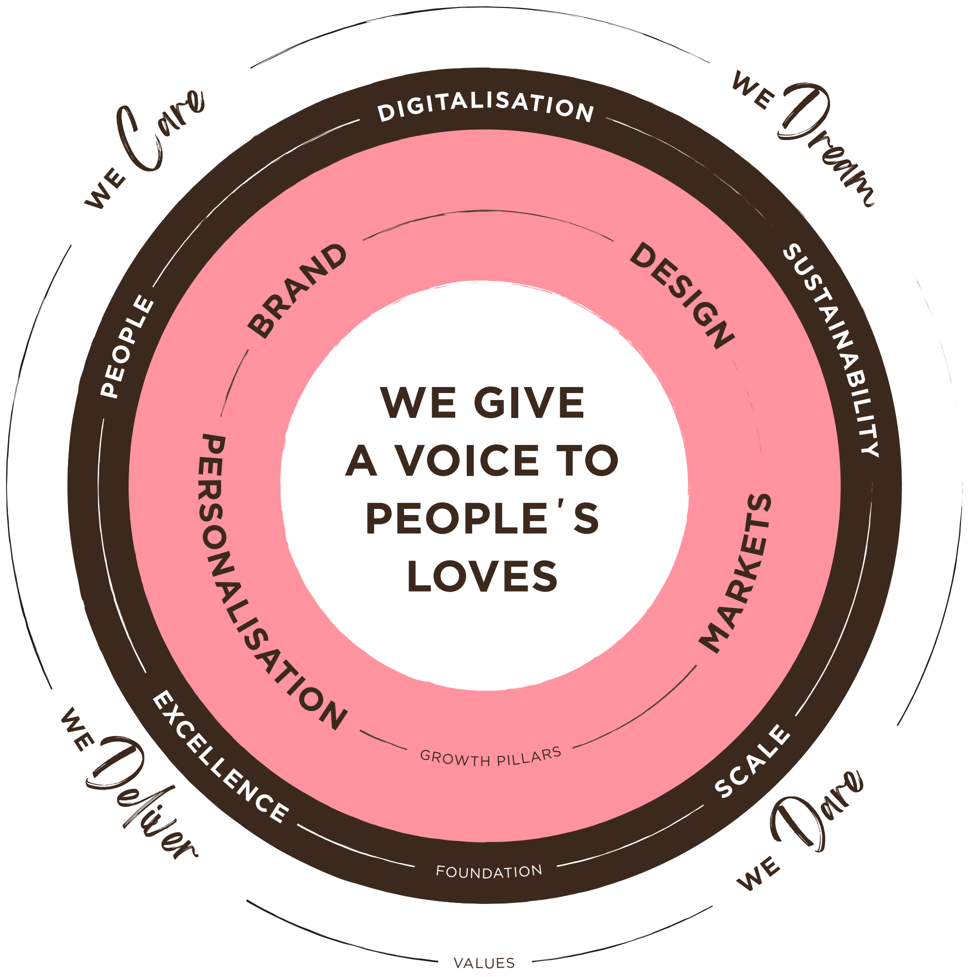
In 2024, we initiated the second chapter of our Phoenix strategy, to accelerate growth and transform consumer perception of Pandora into a full jewellery brand. As announced at the Capital Markets Day in October 2023, we updated our priorities across the four major strategic growth pillars, first introduced in 2021: Brand, Design, Markets and Personalisation.

Performance this past year reflects the relevance and meticulous execution of our Phoenix strategy. Pandora has begun its transformation into being perceived as a full jewellery brand, driving higher traffic in both our stores and online, with more consumers, returning as well as new, choosing Pandora as their destination for high-quality jewellery. As the sole branded global player in the accessible luxury jewellery market, we continue to benefit from the shift towards strong brands in a largely fragmented industry, targeting organic growth corresponding to a compound annual growth rate (CAGR) of 7-9% over 2023-2026, comprised of 4-6% like-for-like and 3% CAGR from network expansion. On top of that and outside organic growth, forward integration is planned to contribute with growth at 1% CAGR. Higher commodity prices and foreign exchange represent a headwind of 270 basis points to the margin target. We reaffirm our target, supported by confirmed mitigating actions and other margin drivers to offset headwinds. This underscores our ability to efficiently leverage our existing infrastructure to drive growth, and our best-in-class gross margin enables us to invest in our brand and people.

In this context, 2024 has been a strong start to the target period with organic growth of 13%, with like-for-like growth contributing 7% and network expansion with 5%. On top of that, forward integration contributed by 1% revenue growth, and the EBIT margin came in at 25.2%, in line with expectations.

GROWTH PILLAR 1: BRAND

In 2024, we intensified efforts to position ourselves as a full jewellery brand within the accessible luxury segment. The first major milestone was the launch of the Pandora brand restaging, marked by the debut of the multi-season star-studded BE LOVE campaign, featuring the global brand ambassadors Chloe and Halle Bailey, sisters and artists. The campaign is rooted in love as something that you do, inviting everyone to BE LOVE. We are increasing our brand penetration, as we strategically broaden our product assortment into new and underserved categories and aesthetics.



Our Phoenix strategy
Phoenix builds on our strong foundation and is focused on the significant untapped opportunities in Pandora's existing business area.

DOUBLING UP ON DISTRIBUTION

Our new state-of-the-art distribution centre in Hamburg is twice the size of the previous facility, allowing us to expand online engraving operations and reinforcing our dedication to delivering exceptional customer service.

Earlier in the year, we applied a similar approach with PANDORA ESSENCE, while staying true to our brand promise of accessibility and "jewellery with a meaning".

We also made a significant leap in elevating the in-store customer experience, opening and refurbishing a total of 308 stores to our new concept, including Pandora's first global flagship store that opened in Copenhagen in June 2024. We aim to have around 1,400 concept stores with the new design in operation by the end of 2026. While our previous store concept has been successful in driving and building out the Pandora Moments platform, the new store concept more effectively displays all of Pandora's collections in an intuitive and engaging experience. The new store concept will be another major pillar in driving greater brand desirability and cementing Pandora's position as a full jewellery brand.

GROWTH PILLAR 2: DESIGN

Pandora's jewellery is designed to empower self-expression and drive cultural relevance and is crafted to high ethical and environmental standards. We strive to continue growing the *Core* segment while accelerating growth even further in the *Fuel with more* segment.

As part of the Phoenix strategy towards 2026, we are targeting a low- to mid-single-digit like-or-like growth CAGR within Pandora Moments and collaborations, while Pandora ME is expected to contribute with a mid- to high-single-digit like-for-like growth CAGR. The collections Pandora Timeless, Pandora Signature and PANDORA ESSENCE are expected to generate a mid- to high-single-digit like-for-like growth CAGR as a group. For the year, Pandora Lab-Grown Diamonds ended with DKK 315 million in revenue, achieving like-for-like growth of 43%. We continue to play a significant role in democratising diamonds for consumers and have also experienced a tangible positive halo effect on the brand by adding the collection to our portfolio. While we expect growth to continue, the global rollout will proceed at a slower pace than initially anticipated. The DKK 1 billion target remains a key ambition, though we now expect to achieve this beyond 2026. In 2025, we will build on the insights we have gained, and have exciting plans for our new microfine diamonds range.

The *Core* segment, covering three of our collections of charms and carriers, grew by 2% like-for-like, representing a 74% share of business (SOB). At the centre of that, we have the Pandora Moments collection, which has been the cornerstone of our success for more than two decades. In 2024, it made up 63% of revenue, leveraging its strong heritage and captive business model. Pandora ME grew by 13% like-for-like, building a strong foundation for future growth.

The *Fuel with more* segment grew by 22% like-for-like, representing a 26% SOB. This segment growth underscores the relevance of transforming the consumer perception of Pandora into a full jewellery brand, as the offerings are within jewellery categories and in materials where Pandora does not have a significant presence yet. In late spring, we announced the global launch of our newest collection, PANDORA ESSENCE. The collection expands into the aesthetic space of organic, fluid and natural jewellery design, which constitutes 17% of the global jewellery market where Pandora previously had very limited presence. The new contemporary and sculptural collection is inspired by the beauty and simplicity of organic shapes from nature. The collection is crafted from sterling silver, 14K plated gold and cultured pearls.

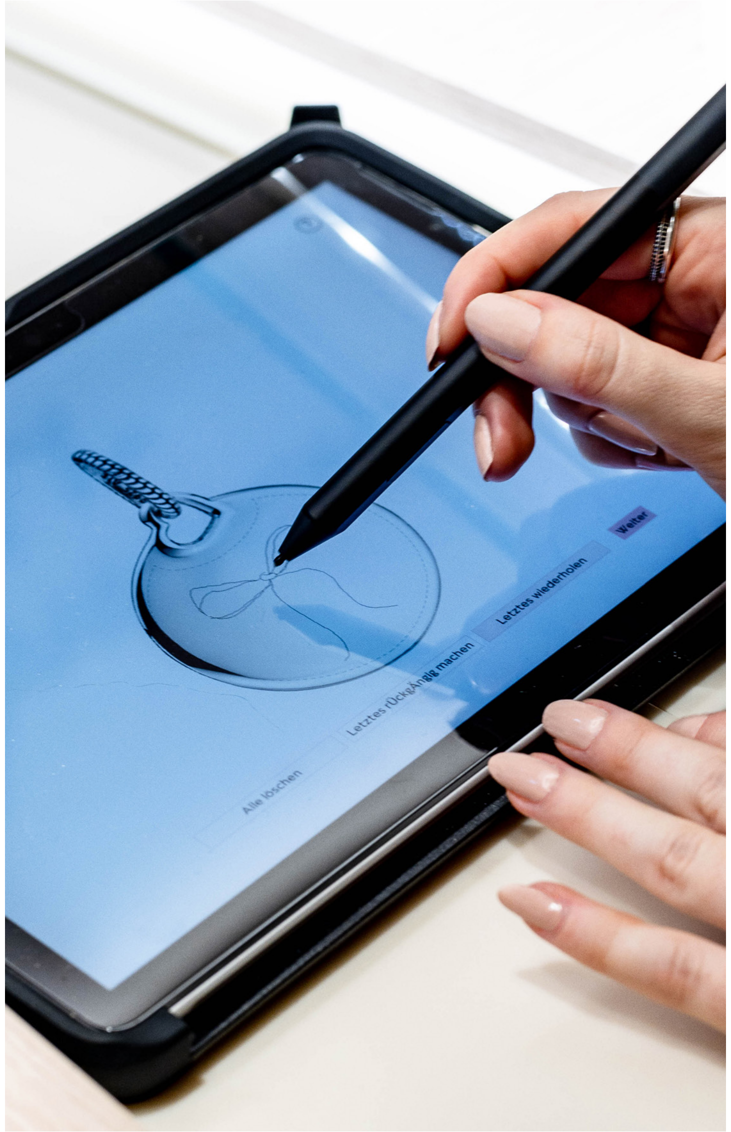
GROWTH PILLAR 3: MARKETS

Pandora is a global brand with a global presence, spanning more than 100 countries across the world. In our most penetrated markets such as the UK, Italy and Australia, we expect like-for-like to grow steadily, maintaining our leading position while leveraging the full jewellery brand position to further build market share in less penetrated categories. For the less penetrated markets such as the US, Germany, France and markets within Rest of Pandora, we expect to increase market share across segments and see potential for consistent, higher like-for-like growth.

We see vast opportunities for expanding our store network within white space. From 2024 to 2026, we aim to open a net total of 225-275 concept stores and a net total of 175-225 Pandora-owned shop-in-shops, and all openings will follow the new store concept. This predictable and profitable revenue stream is targeted to provide a CAGR of around 3% in organic revenue contribution annually. During 2024, we opened a net total of 137 concept stores as well as a net total of 99 Pandora-owned shop-in-shops, contributing with an organic revenue growth of 5%.

GROWTH PILLAR 4: PERSONALISATION

Personalisation is expanding across our in-store and digital experiences, bringing our brand strategy to life and ensuring our jewellery holds even greater meaning. Our investments in enhancing the experience of our store colleagues, brand website and personalised services are



showing great results, as we delivered over 113 million pieces of jewellery to customers through a seamless, connected experience in 2024.

One of our key investments was the implementation of a new workforce management system, which now covers 75% of revenue in Pandora's owned and operated store network. This has optimised in-store staffing to ensure that we are able to maintain a high conversion rate. Complementing in-store improvements, our e-commerce channel grew by 21%, by better leveraging of consumer data to personalise online journeys. We also optimised our brand website, enhancing the digital experience.

With the Phoenix strategy, we have made significant progress in transforming our store and e-commerce channels, including personalised services. We accelerated the deployment of engraving machines due to rising demand, resulting in approximately 1,600 active machines by the end of 2024, a 2x increase relative to 2023. Launched in 2022, our My Pandora loyalty programme has since expanded to six countries, covering more than 40% of our revenue in participating channels[1]. By the end of 2024, it included the US and Canada, increasing the member base to 9.1 million, improving loyalty and engagement with members.

Make it personal
Pandora offers engraving services in more than 1,600 stores worldwide, with a variety of jewellery pieces that provide a blank canvas for personal expression.

SUSTAINABILITY — A CORNERSTONE OF OUR STRATEGY

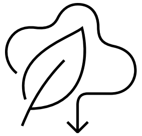
Sustainability is integral to Pandora's operations and remains a cornerstone of the Phoenix strategy. Our approach includes setting some of the industry's most ambitious sustainability targets to lower environmental impact while driving positive outcomes for the people and communities we engage with.

Our three strategic sustainability priorities – low-carbon business, circular innovation and fostering an inclusive, diverse and fair culture – remained central to our 2024 performance, driving our actions and underscoring our commitment to responsible practices across the value chain.

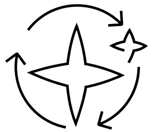
This report shows how our sustainability initiatives support the Phoenix strategy. The Sustainability Statements detail impacts, risks and opportunities (IROs) and address our material sustainability matters identified through our double materiality assessment, which informs our disclosures in alignment with the Danish Financial Statements Act. (ESRS 2 SBM-1)

[1] Participating channels are Pandora-owned and operated stores, online and participating franchise stores.

OUR STRATEGIC SUSTAINABILITY PRIORITIES



LOW-CARBON BUSINESS



CIRCULAR INNOVATION

INCLUSIVE, DIVERSE AND FAIR CULTURE

STORY

TRANSFORMING PERCEPTIONS FOR LASTING IMPACT

The focus of our brand strategy centres on transforming consumer perception of Pandora from a brand known for its iconic charm bracelets into a full jewellery brand – with love at its core.

To achieve this, we have, among various efforts, invested in marketing initiatives that elevate our brand identity as a credible player across all jewellery aesthetics, showcasing collections like Pandora Timeless and PANDORA ESSENCE. Additionally, we have diversified our offerings to include materials such as lab-grown diamonds and cultured pearls, which further solidifies Pandora's image as a full jewellery brand.

An important part of this journey involves how Pandora presents itself to its customers. We have dedicated significant resources to elevating the brand, which includes impactful marketing campaigns, upgrades to store design, collaborations with world-class talent and brand ambassadors and a stronger presence at key cultural events. For instance, our jewellery was prominently featured at the Met Gala, worn by our global brand ambassador Pamela Anderson.

The launch of the BE LOVE campaign in 2024 marked a significant milestone in our brand transformation. The campaign aligns with our brand purpose, empowering people to express love every day of the year, not just on special occasions. The campaign generated strong results, lifting brand consideration by 11% and unaided brand awareness by 5% globally.

Our efforts were recognised with Pandora's first inclusion in Interbrand's Best Global Brands list, entering as the 91st most valuable brand worldwide. This achievement affirms our brand's growing financial performance, impact on consumer decisions and competitive strength on the global stage.

"Our investment in the brand is delivering results, as reflected in our numbers. We see more customers connecting with Pandora and visiting our stores," says Berta de Pablos-Barbier, CMO of Pandora. "We are evolving into a full jewellery brand while staying true to our identity, attracting more customers and boosting our brand image."

Cultured pearls
From the simplicity of a pearl drop earring to the extravagance of layered pearl necklaces, our treated cultured pearl jewellery add a finishing touch.

PEOPLE

PEOPLE AT THE HEART OF OUR BRAND

Our talented people are at the heart of Pandora, and we constantly seek to ensure an exceptional employee experience and to improve employee retention. We strive to build a workplace that celebrates and reflects the diversity of our global workforce.

POWERED BY OUR PEOPLE

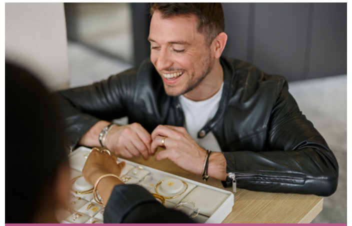
As the world's largest jewellery brand, we have built an inclusive and diverse global organisation. At the end of 2024, our workforce comprised more than 41,300 employees, representing more than 138 nationalities and spanning professional disciplines such as crafting, distribution, retail and corporate functions and reflecting diversity in gender, age and geography.

By the end of 2024, our workforce includes 35,084 permanent employees, who form the backbone of our operations, alongside 6,242 temporary employees, supporting flexibility and meeting seasonal demands. This structure enables us to remain agile and responsive to evolving business needs.

We are dedicated to maintaining a healthy, diverse and high-performing workplace. To stay in tune with our organisation and identify areas for improvement, we regularly seek feedback from employees on their experience, the effectiveness of their direct manager and the inclusiveness of our culture.

The latest employee listening survey in 2024 showed a record employee Net Promoter Score (eNPS) of 66, placing us in the top 5% of the consumer sector globally. Our inclusiveness score averaged 8.8 on a scale from 0 to 10 – a slight improvement from 8.7 in 2023, highlighting progress in our initiatives on diversity, equity and inclusion. Employees rated Leadership Effectiveness at 8.6 on a scale from 0 to 10, up from 8.4 in 2023. Using these insights, leaders and teams review the results to develop action plans for both short and long-term improvements.

Our core values
We Dream, We Dare,
We Care and We Deliver.



A TESTAMENT TO EMPLOYEE SATISFACTION

Our employee Net Promoter Score (eNPS) soared to a record high of 66 this year, positioning us in the top 5% of the consumer sector globally.

PANDORA ENGAGE – SHARING TO SHAPE WHO WE ARE

In January 2024, we launched a new communications platform that unites colleagues from across the globe, fostering a stronger sense of community and connection. With an initial rollout to over 8,000 employees and an adoption rate close to 90%, the platform enables colleagues to share their experience and contribute to our evolving culture. During 2025, we plan to extend this platform to all employees globally.

PEOPLE SYSTEMS AND AI SUPPORTING PANDORA'S GROWTH AMBITIONS

To support stronger workforce planning and operational efficiency, we introduced Plan.dora, a new workforce management system that simplifies tasks for retail colleagues, allowing them to focus on what matters most – customer interactions. Initially launched in North America, Plan.dora now covers nine markets, reaching approximately 20,500 live users, which accounts for approximately 75% of Pandora's retail colleagues. Additionally, we are piloting an AI recruitment tool to streamline hiring for our store associates, enhancing candidate quality and reducing early attrition. Following a successful pilot in North America in 2024, we plan further implementation in 2025.

THE ROAD TO GENDER PARITY AND A MORE INCLUSIVE WORKPLACE

Diversity, equity and inclusion remain a priority across our organisation. Our target for balanced gender representation in leadership is to reach gender parity by 2030. Women in leadership roles increased slightly from 34% in 2023, to 35% in 2024. Continued focus and efforts are required to achieve our long-term ambition of gender parity in our Leadership Team by 2030.

Additionally, we are focused on fostering a culture of inclusive leadership, by equipping leaders with a toolkit for inclusive behaviour. By promoting true inclusion, our leaders can unlock greater potential within their teams, ultimately driving performance, retention and innovation. Furthermore, we report an adequate wage coverage of 98%. For more information, see the Adequate wage chapter.

LIFTING OUR LEADERS

Leaders play a critical role in creating a workplace environment where employees thrive. Our global leadership development programme, RISE, continued in 2024 for the third year, with 650 leaders participating in the course. The programme is designed to guide and inspire our leaders to develop, coach and enable performance for their teams. The Pandora RISE programme was also honoured with two gold awards at the Brandon Hall International Awards, winning for Best Leadership Development Program and Best Results of a Learning Program.

PROVIDING A SAFE AND HEALTHY WORKPLACE

Creating a safe and healthy work environment is a core focus at Pandora. In 2024, 99.6% of our employees were covered by health and safety management systems, reflecting our commitment to maintaining high standards across all areas of the business. We recorded 114 work-related accidents with absence, resulting in a lost-time injury frequency rate of 1.72, compared to 1.38 in 2023.

To further minimise risks, we have strengthened our safety measures, expanded training programmes and fostered a culture of proactive safety and awareness. As we look to 2025, we will continue enhancing our health and safety efforts across retail, distribution and office environments, empowering employees to maintain a safe and productive workplace.

Pandora also offers employees various social protections and promotes work-life balance. We provide safeguards against income loss due to major life events, including sickness, unemployment, workplace injuries and acquired disabilities, parental leave and retirement. Coverage for social protections varies across Panama, Singapore, South Africa and the US due to differences in local regulations and government programmes. (ESRS S1-11)

FOSTERING STABILITY IN A DYNAMIC INDUSTRY

The industry, with its dynamic, customer-facing operations, naturally experiences higher turnover. We are committed to fostering a stable and engaged workforce, aspiring to rank among the top quartile of retail companies for employee retention. Through continuous investment in the employee experience, professional development and engagement initiatives, we aim to further reduce turnover while strengthening our ability to attract and retain top talent. This commitment supports our people and drives the sustained growth of our business.

eNPS
2023: 60
66

INCLUSIVENESS
2023: 8.7
8.8

RISK

MANAGING RISKS

Effective risk management is crucial for protecting our people, assets and reputation while supporting sustainable growth.

BOARD OF DIRECTORS
↕
EXECUTIVE LEADERSHIP TEAM
↕
RISK MANAGEMENT BOARD
↕
GLOBAL RISK & INSURANCE
↕
ORGANISATION

↕ Risk assessment and oversight

OUR APPROACH TO RISK MANAGEMENT

Pandora proactively manages risks to support continued growth of our business and to protect our people, assets and reputation. As a global brand with a fully integrated value chain, some of the key risks we are facing are brand strength and product relevance as well as supply chain disruptions. Through our enterprise risk management programme, we actively work to identify, monitor and reduce risks to an acceptable level. We continuously monitor inherent risks that could impact our daily operations, as well as strategic risks that may impact Pandora's competitive positioning, value creation and strategy execution. We see well-functioning risk management processes as key to maintaining Pandora's position as the world's largest jewellery brand.

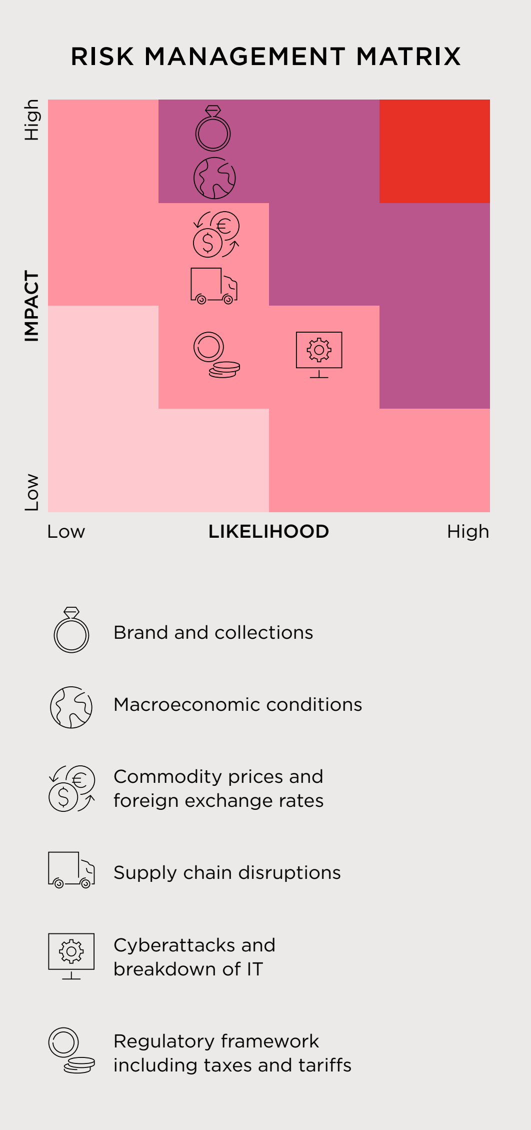
Our Chief Financial Officer heads up the Risk Management Board, which consists of senior management representatives from across our business. All areas of our business report their most significant risks to Global Risk & Insurance on a quarterly basis, along with assessments of those risks and an overview of implemented mitigations and action plans for future activities. For more information about our enterprise risk management efforts, see pandoragroup.com/investor/corporate-governance/risk-management. ↗

OUR KEY RISKS

The Board of Directors (the Board) reviews and discusses key risks that could threaten Pandora's business model or the future performance, solvency or liquidity. On the following page, the key risk groups and the activities we undertake to mitigate them are described. It should be noted that these key risks do not represent all risks associated with our business. Other risks, including those not presently identified or deemed to be less material at present, may also have a potential adverse effect on our business.

SUSTAINABILITY RISKS ASSESSMENT

Sustainability risks are assessed on a quarterly basis and insights from the 2024 double materiality assessment have been incorporated into the enterprise risk management calibration process and reporting. We do not consider sustainability risks to be among our top risks. As part of our climate risk assessment, we evaluate risks across various criteria, with key risks reviewed by the Board. In 2022, we conducted a scenario analysis aligned with our risk management matrix to explore climate risks and opportunities across our value chain, identifying areas crucial to transitioning to low-carbon operations. Insights from an on-site risk assessment conducted at the end of 2024 at our crafting sites in Thailand, will enable us to proactively implement tangible recommendations to mitigate potential future supply chain disruptions caused by climate change. (ESRS 2 GOV-5)



AREA	RISK DESCRIPTION	IMPACT	MITIGATION
BRAND AND COLLECTIONS	There is a risk that we may struggle to sustain and enhance the desirability and relevance of the brand. Additionally, failing to deliver consumer-centric jewellery concepts and innovate new collections could pose challenges. As the Pandora brand grows, the rise in counterfeits could tarnish our brand and product perception.	Failing to maintain brand relevance and offer appealing products may result in decreased store and online traffic, negatively affecting our revenue and profitability.	• Build brand awareness and desirability through competitive media investments, fashion events, PR, social media channels etc. • Deliver a 360-degree brand experience across all consumer touchpoints online and offline • Create consumer-centric innovation, fuelled by consumer insights and rigorous testing • Strengthen capabilities within data analytics and technology • Significantly upgrade our website, pandoragroup.com • Continue to roll out the new store concept • Enhance trademark and patent monitoring while intensifying global counterfeit detection and removal efforts across online and offline markets
MACROECONOMIC CONDITIONS	There is a risk that adverse macroeconomic conditions, such as persistently high inflation and increased interest rates, could impact consumers' ability and willingness to buy jewellery.	As an accessible jewellery brand, a decline in consumer confidence and lower disposable income may adversely impact our revenue and profitability.	• Strict cost control; initiate a targeted cost reduction programme • Adjusted commercial tactics, for example more focus on our lower price points • Continued diversification of revenue streams • Continuous monitoring of consumer behaviour and trends
COMMODITY PRICES AND FOREIGN EXCHANGE RATES	There is a risk of increased prices for silver and gold. Further, Pandora generates significant revenue and incurs costs in multiple foreign currencies, leading to currency exposure.	Sustained higher commodity prices may have a negative impact on profitability. Adverse impacts from foreign exchange rates (lower USD, GBP, AUD and MXN and higher THB) may negatively impact revenue and profitability.	• Major currencies are hedged • Typically, hedging of 70% of silver and gold consumption for the next 12 months • Ongoing review of sales prices • Strict cost control; initiate a targeted cost-reduction programme
SUPPLY CHAIN DISRUPTIONS	There is a risk of disruptive events such as fire, extreme weather, pandemics, political conflicts, armed interstate conflicts, cyberattacks, terror or other hazards materially disrupting our crafting and distribution facilities or key suppliers' sites.	Pandora operates a fully integrated value chain, with all crafting facilities based in Thailand and primary distribution centres located in Germany, Thailand, the UK (third-party operated) and the US. Disruption, physical damage and interruption may temporarily impact our revenue and profitability.	• Continued loss prevention reviews and improvements • Business continuity planning • Insurance for insurable events • Geographical diversification and expansion of crafting capacity • Dual sourcing when feasible • Optimised B2B and B2C distribution capacity
CYBERATTACKS AND BREAKDOWN OF IT	There is a risk of disruption to critical IT systems due to large-scale ransomware attacks, cloud outages and cyber war.	Such disruptions may significantly impact our operations and data security. A breach of data confidentiality or business interruption may temporarily affect our revenue and profitability.	• Company-wide information security programme • Crisis management • IT disaster recovery planning • Business continuity planning • Enterprise resource planning (ERP) system upgrade
REGULATORY FRAMEWORK INCL. TAXES AND TARIFFS	There is a risk that regulatory changes in the international tax and tariff landscape could occur due to more protectionist financial policies.	An increase in import taxes or tariffs may negatively impact profitability by raising the cost of goods purchased from other countries.	• Strict cost control across the Group • Ongoing review of sales prices • Change of crafting footprint or logistics • Continuous monitoring and assessment of various possible scenarios

STORY

LAB-GROWN DISRUPTION

Lab-grown diamonds are transforming the diamond industry, altering consumer perceptions and market dynamics at a remarkable pace. Physically, chemically, thermally and optically identical to mined diamonds, they are created above ground and graded by the same standards known as ‘the four Cs’ – cut, colour, clarity and carat.

Pandora Lab-Grown Diamonds offer the same sparkle and brilliance as mined diamonds, and are available in stunning designs that cater to a variety in tastes and preferences. What truly sets them apart is their affordability and substantially lower CO_2 footprint. With these advantages, it is no wonder that lab-grown diamonds are seeing rapid growth.

According to analysts, lab-grown diamonds now account for 20% of the global DKK 645 billion diamond jewellery market, a significant increase from less than 1% in 2015. The US, the world’s largest diamond market, is leading this trend, with half of all loose diamonds sold in the country now lab-grown.

“Our lab-grown diamonds represent the future of luxury. They combine beauty and responsibility, and we have big ambitions for the category, aligned with our mission of democratising high-quality jewellery. We are on the brink of a major transformation of the industry, and Pandora is playing a key role,” says Alexander Lacik, CEO & President of Pandora.

In 2024, Pandora Lab-Grown Diamonds generated revenue of DKK 315 million. We also introduced the collection to Denmark, marking our first launch in mainland Europe following successful rollouts in the Americas, Australia and the UK. Although we are still in the early stages within this space, we have set ambitious goals, supported by a clear business case that aims to make diamonds accessible for all, not just the selected few.

Pandora Lab-Grown Diamonds
Pandora Lab-Grown Diamonds are grown, cut, and polished using 100% renewable energy, resulting in a carbon footprint that is approximately 5% that of a mined diamond.

GOVERNANCE

CORPORATE GOVERNANCE

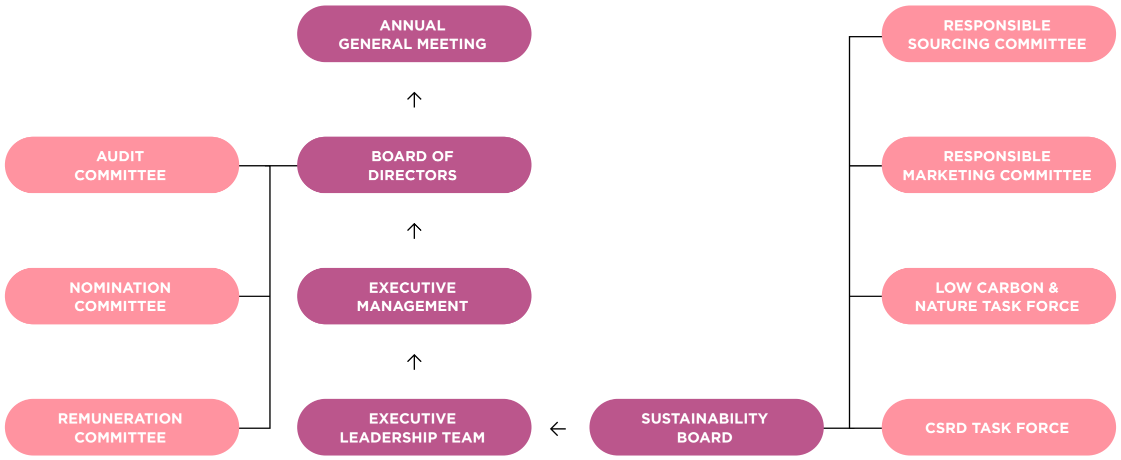
RESPONSIBLE BUSINESS PRACTICES FOR SUSTAINED LONG-TERM VALUE CREATION

Pandora has established a corporate governance framework that emphasises accountability and transparency, promoting responsible business practices and laying a solid foundation for sustained long-term value creation.

GOVERNANCE STRUCTURE
The shareholders exercise their rights at the Annual General Meeting, which is the supreme governing body of the company. During the Annual General Meeting, among other duties, the shareholders elect the members of the Board of Directors (the Board), approve the Annual Report and adopt any proposed changes to the company's Articles of Association.

Pandora has a two-tier management structure composed of the Board and Executive Management. The Board outlines 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 sustainability strategy, performance and targets. In addition, the Board is responsible for adopting the sustainability-related policies. This includes reviewing sustainability

OUR GOVERNANCE STRUCTURE



BOARD MEETINGS IN 2024

reporting and overseeing performance related to Pandora's strategic sustainability priorities and targets. Members of Executive Management are appointed by the Board. Executive Management is responsible for the day-to-day management and for the execution of Pandora's strategy.

Furthermore, Pandora has an Executive Leadership Team (the ELT), comprised of one woman and seven men, representing seven different nationalities. The team members are responsible for the day-to-day operations of their respective business areas and serve as a part of Pandora's overall leadership. Selected ELT members are also part of Pandora's Sustainability Board. (ESRS 2 GOV-1)

BOARD OF DIRECTORS

Composition

The Board is comprised of seven members, all elected at the Annual General Meeting for a one-year term. Currently, the Board consists of four women and three men, representing five different nationalities. In accordance with section 139c of the Danish Companies Act, this is considered equal gender representation on the Board.

In accordance with the Danish Recommendations on Corporate Governance, 86% of the Board members are regarded as independent. Christian Frigast, due to his more than 12-year tenure on the Board, no longer maintains independence status. The composition of the Board is intended to ensure relevant and complementary competencies and diversity. This approach is instrumental in supporting Pandora's strategic goals and vision, while ensuring well-considered, diverse and judicious decision-making. (ESRS 2 GOV-1)

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 2024, the board effectiveness review was conducted with the support of an external provider to ensure objectivity and benchmarking. 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. (ESRS 2 GOV-1)

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. (ESRS 2 GOV-3) More information can be found in the Remuneration Report. The committees' terms of reference are available at our website: pandoragroup.com/investor/corporate-governance/governance-documents.

BOARD MEMBERS	Board meetings attended								
Peter A. Ruzicka[1]	●	●	●	●	●	●	●	●	●
Christian Frigast[2]	◐	●	●	●	●	●	●	●	●
Lilian Fossum Biner	●	◐	●	●	●	●	●	●	●
Birgitta Stymne Göransson	●	●	●	●	●	●	●	●	●
Marianne Kirkegaard	●	◐	●	●	●	●	●	●	●
Catherine Spindler	●	◐	●	●	●	●	●	●	●
Jan Zijderveld	●	●	●	●	●	●	●	◐	●

AUDIT COMMITTEE	Committee meetings attended				
Lilian Fossum Biner[1]	●	●	●	●	●
Birgitta Stymne Göransson	●	●	●	●	●
Catherine Spindler	◐	●	○	○	○
Jan Zijderveld	●	●	●	●	◐

NOMINATION COMMITTEE	Committee meetings attended			
Marianne Kirkegaard[1]	●	●	●	●
Christian Frigast	●	●	●	●
Birgitta Stymne Göransson	●	●	●	●
Peter A. Ruzicka	●	●	●	●

REMUNERATION COMMITTEE	Committee meetings attended			
Peter A. Ruzicka[1]	●	●	●	●
Christian Frigast	●	●	●	●
Marianne Kirkegaard	○	○	●	●
Jan Zijderveld	●	●	●	●

● Meeting attended
◐ Meeting not attended
○ Not a member at the time

[1] Chair [2] Deputy Chair

Our office in New York City
More than 100 employees work at our North American headquarters located at Times Square in New York City.

Board activities in 2024
The Board held nine meetings in 2024. Its primary focus was to navigate Pandora carefully through uncertain macro-economic circumstances, including the implications from increased commodity prices and complex socio-political environments. Additionally, the Board ensured Pandora remains aligned with the next phase of the Phoenix strategy, announced during Pandora's Capital Markets Day in October 2023, which focuses on transforming the company into a full jewellery brand. Furthermore, the Board has overseen the integration of sustainability into relevant processes in Pandora, ensuring alignment with our strategic priorities and the sustainability targets.

Sustainability integration and governance
Sustainability is deeply integrated in our strategic direction and how we conduct business. It is governed at the highest level by the Board, which approves Pandora's climate transition plan. Responsibility for the execution of the strategic sustainability priorities is delegated to Pandora's Sustainability Board. The Sustainability Board is responsible for the strategic priorities and integrating sustainability into business decisions and processes within their respective functions. Reporting to the ELT, and in some matters directly to the Board, the Sustainability Board is chaired by Pandora's Chief HR Officer and consists of nine senior leaders, including ELT members.

Two subject-specific committees (the Responsible Sourcing Committee and the Responsible Marketing Committee) and two task forces (Low Carbon & Nature Task Force and Corporate Sustainability Reporting Directive (CSRD) Task Force) oversee key sustainability areas on responsible sourcing, responsible marketing, our work on environmental impacts, CSRD implementation and compliance within the company. They convene regularly and report to the Sustainability Board. In 2024, we updated our double materiality assessment, as part of the requirements of the CSRD. The double materiality results were approved by Pandora's Sustainability Board, with the Board providing oversight to ensure alignment with strategic goals. (ESRS 2 GOV-2)

Additional information
The Corporate Governance Statement for 2024, see section 107b of the Danish Financial Statements Act, is available on our website: pandoragroup.com/investor/corporate-governance/governance-statement.

Pandora A/S statutory report in accordance with section 99a and section 107d of the Danish Financial Statements Act is available in the Sustainability Statements.

Pandora's Global Data Ethics Policy, see section 99d of the Danish Financial Statements Act, is available on our website pandoragroup.com/sustainability/resources/policies.

At Pandora, we continue to apply principles of equality and equity in our data processing, respecting the individual behind the data and committing to sustainable data practices. In 2024, we further strengthened our approach to AI by deciding to establish a comprehensive AI Governance Framework to ensure compliance with evolving legislation, including the EU AI Act. Once established, this framework will include an AI catalogue, regulatory compliance assessments, policy framework, contractual frameworks, risk assessment and mitigation, legislation monitoring, audits, incident response and supplier screening. We also decided to build a Data Governance Framework to ensure that the data used to train our AI systems is accurate, timely, unbiased and privacy-compliant. To promote responsible AI usage, our AI Literacy Programme educates colleagues on the safe and ethical use of Generative AI. Pandora remains committed to our AI Safety Standard and will continue advancing these initiatives in 2025.

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 maintaining and strengthening the overall control environment, identifying weaknesses and ensuring necessary steps are taken to mitigate financial and sustainability risks through standardisation and process optimisation. A central Internal Audit and Compliance Controlling (IACC) function has been established 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. In 2024, the head of the IACC function reported to Pandora's Senior Vice President, Corporate Finance, with a dotted reporting line to the Audit Committee Chair. In 2025, the reporting line will be changed to the Chief Financial Officer, still with a dotted reporting line to the Audit Committee Chair. (ESRS 2 GOV-5)

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, 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 & Insurance 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 A/S 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 function is 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 the implemented controls, including those related to sustainability. The sustainability processes 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 control and the risk management process to ensure that identified risks are mitigated. In addition to monitoring of 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 IACC has regular meetings with the Chief Financial Officer and meetings with the Audit Committee without the presence of the management team. 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.

POLICY COLLECTION

Policies related to our corporate governance practices are available on our website.

- CODE OF CONDUCT ↗
- GLOBAL DATA ETHICS POLICY ↗
- GLOBAL ENVIRONMENTAL POLICY ↗
- GLOBAL HUMAN RIGHTS POLICY ↗
- HEALTH AND SAFETY POLICY ↗
- INCLUSION AND DIVERSITY POLICY ↗
- INVESTOR RELATIONS POLICY ↗
- PRIVACY POLICY ↗
- REMUNERATION POLICY ↗
- RESPONSIBLE SOURCING POLICY ↗
- SUPPLIER CODE OF CONDUCT ↗
- TAX POLICY ↗
- WHISTLEBLOWER POLICY ↗

BUSINESS ETHICS

STRENGTHENING OUR BUSINESS INTEGRITY

Pandora’s Code of Conduct sets out the ethical business practices and standards of behaviour, and all employees and partners are expected to adhere to these. Awareness initiatives are in place for all employees. Substantial efforts go into ensuring adherence to applicable regulations, implementing internal policies and growing a compliance culture.

WHISTLEBLOWER HOTLINE

We are committed to fostering a transparent and supportive environment through our whistleblower programme. Our Whistleblower Policy, aligned with the Danish Whistleblower Act and the EU Whistleblower Directive, provides a clear and secure process for employees to confidentially raise concerns. (ESRS S1-3)

The policy outlines a clear process for addressing issues raised through our whistleblower channels, including our dedicated hotline. Reports can be submitted confidentially through the EQS system or a designated whistleblower inbox. IACC reviews each case reported through the EQS system and directs it to the appropriate team. In certain cases, external consultants are engaged due to time constraints or data-sharing regulations.

In 2024, we took further steps to build awareness around our whistleblower programme. As part of our ongoing Speak Up! campaign, we launched mandatory whistleblower e-learning to ensure all employees are informed about the hotline and their right to safe, anonymous reporting. The e-learning aims to empower employees with knowledge of the Whistleblower Policy and assure them of fair and protected case handling. Speak Up! posters are displayed in our offices, crafting facilities, distribution centres and stores globally, reinforcing our commitment to a transparent culture.

In 2024, 233 cases were reported through the whistleblower platform, covering issues such as harassment, discrimination, racism and minor

Whistleblower hotline

In order to ensure confidential, secure and convenient reporting, the Pandora whistleblower hotline is hosted by an external service provider who provides a multi-lingual online reporting tool. It is possible to share cases in total anonymity.

grievances. None of the cases had a severe impact on our business operations or a material financial impact.

MITIGATING THE RISK OF BRIBERY AND CORRUPTION

In Pandora, we have a zero-tolerance policy for bribery and corruption. To mitigate the risk hereof, we have a dedicated compliance programme built up around our Code of Conduct, the Anti-Bribery and Corruption Policy, the Gifts and Entertainment Standard, the Conflict-of-Interest Policy and the Global Donation Standard. We use different communication methods to inform and engage our colleagues about how they can identify and prevent bribery and corruption.

In 2024, we re-launched e-learning courses for all our office employees on the Code of Conduct, and new e-learning courses are now available for Anti-Bribery and Corruption and Conflict-of-Interest. Furthermore, we provided more detailed trainings through webinars for employees who face a higher risk of corruption and bribery due to their role or location of work.

PROTECTING PERSONAL DATA TO RESPECT RIGHT TO PRIVACY

Our Privacy Policy outlines the principles we adhere to when managing personal data from customers, employees and other individuals. Pandora utilises personal data only when there is a legitimate purpose, ensuring that all data is used, stored, shared and protected in accordance with applicable privacy laws.

We prioritise data privacy awareness through regular training initiatives for our employees. In 2024, we expanded targeted training efforts for corporate employees across both Northern and Western Europe. Additionally, multiple corporate functions and markets hosted “Data Clean-up Days” to emphasise the importance of managing unstructured data. To further reinforce privacy principles and privacy-by-design, we introduced an updated, comprehensive supplier onboarding programme, ensuring that all third-party suppliers and partners to Pandora are thoroughly screened for compliance and privacy-related issues, thereby ensuring that adequate privacy protections and security measures are in place.

We investigate and resolve data privacy complaints in accordance with applicable laws. In 2024, we received no substantiated data privacy claims.

In 2024, we reported one incident to the Danish Data Protection Authority (Datatilsynet). The Authority did not deem it necessary to take any further action after reporting the issue. No other substantiated issues relating to Pandora’s data handling practices required reporting to the authorities.

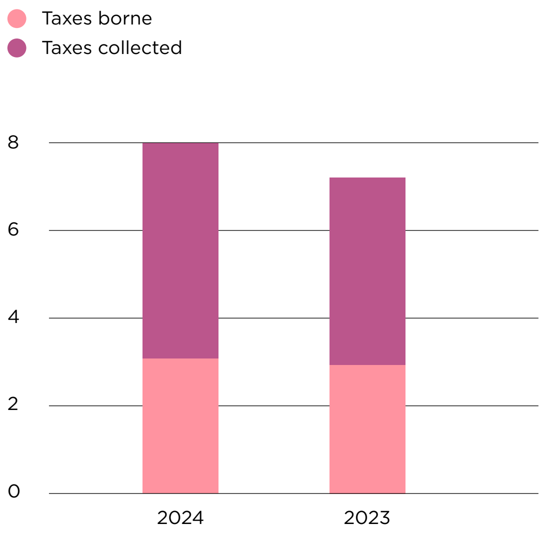
TAX

Pandora is committed to ensuring compliance with the letter and the spirit of the tax laws in all markets where we operate, while striving to maximise shareholder value in a responsible way.

As an international organisation, Pandora incurs and collects a wide range of taxes and duties around the world. Pandora’s total global tax contribution amounted to DKK 8.0 billion in 2024 compared to DKK 7.2 billion in 2023, which is split between taxes borne and taxes collected. Taxes borne includes taxes and duties such as corporate income tax and customs duties. Taxes collected includes taxes such as VAT/GST, sales taxes, taxes on wages and dividends.

Pandora strives to be a leader within tax transparency and voluntarily discloses a range of tax-related information. Pandora does not avoid taxes or exploit the lack of transparency and information exchange by operating in tax havens. In defining tax havens, we refer to the EU list of non-cooperative jurisdictions for tax purposes and the OECD principles. Where Pandora has a presence in low-tax jurisdictions, we ensure that we have commercial and economic substance and do not put in place artificial operating structures.

TAXES BORNE AND TAXES COLLECTED SPLIT
DKK billion



Pandora continues to have two companies located in Panama, which is included on the EU list of non-cooperative jurisdictions for tax purposes. One of the companies acts as the regional office for Latin America and receives an arm’s length service fee for this activity. The other company operates Pandora’s retail business in Panama, deriving a profit margin that is in line with Pandora’s other distributor subsidiaries, which is subject to tax in Panama at a rate of 25%.

Read more about Pandora’s tax principles and practices in Pandora’s Tax Policy.

MONEY LAUNDERING AND COMPLIANCE WITH SANCTIONS

Pandora is committed to conducting business in full compliance with applicable regulations concerning anti-money laundering, terrorist financing, due diligence, economic sanctions and embargoes.

Our Anti-Money Laundering Programme sets a global minimum standard with which all Pandora subsidiaries and affiliates must comply. The programme includes procedures for third-party due diligence, ensuring that our business partners are exposed to a thorough screening process, including monitoring of sanctions and adverse media. All employees who face a higher risk of exposure to money laundering-related risks are enrolled into our mandatory training programme consisting of e-learning and more detailed trainings through webinars.

BOARD OF DIRECTORS

PETER A. RUZICKA
Chair

Year of birth: 1964
Member since: 2019

Professional position:
Non-executive Board member.

Non-executive functions:
Chair of Royal Unibrew A/S and The Nutriment Company and member of the boards of Axfood AB, Aspelin Ramm Gruppen AS and AKA AS.

Skills and experience:
Vast operational experience with strategy execution and transformation as well as retail and brand optimisation at executive level. Furthermore, Peter A. Ruzicka has extensive expertise in sustainability, having led Orkla's ambitious climate programmes and chaired impactful environmental decisions at Pandora. He also contributes with experience from other board positions and insight into capital markets.

CHRISTIAN FRIGAST
Deputy Chair

Year of birth: 1951
Member since: 2010

Non-executive functions:
Chair of Axcel Management A/S, Erhvervslivets Tænketank, Nordsøfonden, Aktive Ejere (Active Owners Denmark), Bestyrelsesforeningen (Board Leadership Society of Denmark), Frigast A/S and Danmarks Skibskredit Holding A/S and member of the board of its subsidiary. Christian Frigast is Deputy Chair of PostNord, member of the board of Nissens A/S and member of the advisory board of Center for Strategisk CSRD.

Skills and experience:
Experience in general management, capital markets, consumer sales and retail execution. As a member of the advisory board of Center for Strategisk CSRD, he advises companies on creating value through the new EU sustainability reporting requirements.

LILIAN FOSSUM BINER

Year of birth: 1962
Member since: 2023

Professional position:
Non-executive Board member.

Non-executive functions:
Member of the boards of Carlsberg A/S, Alfa Laval AB, Scania AB and Röko AB.

Skills and experience:
Senior management experience in retail and consumer goods, with operational expertise in strategy, finance and sustainability. Serves on a foundation board, funding initiatives in health research, climate and education. She also brings 20 years of experience from mid and large-cap non-executive board positions in several large corporations, spanning both listed and private environments.

BIRGITTA STYMNE GÖRANSSON

Year of birth: 1957
Member since: 2016

Professional position:
Non-executive Board member.

Non-executive functions:
Chair of Industrifonden and member of the boards of Asker AB, Bure Equity AB, Bentley Endovascular AB and RVRC Holding AB.

Skills and experience:
Experience within areas such as consumer goods, retail execution, IT, digital, financial insights and capital markets. She also served as a board member for sustainability initiatives focused on social entrepreneurship, including Social Initiative, and was formerly the chairman of the NGO Fryshuset.

MARIANNE KIRKEGAARD

Year of birth: 1968
Member since: 2020

Professional position:
Executive Chair in Baker & Baker UK Ltd. and Managing Director in Rhône Group.

Non-executive functions:
Member of the boards of Faerch Group, Ilycaffè and Wahoo Fitness.

Skills and experience:
In-depth international insight into the consumer market, experience advancing the social sustainability agenda and experience of the complete value chain within large multinational corporations.

CATHERINE SPINDLER

Year of birth: 1977
Member since: 2020

Professional position:
President of Sephora Europe and Middle East.

Non-executive functions:
None.

Skills and experience:
Vast experience within international brand strategy, digital transformation and the beauty and cosmetics industry. Her experience spans high-growth digital environments and lifestyle apparel retail. Catherine Spindler has been instrumental in advancing Lacoste's sustainability initiatives, including reducing carbon emissions and environmental footprint per product sold.

JAN ZIJDERVELD

Year of birth: 1964
Member since: 2021

Professional position:
Non-executive Board member.

Non-executive functions:
Member of the boards of Koninklijke Ahold Delhaize N.V. and Symrise AG and senior advisor to a number of private equity firms.

Skills and experience:
International consumer market insight, extensive experience advancing environmental and social sustainability, as well as comprehensive knowledge of sustainability across the full value chain, gained during his tenure at Unilever and Avon.

The Board members' full CVs are available at pandoragroup.com.

EXECUTIVE LEADERSHIP TEAM

ALEXANDER LACIK
President & Chief Executive Officer (CEO)

Year of birth: 1965
Member since: 2019

Registered Executive Management. Alexander Lacik has more than 35 years' experience from large global consumer goods companies. Before joining Pandora, he was Chief Executive Officer of Britax Ltd., a British manufacturer of childcare products. He has also held Chief Executive Officer and senior management positions at Kasthall Golv & Mattor and Procter & Gamble as well as Reckitt Benckiser, where he held a number of positions, including Head of Reckitt Benckiser North America. He has a Bachelor's degree in Business Administration from the University of Växjö, Sweden. He is a member of the board of Aerbio ApS and the Watch & Jewellery Initiative 2030.

ANDERS BOYER
Executive Vice President & Chief Financial Officer (CFO)

Year of birth: 1970
Member since: 2018

Registered Executive Management. Anders Boyer has more than 20 years' experience in finance, business management and turnarounds. Prior to joining Pandora, Anders held positions as Chief Financial Officer at Hempel A/S and GN Store Nord A/S as well as Finance Director and subsequently Regional Director of ISS. Anders started his career at A.P. Møller – Mærsk A/S, where he worked for ten years. He has an MSc in Finance and Accounting from Copenhagen Business School, Denmark. He is a member of the board of SAS AB.

MASSIMO BASEI
Chief Commercial Officer

Member since: 2023

BYRON CLAYTON
Chief Human Resources Officer

Member since: 2023

STEPHEN FAIRCHILD
Chief Product Officer

Member since: 2011

BERTA DE PABLOS-BARBIER
Chief Marketing Officer

Member since: 2024

JEERASAGE PURANASAMRIDDHI
Chief Supply Officer

Member since: 2020

DAVID WALMSLEY
Chief Digital & Technology Officer

Member since: 2019

The Executive Leadership Team members' full CVs are available at pandoragroup.com.

SHAREHOLDER INFORMATION

In 2024, reflecting continued brand momentum and successful execution of the Phoenix strategy, the Pandora share price increased by 41% and ended the year with a closing price of DKK 1,317.

Throughout the year, DKK 5.5 billion has been returned to the shareholders through cash distribution, totalling 5% of the market capitalisation as of 31 December 2024.

The liquidity in the Pandora share remains strong with a free float of 100% of total shares outstanding and around 45 million shares traded in 2024, corresponding to 55% of shares outstanding.

As of 5 February 2025, Pandora has terminated its sponsored ADR programme. Unsponsored ADRs can still be traded over-the-counter in the US.

CAPITAL STRUCTURE AND CASH ALLOCATION

Pandora's capital structure serves to ensure that we have sufficient financial flexibility to pursue strategic goals and preserve a stable financial structure based on a strong balance sheet.

Pandora's capital structure policy is to maintain NIBD to EBITDA between 0.5x and 1.5x at year-end. At the end of 2024, our leverage ratio was 1.1x NIBD to EBITDA, which is in the middle of the capital structure policy range and in line with the ratio of 1.1x in 2023.

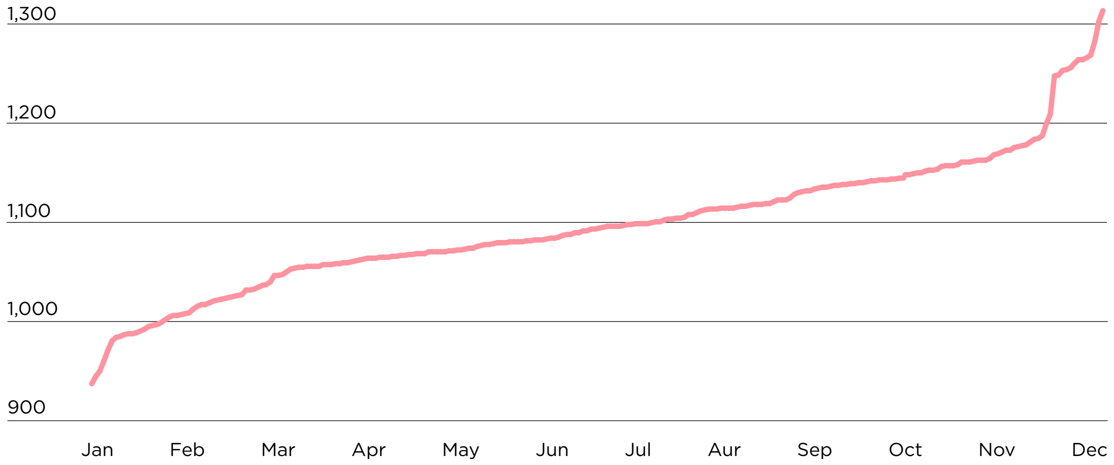
PROPOSED CASH DISTRIBUTIONS

Pandora continues to be highly cash-generative and will therefore continue to distribute significant cash to shareholders. For 2025, the Board of Directors (the Board) proposes a dividend of DKK 20 per share, corresponding to an absolute amount of DKK 1.6 billion, and a new share buyback programme of DKK 4.0 billion. The total cash distribution proposal over 12 months from February 2025 will amount to DKK 5.6 billion. Due to the phasing of share buyback programmes, the total cash return is expected to reach DKK 5.6 billion in the calendar year 2025. Subject to the authority vested in them by the shareholders at the most recent Annual General Meeting, the Board has the authority to initiate one or more share buyback programmes.

REVIEW OF 2024 SHARE BUYBACK AND DIVIDENDS

In 2024, Pandora paid out an ordinary dividend of DKK 18 per share. The total amount paid was around DKK 1.5 billion. In addition, a DKK 4.0 billion share buyback programme was launched in February 2024 and completed in full by 31 January 2025.

SHARE PRICE DEVELOPMENT 2024
DKK



ANNUAL DISTRIBUTIONS DKK billion	FY 2025 Proposed	FY 2024 Actual	FY 2023 Actual	FY 2022 Actual	FY 2021 Actual
Dividend (ordinary + interim)	1.6	1.5	1.4	1.5	1.5
Nominal dividend per share, DKK	20.0	18.0	16.0	16.0	15.0
Share buyback programme	4.0[1]	4.0	5.0	3.6	3.3
Total cash return	5.6	5.5	6.4	5.1	4.8

[1] Includes DKK 0.4 billion from already announced share buyback running until February 2025 and DKK 3.6 billion of new share buyback in the calendar year 2025.

SHARE INFORMATION

EXCHANGE	Nasdaq Copenhagen
TRADING SYMBOL	PNDORA
IDENTIFICATION NUMBER/ISIN	DK0060252690
NUMBER OF SHARES	82,000,000 of DKK 1, each with one vote
SHARE CLASSES	1
GICS	25203010
SECTOR	Apparel, Accessories & Luxury Goods
SEGMENT	Large

FINANCIAL CALENDAR 2025

05	FEB	ANNUAL REPORT 2024
05	FEB	REMUNERATION REPORT 2024
12	MAR	ANNUAL GENERAL MEETING
07	MAY	INTERIM REPORT Q1 2025
15	AUG	INTERIM REPORT Q2 2025
05	NOV	INTERIM REPORT Q3 2025

SHAREHOLDERS

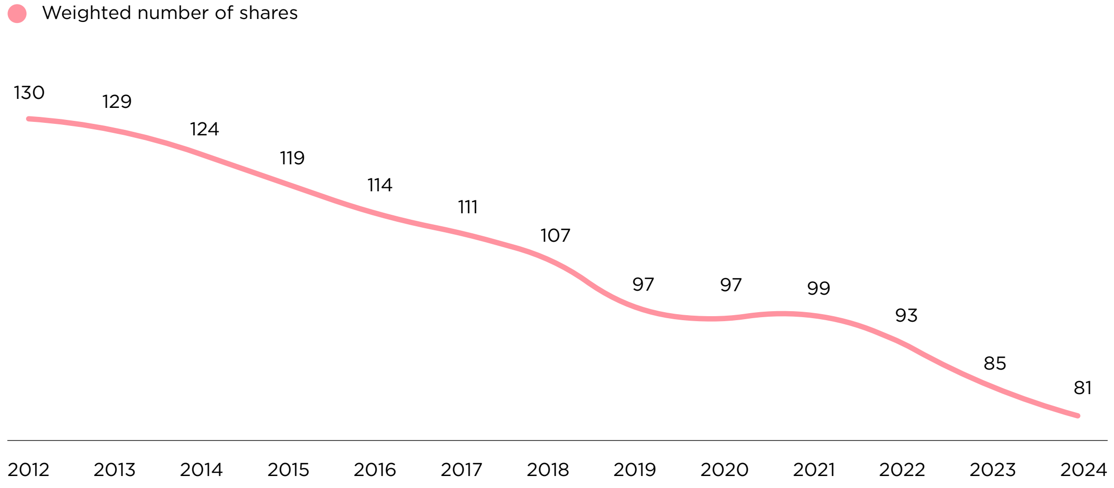
As of 31 December 2024, Parvus Asset Management Europe Limited[1] and BlackRock, Inc.[2] are listed as major shareholders, having more than 5% and around 10% of the total share capital of the company, respectively.

As of 31 December 2024, the geographical split of institutional investors was (% of share capital held by institutions):

- US 30%
- UK 31%
- Denmark 11%

As of 31 December 2024, Pandora's Board and Executive Management held a total of 84,539 and 410,313 Pandora shares, respectively, corresponding to 0.60% of the total share capital. This is an increase from 2023, where the Board and Executive Management held a total of 89,539 and 359,242 shares, respectively, corresponding to 0.50% of the total share capital.

NUMBER OF WEIGHTED OUTSTANDING SHARES SINCE 2012[1]
Million



[1] Calculated as the share capital, adjusted for the weighted average number of treasury shares in the year.

INVESTOR RELATIONS

Executive Management is responsible for the Investor Relations function, which is responsible for ensuring compliance with Pandora's Investor Relations Policy. Investor Relations reports to the Chief Financial Officer.

The purpose of Pandora's investor relations activities is to ensure that relevant, accurate and timely information is made available to the capital markets to serve as a basis for regular trading and a fair pricing of the share.

Prior to the planned release of any quarterly financial reports, Pandora does not comment on matters related to financial results or expectations. In addition, members of the Board and Executive Management are only allowed to trade shares in a four-week trading window following the announcement of interim and annual reports.

Pandora will ensure that the company is perceived as visible, accessible, reliable and professional by the capital markets and that Pandora is regarded among the best relative to peers. This will be achieved by complying with the rules and legislation for listed companies on Nasdaq OMX as well as Pandora's internal policies.

COMPANY WEBSITE

The Pandora Group website, pandoragroup.com, provides comprehensive information about our company, our activities, share performance and shareholders. Additionally, all company announcements, including interim and annual reports, as well as investor presentations, webcasts and conference call transcripts are made available on the website in due time. Furthermore, the website contains a financial and event calendar showing events and actions related to investors. A comprehensive list of the 21 analysts covering the Pandora share is maintained, including names, institutions and contact details.

[1] Parvus Asset Management Europe Limited, London, UK.
[2] BlackRock, Inc., Wilmington, Delaware, US.

PERFORMANCE REVIEW

PERFORMANCE

The strong performance in 2024 marks a successful beginning for the second phase of our Phoenix strategy. A year of solid growth, successfully taking the first steps in repositioning Pandora as a full jewellery brand.

We generated revenue of DKK 31.7 billion, delivering 13% organic growth, comprised of 7% like-for-like growth and 5% from network expansion. The performance reflects strong brand momentum, driving increased traffic and attracting new and returning customers. This shows that the significant investments across the organisation are yielding positive results. Investments span the Phoenix growth pillars, focusing on brand restaging, store network expansion, digital and technology and the people agenda. These efforts drive consistent brand heat, reflected in a 5% increase in unaided awareness and 11% in consideration.

CORE DEMONSTRATING RESILIENCY

Our *Core* segment, which represented 74% of total revenue in 2024, demonstrated resilience and steady growth, delivering like-for-like growth of 2%.

The enduring popularity of the Pandora Moments collection, which grew 3% like-for-like, continues to reinforce its position as a cornerstone of our brand and a resilient contribution to our overall performance. Strength in our *Core* segment was further supported by the continued success of our bracelets, which act as a recurring revenue base for charms. The Pandora ME collection remained a standout performer, delivering 13% like-for-like growth. Collabs contributed 8% to our revenue, with a like-for-like decline of -9%, as 2023's "Disney 100" collection, celebrating Disney's centenary, had driven a strong surge in interest.

FUEL WITH MORE – ACCELERATING GROWTH

The *Fuel with more* segment was a key growth engine in 2024, achieving 22% like-for-like growth and contributing 26% of total revenue. As we expand the awareness of our full jewellery offering, we continue to see more new customers entering our brand through the collections within the *Fuel with more* segment.

The Pandora Timeless collection continued its remarkable trajectory, delivering 22% like-for-like growth. The new PANDORA ESSENCE collection, which was launched globally in Q2 2024, was off to a great start and already makes up to 2% of our revenue. Pandora Signature represented 3% of our revenue, and whilst the performance was impacted by a cleanup of the assortment, the collection continues to serve as an important offering for our customers.

REVENUE BY SEGMENTS DKK million	2024	2023	Like-for-like	Growth in local currency	Share of revenue FY 2024	Share of revenue FY 2023
Core	**23,542**	**21,951**	**2%**	**9%**	**74%**	**78%**
- Moments	19,934	18,369	3%	10%	63%	65%
- Collabs	2,564	2,681	-9%	-4%	8%	10%
- ME	1,044	900	13%	17%	3%	3%
Fuel with more	**8,139**	**6,186**	**22%**	**33%**	**26%**	**22%**
- Timeless	6,339	4,787	22%	33%	20%	17%
- Signature	910	1,129	-21%	-18%	3%	4%
- PANDORA ESSENCE[1]	574	5	-	-	2%	0%
- Pandora Lab-Grown Diamonds	315	265	43%	18%	1%	1%
Total revenue	**31,680**	**28,136**	**7%**	**14%**	**100%**	**100%**

[1] PANDORA ESSENCE was launched in Q2 2024 following a pilot in the Netherlands in 2023.

REVENUE BY CHANNEL DKK million	2024	2023	Organic growth	Growth in local currency	Share of revenue FY 2024	Share of revenue FY 2023
Pandora-owned[1] retail	**26,135**	**22,034**	**18%**	**20%**	**82%**	**78%**
- of which concept stores	17,045	14,415	16%	20%	54%	51%
- of which online stores	7,120	5,892	21%	21%	22%	21%
- of which other points of sale	1,970	1,727	20%	20%	6%	6%
Wholesale	**4,684**	**5,369**	**-6%**	**-13%**	**15%**	**19%**
- of which concept stores	1,933	2,672	-15%	-27%	6%	9%
- of which other points of sale	2,751	2,697	4%	2%	9%	10%
Third-party distribution	**861**	**734**	**15%**	**15%**	**3%**	**3%**
Total revenue	**31,680**	**28,136**	**13%**	**14%**	**100%**	**100%**

[1] Pandora does not own any of the premises (land and buildings) where stores are operated. Pandora exclusively operates stores from leased premises.

Our Pandora Lab-Grown Diamonds collection continues to gain ground, with like-for-like growth of 43% in 2024. The collection has also had a notable positive halo effect on the Pandora brand, increasing consideration to purchase jewellery from any of the collections.

MARKET DEVELOPMENT – GAINING SHARE IN A SUBDUED MARKET

In 2024, we achieved solid growth, benefitting from our diversified geographical footprint across multiple markets, despite persistently low consumer confidence, geopolitical challenges and uncertainties in many geographies. The solid like-for-like growth of 7% was driven by our sustained global brand momentum, which boosted traffic and enabled Pandora to capture market share, even in a still uncertain consumer environment.

The US remains our largest market by revenue, with a share of business of 31% in 2024, yet our market share is just around 2%. Despite a turbulent year for US consumers, like-for-like growth was strong, driven by the brand momentum and further enhanced by the BE LOVE campaign and the positive halo effect from Pandora Lab-Grown Diamonds. This translated into like-for-like growth of 8% and organic growth of 14%, as network expansion fuelled further growth. Throughout 2024, we expanded the store network, adding a net of 37 concept stores and acquiring 36 stores from partners.

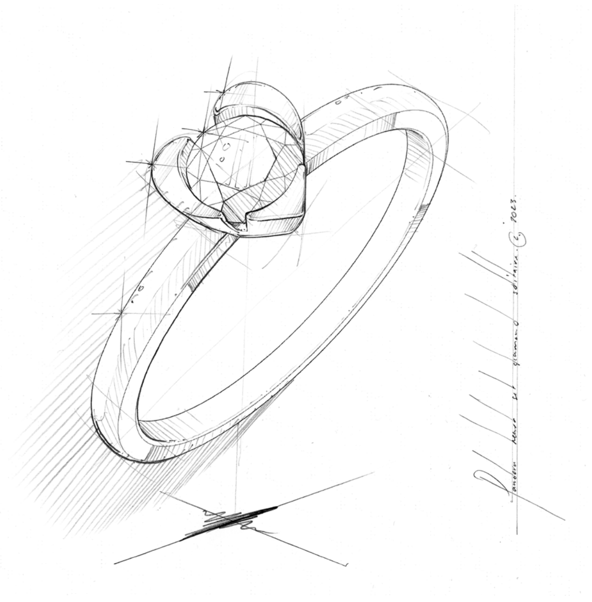
Our key markets in Europe delivered like-for-like growth of 4%, with Germany leading the way through consistent double-digit like-for-like growth at 45%. The performance in the UK, Italy and France was constrained by the low consumer sentiment and generally poor sector performance. Pandora's brand metrics are moving in the right direction for the UK, Italy and France, although this is yet to translate into higher in-store traffic in a still tough consumer environment.

China delivered like-for-like growth of -21%. The Chinese economy is still navigating its recovery from the pandemic's aftermath, with significant impact on our business in China. In 2023, following the lifting of restrictions, we initiated a re-staging of the brand focusing on Shanghai. While performance in Shanghai is clearly better than in the rest of mainland China, the demand generation is not yet sufficient to establish an attractive business model.

We remain committed to build the brand in China and are currently considering the next steps on the journey. During 2025, the store network will be optimised with an anticipated closure of at least 50 stores. The closures has minimal impact on the growth from network expansion in 2025.

Rest of Pandora demonstrated broad-based brand appeal across numerous geographies where brand penetration is still building, with significant growth potential. Like-for-like growth was strong at double-digit levels of 13%, which reflected broad-based growth, with contributions from many markets. Spain, Canada, Mexico and Poland are the biggest markets in this segment and delivered a combined 8% like-for-like growth. Overall, Rest of Pandora ended 2024 with a revenue of DKK 10.6 billion.

REVENUE BY KEY MARKET DKK million	2024	2023	Like-for-like	Organic growth	Share of revenue FY 2024	Share of revenue FY 2023
US	9,709	8,306	8%	14%	31%	30%
China	416	564	-21%	-25%	1%	2%
UK	3,929	3,821	-2%	0%	12%	14%
Italy	2,478	2,540	-7%	-3%	8%	9%
Australia	1,094	1,120	-4%	-2%	3%	4%
France	1,217	1,196	-5%	2%	4%	4%
Germany	2,206	1,527	45%	44%	7%	5%
Total key markets	**21,050**	**19,075**	**4%**	**9%**	**66%**	**68%**
Rest of Pandora	**10,630**	**9,062**	**13%**	**23%**	**34%**	**32%**
Total revenue	**31,680**	**28,136**	**7%**	**13%**	**100%**	**100%**



NETWORK DEVELOPMENT

In 2024, we expanded our retail network, adding 137 net new concept stores and 99 Pandora-owned shop-in-shops, contributing 5% to our organic growth.

Our network strategy focused on increasing accessibility globally, targeting key geographies in Europe, the Americas, and markets within the Rest of Pandora, where we see untapped growth potential. Moreover, in 2024, we acquired 36 concept stores, of which 12 are in the US. Converting partner stores to Pandora-owned retail not only fosters brand consistency, but also strengthens customer relationships. The performance trend further emphasises the value of forward integration, as Pandora-owned stores outperformed partner stores with a notable six percentage points delta in like-for-like growth in 2024.

PROGRESS ON SUSTAINABILITY TARGETS

Low-carbon business

In 2024, we continued our journey towards becoming a low-carbon business. We achieved a 17% reduction in emissions across our full value chain compared to a 2019 baseline. From 2023 to 2024, our emissions increased by 5%, primarily driven by the construction of our new crafting facility in Vietnam, network expansion, upgrades to our existing store fleet, as well as an increase in business travel, while growing the company by 13%. Despite the anticipated, moderate increase in total emissions, we remain focused on meeting our science-based targets of halving emissions by 2030 and reaching net zero by 2040.

Circular innovation

In 2023, we met our circular innovation target by sourcing only recycled silver and gold. Since August 2024, all Pandora jewellery has been crafted using 100% recycled silver and gold, significantly reducing our dependency on newly mined materials. Our continued focus on lab-grown diamonds and man-made stones further minimises our environmental impact.

Inclusive, diverse and fair culture

Fostering an inclusive, diverse and fair workplace remains a core commitment for Pandora. In 2024, 35% of VP-level and above roles were held by women, marking progress towards our goal of achieving gender parity in our Leadership Team no later than 2030.

STORE NETWORK

Number of points of sale	2024	2023	Growth
Concept stores	**2,788**	**2,651**	**137**
- of which Pandora-owned[1]	2,088	1,869	219
- of which franchise-owned	361	463	-102
- of which third-party distribution	339	319	20
Other points of sale	3,997	4,035	-38
- of which Pandora-owned[1]	**677**	**578**	**99**
- of which franchise-owned	3,072	3,144	-72
- of which third-party distribution	248	313	-65
Total points of sale	**6,785**	**6,686**	**99**

[1] Pandora does not own any of the premises (land and buildings) where stores are operated. Pandora exclusively operates stores from leased premises.

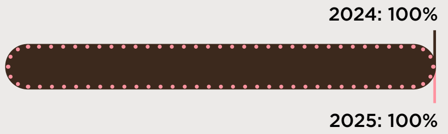
TARGETS AND PROGRESS

50% REDUCTION IN TOTAL EMISSIONS

By 2030, reduce total greenhouse gas emissions by 50% compared to 2019 baseline (Scopes 1, 2 and 3, market-based).

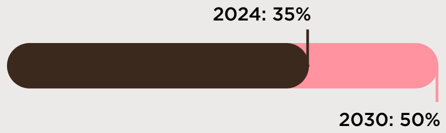
100% RECYCLED SILVER AND GOLD

By 2025, purchase 100% recycled silver and gold. Target achieved in 2023.



FULL GENDER PARITY

Achieve full gender parity in the Leadership Team no later than 2030.



As of 2024
Target

PROFITABILITY

In 2024, we achieved strong profitability, with the EBIT margin reaching 25.2%, comparable to guidance and last year's margin. This performance reflects the resilience of our fully integrated business model and the strategic decision to reinvest all operating leverage into the Phoenix growth pillars, supporting both current and future growth.

The gross margin achieved a record-high of 79.8%, an increase of 1.2 percentage points compared to 2023. This improvement was supported by price increases, cost efficiencies and channel mix, offsetting external pressures from commodity prices and foreign exchange rates. Within segments, the *Core* segment achieved a gross margin of 78.4%, while the *Fuel with more* segment excelled with a gross margin of 83.8%, further driving profitability.

Our OPEX ratio increased by 1.1 percentage points compared to 2023, as we continue to invest in strategic initiatives to fuel growth. Sales and distribution expenses rose by 20% in constant exchange rates, reflecting our expanded owned and operated store network, which contributed significantly to revenue growth and remains margin accretive by leveraging gross margin and on other OPEX lines. Marketing expenses increased by 15%, in line with our strategic focus on brand elevation, and represented 13.9% of revenue, at the mid-point of our targeted range of 13-15%. Administrative expenses decreased 70 basis points as a share of revenue, mainly driven by operating leverage.

Net financial items resulted in a cost of DKK 1,048 million compared to a cost of DKK 805 million in 2023. The development was driven by, among other factors, increased interest on debt, IFRS 16-related interest, fees, as well as adjustments for foreign exchange rates and net realised losses on foreign exchange hedging contracts.

Total tax expenses amounted to DKK 1.7 billion, corresponding to an effective tax rate of 24.5%. This is an increase in the effective tax rate of 50 basis points compared to 2023, mainly driven by the introduction of the Pillar Two tax rules.

Net profit for the year stood at DKK 5.2 billion, reflecting steady operational excellence amidst a challenging external environment. Earnings per share grew by 17% to a new high of DKK 65, underscoring our commitment to delivering shareholder value through sustainable and profitable growth.

EBIT MARGIN
2023: 25.0%

25.2%

EPS
2023: 55

65

COST OF SALES AND GROSS PROFIT **DKK million**	2024	2023	Growth in constant FX	Share of revenue 2024	Share of revenue 2023
Revenue	31,680	28,136	14%	100.0%	100.0%
Cost of sales	-6,391	-6,012	9%	20.2%	21.4%
Gross profit	**25,289**	**22,125**	**15%**	**79.8%**	**78.6%**

OPERATING EXPENSES **DKK million**	2024	2023	Growth in constant FX	Share of revenue 2024	Share of revenue 2023
Sales and distribution expenses	-10,450	-8,858	20%	33.0%	31.5%
Marketing expenses	-4,394	-3,849	15%	13.9%	13.7%
Administrative expenses	-2,471	-2,379	4%	7.8%	8.5%
Total operating expenses	**-17,315**	**-15,086**	**16%**	**54.7%**	**53.6%**

EBIT **DKK million**	2024	2023		EBIT margin 2024	EBIT margin 2023
Operating profit (EBIT)	**7,974**	**7,039**		**25.2%**	**25.0%**

BALANCE SHEET AND CASH FLOWS

CASH FLOWS

Net working capital ended at only -1.7% of revenue in 2024 compared to 1.8% in 2023. The reduction was driven by broad based improvements across the working capital, from strong inventory management to optimisation of trade balances.

Cash conversion was strong in 2024, ending at 85% (2023: 78%); driven by the improvement in net working capital offsetting the impact from planned investments related to the profitable network expansion and store refits associated to the roll-out of our new store concept.

Free cash flows including lease payments ended at DKK 6.8 billion (2023: 5.5 billion). CAPEX remained stable at 6% of revenue in 2024, equivalent to a year-over-year increase of DKK 295 million, bringing CAPEX to a total of DKK 1.9 billion.

CASH CONVERSION
2023: 78%

85%

ROIC
2023: 45%

46%

This was mainly driven by the aforementioned planned investments into the profitable network expansion and refurbishment and investments in the new crafting facility in Vietnam.

ROIC remains structurally high at 46%, broadly in line with last year. The high ROIC continues to be supported by the investments into expanding our store network, as new stores are ROIC accretive on a run-rate basis.

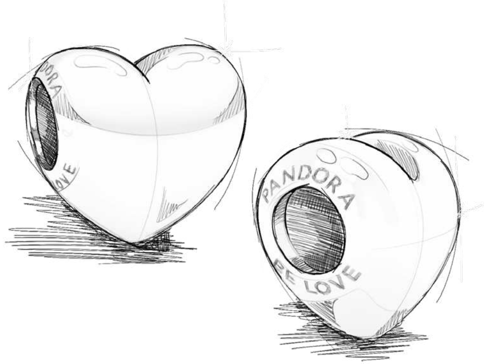
BALANCE SHEET

Non-current assets increased by DKK 2.7 billion to DKK 18.5 billion at the end of 2024, driven by the network expansion increasing the right-of-use assets as well as CAPEX (property, plant and equipment) related to the store network.

At the end of 2024, net interest-bearing debt amounted to DKK 11.0 billion, up from DKK 9.8 billion in 2023. This corresponds to a leverage of 1.1x by the end of 2024, in line with 2023, remaining around the midpoint of the capital structure policy range of 0.5x to 1.5x. At the end of 2024, Pandora had DKK 7.1 billion in undrawn committed credit facilities.

Current assets were DKK 9.2 billion, an increase of DKK 1.2 billion compared to 2023 due to the strategic shift in funding mix towards greater reliance on bond issuances, reducing dependency on revolving credit facilities and uncommitted credit lines, alongside strong cash flow generation in Q4 that led to excess cash on the balance sheet.

At the end of 2024, equity in Pandora amounted to DKK 5.5 billion broadly in line with last year (2023: 5.4 billion). In 2024, we paid out DKK 1.5 billion in ordinary dividend and bought back own shares for a total of DKK 4 billion.



NET WORKING CAPITAL

Share of preceding 12 months' revenue	2024	2023	2022	2021	2020
Inventories	14.0%	14.8%	15.9%	12.8%	10.3%
Trade receivables	3.8%	4.8%	4.8%	4.3%	4.6%
Trade payables	-12.3%	-11.4%	-11.8%	-14.0%	-16.9%
Other net working capital elements	-7.3%	-6.4%	-4.7%	-8.2%	-5.6%
Total	**-1.7%**	**1.8%**	**4.2%**	**-5.0%**	**-7.6%**

SUSTAINABILITY STATEMENTS

SUSTAINABILITY STATEMENTS

SECTION 1

SECTION 2

SECTION 3

SECTION 1

GENERAL INFORMATION

This section outlines the basis of preparation of our sustainability disclosures and the process behind our double materiality assessment. It includes an overview of our material sustainability matters and an illustration of the material impacts, risks and opportunities across the value chain.

Furthermore, it provides an overview of where the disclosure requirements for the material sustainability matters are addressed. For detailed insights into our material sustainability matters, follow the links below.

ENVIRONMENT

SOCIAL

BASIS OF PREPARATION

GENERAL PRINCIPLES

This chapter outlines the general principles for the application of accounting policies, as well as significant accounting estimates and judgements for the sustainability disclosures.

The Sustainability Statements are prepared in accordance with the Danish Financial Statements Act for class D companies, which incorporates the requirements from the EU's Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS). All included data points have been assessed as either material, based on our double materiality assessment (DMA), or of strategic importance. To enhance transparency, we also provide disclosures aligned with the Sustainability Accounting Standards Board (Apparel, Accessories & Footwear).

As this is our first year reporting under the new mandatory disclosure requirements, certain historical data is unavailable. Historical data is unavailable, if metrics are disclosed for the first time in 2024 or have been adjusted according to the ESRS-aligned accounting policies. In these instances, we have marked with a "-" to indicate the unavailability. The first two years of the new disclosure requirements are considered transitional, allowing for regulatory adjustments, and more clear guidance and practice are expected to be issued in the coming years, which might potentially affect our future disclosures.

iXBRL REPORTING

General tagging of the Sustainability Statements is conducted in line with the Danish Financial Supervisory Authority requirements, following an approach consistent with the tagging of the Financial Statements. For 2024, iXBRL tagging of the Sustainability Statements under CSRD is not applied, as the European Single Electronic Format (ESEF) has not been formally adopted.

PRINCIPLES OF CONSOLIDATION

The data points in the Sustainability Statements follow the same consolidation principles as the Financial Statements, unless otherwise specified in the accounting policies. Data covering the value chain includes upstream, downstream and direct operations where applicable. No information has been omitted due to concerns about confidentiality, classification or sensitivity.

ACCOUNTING POLICIES AND CHANGES

The accounting policies have been aligned with the ESRS and have been consistently applied to all data presented. Significant accounting estimates and judgements are highlighted alongside the relevant data point. Our time horizons – short, medium and long term – are aligned with the ESRS definitions and applied throughout. Changes to previously disclosed sustainability data are described where applicable. In 2024, we have corrected our historic emission data and aligned our reporting of energy and water with the ESRS definitions. For more information, see the Greenhouse gas emissions and Water management in own operations chapters.

ACCOUNTING ESTIMATES AND JUDGEMENTS

Certain data points, including Scope 3 emissions and EU Taxonomy disclosures, rely on accounting estimates. The accounting estimates are reassessed annually to ensure they reflect our experience, developments in sustainability reporting and other relevant factors. Any changes to accounting estimates are recognised in the period in which the revision occurs. Where judgements have been applied in the accounting policies, this is specified alongside the reported data point.

In 2024, sustainability issues do not constitute material impacts on Pandora's financial position, financial performance and cash flows. Recurring costs are included in our current Financial Statements and budget for next year, and we do not foresee significant risk of a material adjustment to the carrying amounts of assets and liabilities reported in our Financial Statements within the next annual reporting period. Accordingly, we have not identified any material current financial impacts. In accordance with CSRD guidance, we have decided to postpone the reporting on the anticipated financial effects of environmental matters and the allocation of financial resources (CAPEX and OPEX) linked to environmental initiatives in our first reporting year.

READERS' GUIDE

The structure of the Sustainability Statements follows the requirements of the Danish Financial Statements Act and is divided into three sections. The first section provides the required general information. This is followed by the Environment section, which covers Pandora's material environmental matters, and the Social section, addressing our material social matters. The mandatory governance disclosures (GOV 1-5) are integrated into the Governance chapter, as well as our Risk chapter (GOV-5). For details on our Strategy and Business model (SBM-1), please refer to the respective chapters. Our Executive summary covers insights into our product offering, markets and revenue (SBM-1). For detailed insights into Pandora's sustainability performance, see the Environment or the Social section.

FORWARD-LOOKING STATEMENTS

The Sustainability Statements includes forward-looking statements based on disclosed assumptions about events that may occur in the future and possible future actions by the Group. Actual outcomes are likely to be different since anticipated events frequently do not occur as expected.

DOUBLE MATERIALITY ASSESSMENT

STRATEGIC INSIGHTS FOR SUSTAINABLE IMPACT

In 2024, we updated our double materiality assessment to align with the latest requirements and to future-proof our strategic sustainability priorities.

Our double materiality assessment (DMA) serves as a strategic tool, providing a comprehensive overview of our business's impact and external influence. It is aligned with the latest guidelines related to the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS).

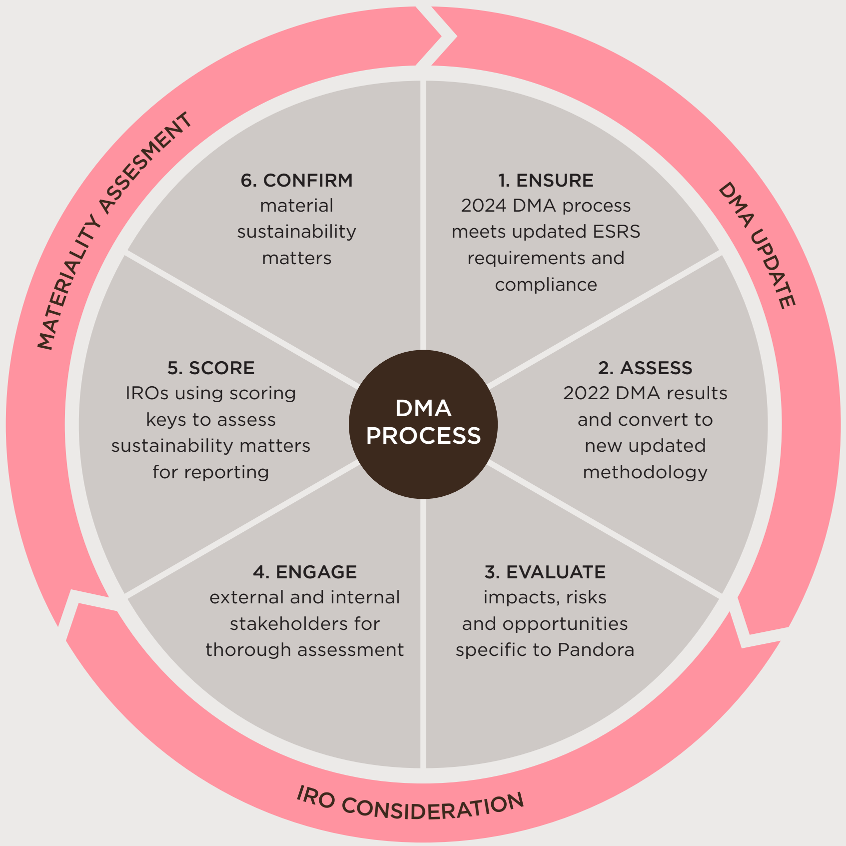
IDENTIFYING AND MEASURING IMPACTS, RISKS AND OPPORTUNITIES (IROs) AND STAKEHOLDER ENGAGEMENT

Our DMA evaluates Pandora's actual and potential as well as non-material IROs from both an inside-out and outside-in perspective. This encompasses our own operations and value chain, as well as the financial implications of sustainability risks and opportunities for the company. Compared to 2022, the 2024 assessment adopted a more refined IRO-based methodology, providing a detailed understanding of material sustainability matters and their origins.

We engaged key stakeholders to validate and enhance our findings, gathering insights into industry and geographical context. Their input enabled us to score impacts based on severity, scope, irremediability and likelihood using a 5-point scale.

We also assessed financial risks and opportunities using parameters tailored to our business and aligned with our enterprise risk management thresholds. Issues scoring 3 or higher were flagged as material sustainability matters.

Following our enterprise risk management approach, we grouped the IROs in our material sustainability matters into 10 topics, confirming those identified in 2022. Our CSRD Task Force



DOUBLE MATERIALITY ASSESSMENT 2024

Our 2024 double materiality assessment (DMA) builds upon the 2022 assessment, by incorporating a more refined IRO-based methodology. We began by updating the 2022 DMA to align with new requirements and tools, revisited the identified IROs and concluded with a materiality assessment of the IROs.

discussed the results of the DMA process, with Pandora's Sustainability Board approving the results and external auditors reviewing the process. Our Board of Directors provided oversight to ensure alignment with strategic goals. Additionally, we consulted our employee engagement group, Pandora Voices. This collaborative approach reconfirmed the relevance of our material sustainability matters, which guide our reporting and strategic focus. By embedding transparency and accountability into the process, we ensure our strategic approach remains adaptable to evolving challenges, opportunities and regulatory requirements.

FINDINGS FROM THE DMA

The DMA identified Pandora's material sustainability impacts, along with sustainability-related risks and opportunities. These insights confirm the strength of our current strategic approach and business model, enhance the governance of our sustainability data and inform updates to our material priorities.

The material sustainability matters grouped into the 10 topics are all in scope for our disclosures in the Annual Report. The outcome is detailed in the Environment and Social sections. Sufficient resources have been allocated for all actions related to these material matters.

We also detail the process used to identify and assess immaterial IROs for sustainability matters, or, at the time of assessment, not most material. As part of our double materiality assessment, we reviewed actual and potential IROs related to biodiversity across our value chain, which included consultations with relevant stakeholders, including affected communities, suppliers and our own employees, and focused on sites located in or near biodiversity-sensitive areas. Based on the findings and existing plans to minimise and mitigate such impacts, IROs for biodiversity were assessed as less material for our business or will be included indirectly in other material matters.

We applied the same approach when assessing IROs related to business conduct matters. We focused on evaluating how key topics such as corporate culture, corruption and bribery, whistleblower protection, political engagement and the management of supplier relationships relate to our sector, operating locations and activities. This assessment concluded that all these sub-topics are less material or immaterial from a sustainability perspective, based on current practice and assessments.

To support the continued refinement and accuracy of our DMA, we developed an internal double materiality assessment manual. The manual ensures consistency, accuracy and alignment with our established procedures for validation and approval as well as alignment with updated requirements. By formalising this process, we strengthen our ability to address challenges, leverage opportunities and secure long-term business resilience.

The results of the DMA also inform the overall structure of the Sustainability Statements in this Annual Report. See the chapter Value chain impacts for a graphic highlighting the identified IROs across the value chain. It links to our material sustainability matters and the associated actions and targets detailed in the following chapters.

NOTABLE PARTNERSHIPS AND COLLABORATIONS

WE SUPPORT UN GLOBAL COMPACT

unicef

SCIENCE BASED TARGETS

Nordic BUSINESS NETWORK for HUMAN RIGHTS

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

CDP DISCLOSURE INSIGHT ACTION

WATCH & JEWELLERY INITIATIVE 2030

MOST AFFECTED STAKEHOLDER GROUPS

UPSTREAM

SUPPLIERS

We actively engaged with both direct and indirect suppliers through interviews and ongoing dialogue to better understand their risks and impacts related to their engagement with Pandora. Our discussions focused on supplier management, business conduct, working conditions and fair wages, ensuring we can effectively support our suppliers in addressing these critical areas.

OWN OPERATIONS

EMPLOYEES

We connected with employees through interviews and drew insights from Pandora's previous third-party human rights impact assessment. Topics covered included diversity, fair wages and workplace culture, helping us understand potential impacts and risks associated with our working environment.

LOCAL COMMUNITIES AND PARTNERS

We conducted interviews with UNICEF and other international organisations, exploring topics such as migration, local communities and human rights. We also draw on the results from the 2022 Human Rights Impact Assessment of our crafting sites in Thailand, which included interviews with local communities on "liveable environment" on topics such as water quality, shortages and wastewater from the industrial zones our facilities are located in.

DOWNSTREAM

CONSUMERS

We gathered valuable input from consumers through research by our Consumer Insights team, addressing key areas like packaging, diversity, greenwashing and the representation of minority groups.

INVESTORS

We engaged with investors through questionnaires to gather feedback on transparency, responsible business practices and marketing strategies, ensuring we align with their expectations and foster trust.

VALUE CHAIN IMPACTS

MAPPING IMPACTS FOR SUSTAINABLE PROGRESS

We address material impacts across our value chain to create value for stakeholders and mitigate risks. By managing key activities largely in-house, we advance responsible growth, reduce negative outcomes and strengthen business resilience.

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES (IROs)

- Positive impacts
- Negative impacts
- Sustainability-related risks
- Sustainability-related opportunities

OUR VALUE CHAIN

INBOUND LOGISTICS & SOURCING → INNOVATIVE DESIGN → RESPONSIBLE SOURCING → HIGH-QUALITY JEWELLERY CRAFTING → GLOBAL BRAND & MARKETING → PACKAGING & DISTRIBUTION → OMNICHANNEL RETAIL → PRODUCT REUSE & REPAIR → OUTBOUND LOGISTICS & SERVICE

UPSTREAM → OWN OPERATIONS[1] → DOWNSTREAM

IROs FROM UPSTREAM ACTIVITIES

- GHG emissions from energy intensive processes
- Use of raw materials and chemicals
- Supplier misconduct on human and labour rights
- Climate-related transition risks
- Resource dependencies and shortages

IROs FROM OWN OPERATIONS

- Secure employment and protection of personal data
- GHG emissions and usage of non-renewable energy
- Water consumption
- Diversity and inclusion inequalities
- Minimum pay standards and living wage discrepancies
- Climate-related transition risks
- Secure and flexible employment
- Sourcing renewable electricity to enhance energy independence

IROs FROM DOWNSTREAM ACTIVITIES

- Social inclusion and diversity through promotion channels
- GHG emissions from outbound logistics & service
- Packaging waste
- Climate-related transition risks
- Ethical and diverse marketing practices

[1] With a fully integrated business model, our own operations cover large parts of the value chain. The business activities visualised as own operations are mainly performed in-house, however not 100%.

MATERIAL SUSTAINABILITY MATTERS

ENVIRONMENTAL MATTERS

The reasoning behind each matter is outlined below and further elaborated in the subsequent chapters.

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES (IROs)

- Positive impacts
- Negative impacts
- Sustainability-related risks
- Sustainability-related opportunities

GHG EMISSIONS

Pandora emitted 1,251 tonnes CO_2 equivalents in Scopes 1 and 2, and 284,947 tonnes CO_2 equivalents in Scope 3 in 2024. Meeting our science-based targets is essential to limiting our environmental impact. Failing to decarbonise responsibly could result in financial penalties, legal challenges, rising costs and reputational damage.

For more information, see page 64.

ENVIRONMENTAL IMPACTS OF MINING

Pandora now sources 100% recycled silver and gold. However, we still rely on newly mined materials, such as copper used in some of our jewellery. Copper and other newly mined materials potentially impact ecosystems and present environmental risks.

For more information, see page 71.

ENVIRONMENTAL IMPACTS OF MATERIALS

Chemistry is essential to crafting high-quality products. While applied safeguards meet or exceed legal standards, our 2024 double materiality assessment identified possible negative impacts associated with chemical use.

For more information, see page 73.

ENVIRONMENTAL IMPACTS OF INDIRECT PROCUREMENT

Pandora's packaging materials, including plastic and paper, contribute to waste in the downstream value chain. These impacts can be harmful to the environment and can lead to financial and reputational risks if unaddressed.

For more information, see page 75.

WATER MANAGEMENT IN OWN OPERATIONS

Water is integral to crafting our jewellery. In 2024, 25% of the water used across crafting sites was recycled. However, with some sites located in water-stressed areas, we face possible risks of water scarcity and water quality.

For more information, see page 76.

IROs FROM ACTIVITIES

GHG EMISSIONS

UPSTREAM

- GHG emissions from energy intensive processes (negative impact)
- Climate-related transition risks (risk)

OWN OPERATIONS

- GHG emissions and usage of non-renewable energy (negative impact)
- Climate-related transition risks (risk)
- Sourcing renewable electricity to enhance energy independence (opportunity)

DOWNSTREAM

- GHG emissions from outbound logistics & service (negative impact)
- Climate-related transition risks (risk)

ENVIRONMENTAL IMPACTS OF MINING

UPSTREAM

- Use of raw materials (negative impact)
- Resource dependencies and shortages (risk)

ENVIRONMENTAL IMPACTS OF MATERIALS

UPSTREAM

- Use of chemicals (negative impact)

ENVIRONMENTAL IMPACTS OF INDIRECT PROCUREMENT

DOWNSTREAM

- Packaging waste (negative impact)

WATER MANAGEMENT IN OWN OPERATIONS

OWN OPERATIONS

- Water consumption (negative impact)

MATERIAL SUSTAINABILITY MATTERS

SOCIAL MATTERS

The reasoning behind each matter is outlined below and further elaborated in the subsequent chapters.

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES (IROs)

- Positive impacts
- Negative impacts
- Sustainability-related risks
- Sustainability-related opportunities

DIVERSITY, EQUITY AND INCLUSION

We are committed to fostering an inclusive workplace that reflects the diversity of our global workforce. With targeted initiatives, we strive to achieve gender parity in our Leadership Team, ensure pay equity, and embed diversity, equity and inclusion principles across all operations. Today, 35% of VP-level and above roles are held by women.

For more information, see page 87.

ADEQUATE WAGE

Ensuring all employees are paid equitably and receive adequate wage is central to Pandora's commitment to social responsibility. Failure to meet national or legal wage standards could result in financial penalties, reputational harm and reduced employee trust and retention.

For more information, see page 92.

HUMAN RIGHTS IN OWN OPERATIONS

Fair treatment and equal access to career progression and development are essential to Pandora's success. Secure employment includes being heard, having complaints handled fairly and a workplace free from discrimination. Lapses in data handling and privacy could lead to financial penalties and erode employee trust.

For more information, see page 94.

WORKERS IN THE VALUE CHAIN

Pandora supports many livelihoods through employment provided by our suppliers and partners. However, workers in these settings may face risks such as forced labour, excessive working hours and other human rights concerns. Insufficient oversight of labour standards could result in financial and reputational damage.

For more information, see page 98.

RESPONSIBLE MARKETING

Pandora has a responsibility to uphold responsible marketing practices and to ensure a representation of diverse and inclusive voices in our market communication. Failure to do so could lead to reputational damages, loss of consumer trust and increased scrutiny from stakeholders and industry regulators.

For more information, see page 100.

IROs FROM ACTIVITIES

OWN OPERATIONS (Diversity, equity and inclusion)

- Diversity and inclusion inequalities (negative impact)
- Secure and flexible employment (opportunity)

OWN OPERATIONS (Adequate wage)

- Minimum pay standards and living wage discrepancies (negative impact)

OWN OPERATIONS (Human rights in own operations)

- Secure employment and protection of personal data (positive impact)

UPSTREAM (Workers in the value chain)

- Supplier misconduct on human and labour rights (negative impact)

DOWNSTREAM (Responsible marketing)

- Social inclusion and diversity through promotion channels (positive impact)
- Ethical and diverse marketing practices (opportunity)

DISCLOSURE REQUIREMENTS BY REFERENCE

The tables shown on the following pages provide an overview of our alignment with disclosure requirements as outlined in European Sustainability Reporting Standards (ESRS) 2 and our material sustainability matters that have guided the preparation of our Sustainability Statements.

Disclosure requirements in topical standards below our materiality threshold have been excluded. However, as we report on four entity-specific matters, we have sought guidance from the ESRS, where it is relevant to use comparable disclosure requirements, even though these were below our materiality thresholds.

The overview serves as a guide to the disclosure requirements, indicating whether they are included in the Sustainability Statements, other chapters of the Annual Report or in the separately published Remuneration Report.

If a disclosure requirement is not considered material or is not applicable this year, it is not referenced, marked as '-'.

CROSS-CUTTING STANDARDS

GENERAL DISCLOSURES	DISCLOSURE REQUIREMENTS		SECTION	CHAPTER	PAGE	DERIVED FROM OTHER EU LEGISLATION
ESRS 2: General disclosures	ESRS 2 BP-1	General basis for preparation of Sustainability Statements	SS	Basis of preparation	49	
ESRS 2: General disclosures	ESRS 2 BP-2	Disclosures in relation to specific circumstances	SS	Basis of preparation	49	
ESRS 2: General disclosures	ESRS 2 GOV-1	The role of the administrative, management and supervisory bodies	MR	Corporate governance	30-31	x
ESRS 2: General disclosures	ESRS 2 GOV-2	Information provided to the above-mentioned bodies	MR	Corporate governance	32	
ESRS 2: General disclosures	ESRS 2 GOV-3	Sustainability-related performance in incentive schemes	MR, RM	Corporate governance, Incentive metrics	31, 4	
ESRS 2: General disclosures	ESRS 2 GOV-4	Statement on due dilligence	SS	Statement on sustainability due dilligence	62	x
ESRS 2: General disclosures	ESRS 2 GOV-5	Risk management and internal controls	MR	Risk, Corporate governance	26, 33	
ESRS 2: General disclosures	ESRS 2 SBM-1	Strategy, business model and value chain (business model)	MR	Business model	19	
ESRS 2: General disclosures	ESRS 2 SBM-1	Strategy, business model and value chain (products, markets, revenue)	MR	Executive summary	10	
ESRS 2: General disclosures	ESRS 2 SBM-1	Strategy, business model and value chain (sustainability strategy)	MR	Strategy	22	
ESRS 2: General disclosures	ESRS 2 SBM-1	Strategy, business model and value chain (headcount by country)	FS	Note 2.4: Taxation	120	
ESRS 2: General disclosures	ESRS 2 SBM-1	Strategy, business model and value chain (breakdown of revenue)	MR	Executive summary	9	x
ESRS 2: General disclosures	ESRS 2 SBM-2	Interests and views of stakeholders	SS	Double materiality assessment	51	
ESRS 2: General disclosures	ESRS 2 SBM-3	Material impacts, risks and opportunities (IROs) and business model interaction	SS	Double materiality assessment, Value chain impacts, Material sustainability matters	50-54	
ESRS 2: General disclosures	ESRS 2 IRO-1	Processes to identify IROs	SS	Double materiality assessment, Value chain impacts, Material sustainability matters	50-54	
ESRS 2: General disclosures	ESRS 2 IRO-2	Disclosure requirements covered by Sustainability Statements	SS	Disclosure requirements by reference	55-61	

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GHG EMISSIONS	DISCLOSURE REQUIREMENTS		SECTION	CHAPTER	PAGE	DERIVED FROM OTHER EU LEGISLATION
ESRS 2: General disclosures	ESRS 2 GOV-3	Sustainability-related performance in incentive schemes	MR, RM	Corporate governance, Incentive metrics	31, 4	
ESRS E1: Climate-change	ESRS E1-1	Transition plan for climate change mitigation	SS	Greenhouse gas emissions	64	x
ESRS 2: General disclosures	ESRS 2 SBM-3	Material IROs and business model interaction	SS	Value chain impacts, Material sustainability matters	52-54	
ESRS 2: General disclosures	ESRS 2 IRO-1	Processes to identify IROs	SS	Double materiality assessment	50-51	
ESRS E1: Climate-change	ESRS E1-2	Policies related to climate change mitigation and adaption	SS	Greenhouse gas emissions	67	
ESRS E1: Climate-change	ESRS E1-3	Actions and resources in relation to climate change policies	SS	Greenhouse gas emissions	64-67	
ESRS E1: Climate-change	ESRS E1-4	Targets related to climate change mitigation and adaptation	SS	Greenhouse gas emissions	64	x
ESRS E1: Climate-change	ESRS E1-5	Energy consumption and mix	SS	Greenhouse gas emissions	70	x
ESRS E1: Climate-change	ESRS E1-6	Gross Scopes 1, 2 and 3 and total GHG emissions	SS	Greenhouse gas emissions	68-69	x
ESRS E1: Climate-change	ESRS E1-7	GHG removals and carbon credit-financed mitigation projects	-	-	-	x
ESRS E1: Climate-change	ESRS E1-8	Internal carbon pricing	-	-	-	
ESRS E1: Climate-change	ESRS E1-9	Anticipated financial effects	-	-	-	x

ENVIRONMENTAL IMPACTS OF MINING	DISCLOSURE REQUIREMENTS		SECTION	CHAPTER	PAGE	DERIVED FROM OTHER EU LEGISLATION
ESRS 2: General disclosures	ESRS 2 SBM-2	Interests and views of stakeholders	SS	Double materiality assessment	51	
ESRS 2: General disclosures	ESRS 2 SBM-3	Material IROs and business model interaction	SS	Value chain impacts, Material sustainability matters	52-54	
Environmental impacts of mining	MDR-P	Policies related to environmental impacts of mining	SS	Environmental impacts of mining	71	
Environmental impacts of mining	MDR-A	Actions related to environmental impacts of mining	SS	Environmental impacts of mining	71-72	
Environmental impacts of mining	MDR-T	Targets related to environmental impacts of mining	SS	Environmental impacts of mining	71-72	
Environmental impacts of mining	Not available	KPI for entity specific material matter: recycled silver and gold	SS	Environmental impacts of mining	72	
Environmental impacts of mining	Not available	Anticipated financial effects related to environmental impacts of mining	-	-	-	
Environmental impacts of mining	Not available	Contextual information related to environmental impacts of mining	SS	Environmental impacts of mining	71-72	

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ENVIRONMENTAL IMPACTS OF MATERIALS	DISCLOSURE REQUIREMENTS		SECTION	CHAPTER	PAGE	DERIVED FROM OTHER EU LEGISLATION
ESRS 2: General disclosures	ESRS 2 SBM-2	Interests and views of stakeholders	SS	Double materiality assessment	51	
ESRS 2: General disclosures	ESRS 2 SBM-3	Material IROs and business model interaction	SS	Value chain impacts, Material sustainability matters	52-54	x
Environmental impacts of materials	MDR-P	Policies related to environmental impacts of materials	SS	Environmental impacts of materials	74	
Environmental impacts of materials	MDR-A	Actions related to environmental impacts of materials	SS	Environmental impacts of materials	73-74	
Environmental impacts of materials	MDR-T	Targets related to environmental impacts of materials	SS	Environmental impacts of materials	74	x
Environmental impacts of materials	Not available	Anticipated financial effects related to environmental impacts of materials	-	-	-	
Environmental impacts of materials	Not available	Contextual information related to environmental impacts of materials	SS	Environmental impacts of materials	73-74	

ENVIRONMENTAL IMPACTS OF INDIRECT PROCUREMENT	DISCLOSURE REQUIREMENTS		SECTION	CHAPTER	PAGE	DERIVED FROM OTHER EU LEGISLATION
ESRS 2: General disclosures	ESRS 2 SBM-2	Interests and views of stakeholders	SS	Double materiality assessment	51	
ESRS 2: General disclosures	ESRS 2 SBM-3	Material IROs and business model interaction	SS	Value chain impacts, Material sustainability matters	52-54	
Environmental impacts of indirect procurement	MDR-P	Policies related to environmental impacts of indirect procurement	SS	Environmental impacts of indirect procurement	75	
Environmental impacts of indirect procurement	MDR-A	Actions related to environmental impacts of indirect procurement	SS	Environmental impacts of indirect procurement	75	
Environmental impacts of indirect procurement	MDR-T	Targets related to environmental impacts of indirect procurement	SS	Environmental impacts of indirect procurement	75	
Environmental impacts of indirect procurement	Not available	Anticipated financial effects related to environmental impacts of indirect procurement	-	-	-	
Environmental impacts of indirect procurement	Not available	Contextual information related to environmental impacts of indirect procurement	SS	Environmental impacts of indirect procurement	75	

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WATER MANAGEMENT	DISCLOSURE REQUIREMENTS		SECTION	CHAPTER	PAGE	DERIVED FROM OTHER EU LEGISLATION
ESRS 2: General Disclosures	ESRS 2 IRO-1	Processes to identify IROs	SS	Double materiality assessment	50-51	
ESRS E3: Water management	ESRS E3-1	Policies related to water and marine resources	SS	Water management in own operations	76	x
ESRS E3: Water management	ESRS E3-2	Actions and resources related to water and marine sources	SS	Water management in own operations	76-77	
ESRS E3: Water management	ESRS E3-3	Targets related to water and marine sources	SS	Water management in own operations	77	
ESRS E3: Water management	ESRS E3-4	Water consumption	SS	Water management in own operations	77	x
ESRS E3: Water management	ESRS E3-5	Anticipated financial effects from water and marine sources	-	-	-	

SOCIAL

DIVERSITY, EQUITY AND INCLUSION	DISCLOSURE REQUIREMENTS		SECTION	CHAPTER	PAGE	DERIVED FROM OTHER EU LEGISLATION
ESRS 2: General disclosures	ESRS 2 SBM-2	Interests and views of stakeholders	SS	Double materiality assessment	51	
ESRS 2: General disclosures	ESRS 2 SBM-3	Material IROs and business model interaction	SS	Value chain impacts, Material sustainability matters	52-54	x
ESRS S1: Own workforce	ESRS S1-1	Policies related to own workforce	SS	Diversity, equity and inclusion	89	x
ESRS S1: Own workforce	ESRS S1-2	Processes for engaging with own workforce	SS	Diversity, equity and inclusion	89	
ESRS S1: Own workforce	ESRS S1-3	Remediation processes and channels to raise concerns	MR, SS	Business ethics, Diversity, equity and inclusion	34, 89	x
ESRS S1: Own workforce	ESRS S1-4	Actions	SS	Diversity, equity and inclusion	87-89	
ESRS S1: Own workforce	ESRS S1-5	Targets	SS	Diversity, equity and inclusion	87	
ESRS S1: Own workforce	ESRS S1-6	Employee characteristics	SS	Diversity, equity and inclusion	90	
ESRS S1: Own workforce	ESRS S1-7	Non-employee characteristics	-	-	-	
ESRS S1: Own workforce	ESRS S1-9	Diversity metrics	SS	Diversity, equity and inclusion	90	
ESRS S1: Own workforce	ESRS S1-12	Persons with disabilities	SS	Diversity, equity and inclusion	91	
ESRS S1: Own workforce	ESRS S1-16	Remuneration metrics (pay gap and total remuneration)	SS	Diversity, equity and inclusion	91	x
ESRS S1: Own workforce	ESRS S1-17	Incidents, complaints and severe human rights impacts	SS	Human rights in own operations	96	x

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ADEQUATE WAGE	DISCLOSURE REQUIREMENTS		SECTION	CHAPTER	PAGE	DERIVED FROM OTHER EU LEGISLATION
ESRS S1: Own workforce	Contextual information to S1-10	IROs related to adequate wage	SS	Value chain impacts, Material sustainability matters	52-54	
ESRS S1: Own workforce	Contextual information to S1-10	Policies related to adequate wage	SS	Adequate wage	93	
ESRS S1: Own workforce	Contextual information to S1-10	Actions related to adequate wage	SS	Adequate wage	92-93	
ESRS S1: Own workforce	Contextual information to S1-10	Targets related to adequate wage	SS	Adequate wage	93	
ESRS S1: Own workforce	ESRS S1-10	Adequate wage	SS	Adequate wage	93	

HUMAN RIGHTS IN OWN OPERATIONS	DISCLOSURE REQUIREMENTS		SECTION	CHAPTER	PAGE	DERIVED FROM OTHER EU LEGISLATION
ESRS 2: General disclosures	ESRS 2 SBM-2	Interests and views of stakeholders	SS	Double materiality assessment	51	
ESRS 2: General disclosures	ESRS 2 SBM-3	Material IROs and business model interaction	SS	Value chain impacts, Material sustainability matters	52-54	x
ESRS S1: Own workforce	ESRS S1-1	Policies related to own workforce	SS	Human rights in own operations	95	x
ESRS S1: Own workforce	ESRS S1-2	Processes for engaging with own workforce	SS	Human rights in own operations	94-95	
ESRS S1: Own workforce	ESRS S1-3	Remediation processes and channels to raise concerns	MR, SS	Business ethics, Human rights in own operations	34, 95	x
ESRS S1: Own workforce	ESRS S1-4	Actions	SS	Human rights in own operations	94-95	
ESRS S1: Own workforce	ESRS S1-5	Targets	SS	Human rights in own operations	95	
ESRS S1: Own workforce	ESRS S1-8	Collective bargaining coverage and social dialogue	SS	Human rights in own operations	96	
ESRS S1: Own workforce	ESRS S1-11	Social protection	MR	People	25	
ESRS S1: Own workforce	ESRS S1-13	Training skills and development metrics	-	-	-	
ESRS S1: Own workforce	ESRS S1-14	Health and safety metrics	SS	Human rights in own operations	97	x
ESRS S1: Own workforce	ESRS S1-15	Work-life balance metrics	SS	Human rights in own operations	97	
ESRS S1: Own workforce	ESRS S1-17	Incidents, complaints and severe human rights impacts	SS	Human rights in own operations	96	x

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WORKERS IN THE VALUE CHAIN	DISCLOSURE REQUIREMENTS		SECTION	CHAPTER	PAGE	DERIVED FROM OTHER EU LEGISLATION
ESRS 2: General Disclosures	ESRS 2 SBM-2	Interests and views of stakeholders	SS	Double materiality assessment	51	
ESRS 2: General Disclosures	ESRS 2 SBM-3	Material IROs and business model interaction	SS	Value chain impacts, Material sustainability matters	52-54	x
ESRS S2: Value chain workers	ESRS S2-1	Policies related to value chain workers	SS	Workers in the value chain	99	x
ESRS S2: Value chain workers	ESRS S2-2	Processes for engaging with value chain workers	SS	Workers in the value chain	99	
ESRS S2: Value chain workers	ESRS S2-3	Remediation processes and channels to raise concerns	SS	Workers in the value chain	99	
ESRS S2: Value chain workers	ESRS S2-4	Actions	SS	Workers in the value chain	98-99	x
ESRS S2: Value chain workers	ESRS S2-5	Targets	SS	Workers in the value chain	99	

RESPONSIBLE MARKETING	DISCLOSURE REQUIREMENTS		SECTION	CHAPTER	PAGE	DERIVED FROM OTHER EU LEGISLATION
ESRS 2: General disclosures	ESRS 2 SBM-2	Interests and views of stakeholders	SS	Double materiality assessment	51	
ESRS 2: General disclosures	ESRS 2 SBM-3	Material IROs and business model interaction	SS	Value chain impacts, Material sustainability matters	52-54	
Responsible marketing	MDR-P	Policies related to responsible marketing	SS	Responsible marketing	100	
Responsible marketing	MDR-A	Actions related to responsible marketing	SS	Responsible marketing	100	
Responsible marketing	MDR-T	Targets related to responsible marketing	SS	Responsible marketing	100	
Responsible marketing	Not available	Anticipated financial effects related to responsible marketing	-	-	-	
Responsible marketing	Not available	Contextual information related to responsible marketing	SS	Responsible marketing	100	

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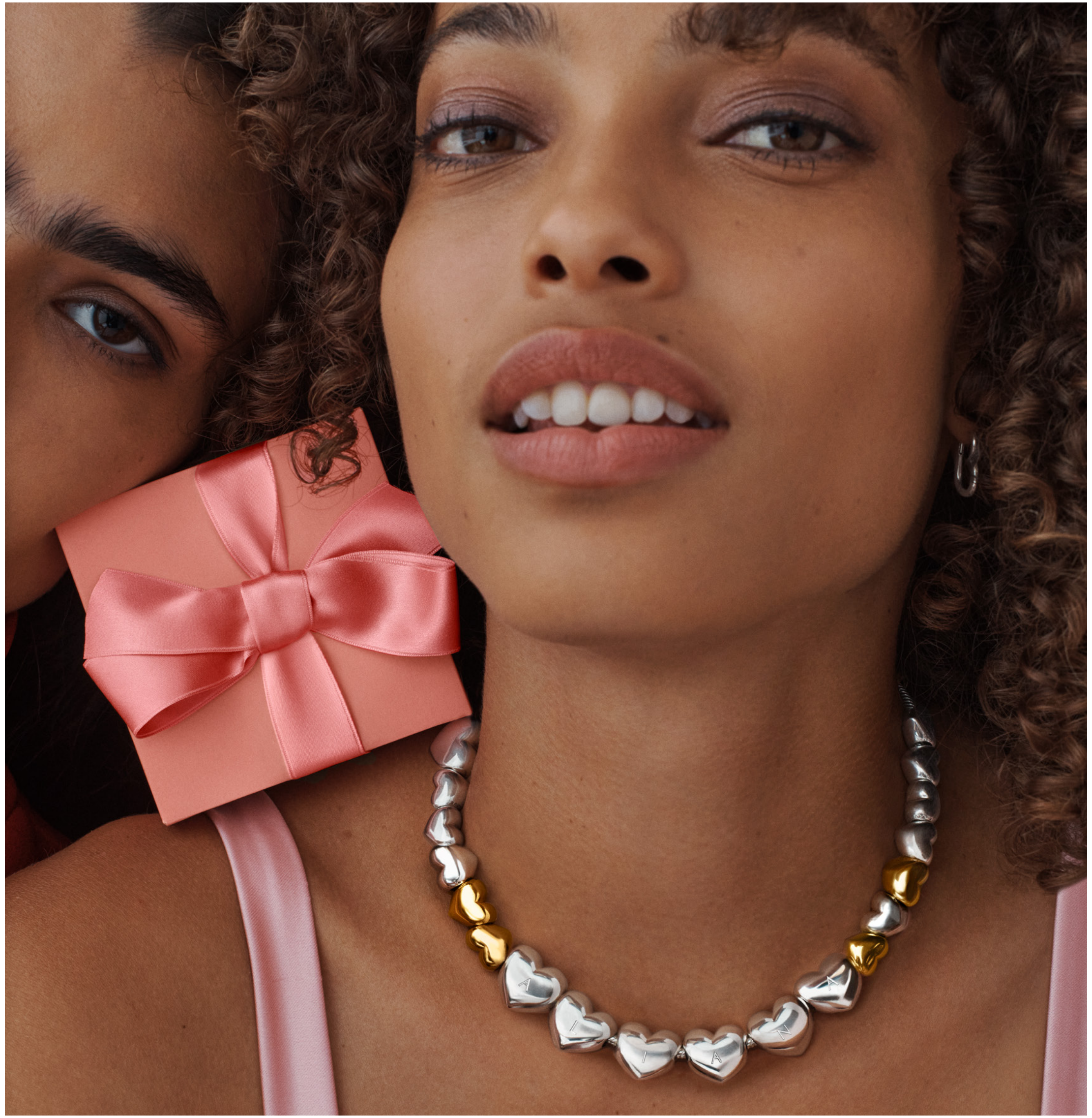


STATEMENT ON SUSTAINABILITY DUE DILLIGENCE

The table below outlines where in our Management Report we detail our sustainability due diligence process, including an explanation of how we implement its key aspects and steps.

CORE ELEMENTS OF DUE DILLIGENCE	CHAPTER	PAGE
a) Embedding due dilligence in governance, strategy and business model	Corporate governance Double materiality assessment Human rights in own operations	32 50-51 94-95
b) Engaged with affected stakeholders in all key steps of the due dilligence	Double materiality assessment Human rights in own operations Workers in the value chain	50-51 94-95 98-99
c) Identifying and assessing adverse impacts	Double materiality assessment Human rights in own operations Workers in the value chain EU Taxonomy	50-51 94-95 98-99 81
d) Taking actions to address those adverse impacts	Human rights in own operations Workers in the value chain EU Taxonomy	94-95 98-99 81
e) Tracking the effectiveness of these efforts and communicating	Human rights in own operations Workers in the value chain EU Taxonomy	94-95 98-99 81

Personal engraving
Our iconic Be Love Engravable Heart charms worn on a fully loaded Pandora Moments snake chain necklace.

SECTION 2

ENVIRONMENT

Reducing the environmental impact of our activities is a key focus within our approach to sustainability. This section outlines the five material environmental matters, how we use the Task Force on Climate-Related Financial Disclosures and how the EU Taxonomy applies to our business activities. To explore the topics in detail, follow the links below.

GREENHOUSE GAS EMISSIONS

TOWARDS A NET ZERO FUTURE

We continued our journey towards halving our carbon emissions by 2030. By 2024, we have achieved a 17% reduction compared to a 2019 baseline, driven primarily by our adoption of renewable electricity across all of our own operations and the shift to 100% recycled silver and gold. The expected moderate increase in emissions from 2023 reflects our increased business activities.

This year, we reached important milestones by achieving 100% renewable electricity across our own operations and transitioning to crafting all jewellery with recycled silver and gold by August 2024. These initiatives demonstrate our determination to lead the industry in sustainable practices.

Emissions, particularly in Scope 3, will continue to fluctuate from one year to the next as our business develops, and progress towards our emissions reduction targets will not follow a linear path. However, the 5% increase in emissions this year, compared to 2023, is well below our 13% revenue growth.

STRATEGY FOR DECARBONISATION

In 2024, our target to achieve net zero emissions by 2040 was validated by the Science Based Targets initiative, reinforcing our decarbonisation ambitions. Our low-carbon roadmap is driven by the areas depicted in the illustration on the following page. These will be continually assessed to ensure relevance and materiality towards 2030.

We have strengthened our low-carbon governance and accountability throughout the organisation. Funding for our low-carbon initiatives currently follows our financial process, approved through established governance structures.

Our low-carbon roadmap aligns with the Paris Agreement, targeting a climate scenario that limits global warming to 1.5 degrees Celsius or below. Our emissions reduction targets use a 2019 baseline, as the most representative year for business-as-usual emissions across Scopes 1, 2 and 3. For more information on our climate-related scenario analysis, see the Risk and the Task Force on Climate-Related Financial Disclosures chapter, as well as our Global Environmental Policy and GHG Emissions Standard.

PERFORMANCE AND PROGRESS

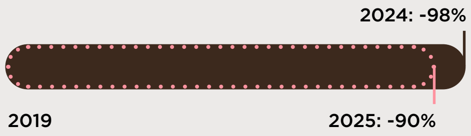
Pandora's total emissions increased by 5%, from 272,967 tonnes CO_2 in 2023 to 286,198 tonnes CO_2 in 2024. This change was primarily driven by the construction of our new crafting facility in Vietnam, store network expansion, upgrades to our existing store fleet, as well as an increase in business travel.

Scope 1 emissions decreased by 27% from 2023 due to the transition of our European distribution hub to a more sustainable facility and resolving a maintenance issue at our crafting site.

Scope 2 emissions decreased by 94% (market-based) from 2023 as we expanded our sourcing of renewable electricity, meeting our 100% renewable electricity milestone.

TARGETS AND PROGRESS

90% REDUCTION IN OWN OPERATIONS
By 2025, reduce emissions from own operations by at least 90% compared to 2019 baseline (Scopes 1 and 2, market-based).
Target achieved in 2024.



50% REDUCTION IN TOTAL EMISSIONS
By 2030, reduce total greenhouse gas emissions by 50% compared to 2019 baseline (Scopes 1, 2 and 3, market-based).

NET ZERO BY 2040
By 2040, achieve net zero emissions across all operations and value chains (Scopes 1, 2 and 3, market-based).

As of 2024
Target

SCIENCE BASED TARGETS

TOWARDS -50% EMISSIONS BY 2030

Our strategic pillars outline key decarbonisation levers towards 2030.

OPTIMISING OWN OPERATIONS
- 100% renewable energy
- Reduction and recycling of crafting materials, water and waste
- Production and materials innovation

LOWERING STORE FOOTPRINT
- Optimised store concept and construction
- Lower-impact campaigns and displays
- 100% renewable energy across stores

MINDFUL TRAVEL
- Enhanced policies and processes for business travel
- Electrify owned vehicles and services
- Incentivise greener commuting

CONSCIOUS BRANDING
- Lower-impact packaging
- Reduce emissions in marketing strategies and decision-making

TRANSPORT AND LOGISTICS
- Freight optimisation
- Green fuels through value chain

ACTIVATING SUPPLY CHAIN
- Engagement in target setting and reporting
- Co-develop lower-impact solutions
- Renewable energy through supply chain

ADVANCING CIRCULARITY
- Circularity in products and services across value chain

Scope 3 emissions increased by 7% from 2023, primarily due to capital goods related to construction, retail expansion and upgrades of existing store fleet, as well as an increase in business travel. We are enhancing data from our suppliers to improve emissions tracking and active management.

ACHIEVING 100% RENEWABLE ELECTRICITY

In 2024, we completed the full geographical roll-out of renewable electricity sourcing for own stores, offices and distribution centres in all markets and reached 100% renewable electricity coverage across our own operations. The majority of renewable electricity certificates (RECs[1]) purchased were EKOenergy or Green-e certified.

NEXT STEP IN RENEWABLE ELECTRICITY SUPPLY AT OUR CRAFTING FACILITIES

Our crafting facilities in Thailand have been powered by 100% renewable electricity since 2020, with on-site solar power production and by sourcing RECs. In 2024, we expanded this capability at our Lamphun facility by adding a direct renewable electricity supply from a local biomass plant. On-site solar and direct supply from biomass now account for 21% of our crafting facilities' total electricity consumption, reducing our reliance on RECs. Progress continues with our virtual power purchase agreement (PPA) pilot in Thailand, and in 2024 we signed a letter of intent with a renewable electricity provider. The pilot, scheduled to run for 12 months, will conclude in mid-2025.

We recognise the importance of advanced technology in reducing our impact, particularly in our manufacturing. Development and innovation are key tenets for our work at our crafting facilities to seek new ways of working with more efficient technologies and thereby drive down our emissions.

SUSTAINABILITY AT THE HEART OF OUR NEW CRAFTING FACILITY

In 2024, we broke ground on our new crafting facility in the Binh Duong province, in Vietnam. Designed to meet LEED Gold standards, a leading green building certification, the facility will operate entirely on renewable electricity. We pursue sustainability in the construction process, requiring recycled content in key materials and ensuring transparent reporting practices.

DRIVING EMISSIONS REDUCTION IN SCOPE 3

In 2024, our Scope 3 emissions increased by 7%, driven by the construction of our new crafting facilities, store upgrades and an increase in business travel, as well as purchasing trends in Media and marketing. As illustrated in the breakdown of Scope 3 emissions, the largest contributors to Scope 3 emissions were Crafting materials (16%) and Transportation (14%). Media and marketing (13%) and Business travel and employee commuting (12%) also represented significant shares of our total emissions, underscoring the need for focused interventions across these areas.

AWARD-WINNING ENERGY MANAGEMENT AT LAMPHUN FACILITY

In 2024, our crafting facilities in Lamphun received the Thailand Energy Award for best practice in energy management.

[1] Pandora's sourcing of renewable energy certificates includes Renewable Energy Guarantees of Origin (REGOs) for the UK, Guarantees of Origin (GOs) for European markets, Renewable Electricity Certificates (RECs) for North America and International Renewable Electricity Certificates (I-RECs) for other international operations, for example Thailand and China.

A CHARM WITH FEWER EMISSIONS THAN YOUR MORNING BREW

The carbon footprint of a Pandora family tree charm made from 100% recycled silver is only 230 grams CO_2, which is less than the emissions of a café latte.

Crafting materials remained a focus, with almost 16% of emissions stemming from suppliers within this category. We deepened collaboration with these suppliers to reduce their emissions and integrate more sustainable practices.

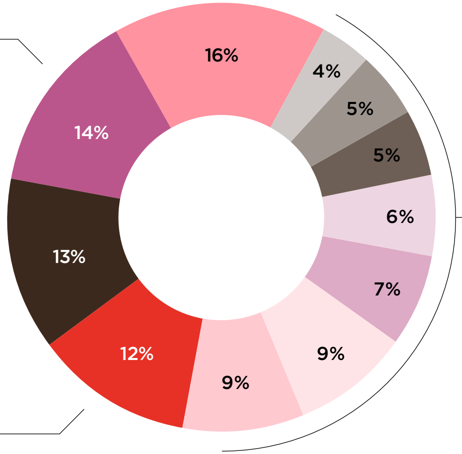
We continued supplier capacity-building initiatives, introducing e-learning training that includes best practices for measuring and reporting GHG emissions. Notably, we continue to work closely with our top 10 packaging suppliers by volume in China. We support their environmental impact journey, help them calculate their carbon footprint and, where possible, set objectives to lower it. To drive accountability through our supply chain, we began incorporating low-carbon clauses into supplier contracts, requesting emission reporting and encouraging science-based targets.

A key challenge in this category remains working with suppliers who are in the early stages of addressing their carbon footprint. By tailoring our approach to match supplier maturity levels, we continue to drive progress while offering the necessary support to help smaller suppliers build capacity and align with our goals.

Business travel and commuting accounted for 12% of Pandora's Scope 3 emissions in 2024. An employee commuting survey provided more accurate data, to inform reduction strategies. We also established internal targets to foster more responsible travel practices and reduce emissions.

For transportation and logistics, our decarbonisation initiatives include shifting freight from air to road or sea, and strategic investment in green fuel. In addition, consumer packaging and in-store materials remain areas

BREAKDOWN OF OUR SCOPE 3 GREENHOUSE GAS EMISSIONS



16% Crafting materials
Raw materials such as silver, gold, copper, cubic zirconia and other metal alloys and production materials like gypsum and enamel

14% Transportation
Transportation and distribution of Pandora jewellery, including inbound and outbound logistics and third-party distribution

13% Media and marketing
Media spend across all channels ranging from TV campaigns to digital ads and email marketing

12% Business travel and employee commuting
Travel by Pandora employees to and from Pandora facilities and external sites

4% Capital goods
Various machines, construction materials, crafting equipment, and fixtures and furniture in stores

5% Administrative and professional services
Recruitment services, training and courses, consultancy services, legal and insurance

5% Franchisees
Pandora franchisees, wholesale and other points of sale not directly owned by Pandora

6% IT
Outsourcing services, hardware, telecom data and IT consultants

7% Other
Fuel and energy-related activities, water supply, waste generated in operations, security and licences

9% Packaging and point-of-sale materials
Bags, boxes, printed materials, campaign items, displays and trays, and other types of packaging

9% Facility management
Store maintenance, cafeteria and catering

of priority, particularly given how strongly these categories are linked to Pandora's overall growth.

Franchise operations contribute to Scope 3 emissions with 5%. The 10% decrease in emissions in this category compared to 2023 is largely due to transitioning a number of partner stores into our owned and operated portfolio. In 2024, we also rolled out our Franchise Code of Conduct across selected geographies, supplemented by a questionnaire on social and environmental sustainability. Our ambition is to understand renewable electricity coverage within our franchise network and identify opportunities for transitioning our franchise partners away from non-renewable electricity sources.

GLOBAL ENVIRONMENTAL POLICY

Pandora's Global Environmental Policy requires employees to adopt environmentally responsible practices. Updated in 2024 to meet Corporate Sustainability Reporting Directive (CSRD) requirements, the policy outlines our commitment to environmental material topics and respected third-party standards as disclosed in this report. It applies to Pandora's direct operations and value chain and is approved by the Board of Directors.

In addition, we introduced two new standards on GHG emissions and water management, targeting senior-level managers accountable for implementation, as well as third-party standards or initiatives.

- **GHG Emissions Standard:** Covers climate change mitigation, adaptation, energy efficiency and renewable electricity deployment across Pandora's full value chain. It aligns with international standards referenced in the Global Environmental Policy and provides a blueprint for business alignment to our low-carbon roadmap.

- **Water Management Standard:** Focuses on water management, water treatment and a commitment to reduce water consumption in high-risk areas. It applies to Pandora's value chain and follows international standards.

Standards addressing the environmental impacts of mining, indirect procurement and materials will be developed in 2025 to address all material environmental matters.

Pandora's existing Global Materials Standard provides sourcing principles and guidance for materials selection. An updated version will be released in 2025. The policy and standards are publicly available on our corporate website under 'Policies'. ↗

GREENHOUSE GAS EMISSIONS	Retrospective					Milestones and target years			
Tonnes CO_2 equivalent	2024	2023[1]	Dev.	2019[1]	Dev.	2025	2030	2040	Annual % target/base year
Scope 1	910	1,245	-27%	1,379					
% of Scope 1 from regulated emission trading schemes	0	-	-	-					
Scope 2									
Location-based	43,066	46,620	-8%	48,278					
Market-based	341	5,672	-94%	49,722					
Scopes 1 + 2 (location-based)	**43,976**	**47,865**	**-8%**	**49,657**					
Scopes 1 + 2 (market-based)	**1,251**	**6,917**	**-82%**	**51,101**	**-98%**	**-90%**			**-15%**
Scope 3									
C1: Purchased goods and services	172,707	152,804	13%	183,603					
C2: Capital goods	12,842	4,855	165%	10,853					
C3: Fuel and energy-related activities	6,066	6,016	1%	13,853					
C4: Upstream transportation	38,659	40,267	-4%	16,706					
C5: Waste generated in operations	5,790	6,741	-14%	2,977					
C6: Business travel	14,502	13,980	4%	17,352					
C7: Employee commuting	18,367	23,832	-23%	17,247					
C8: Upstream leased assets	1,774	1,696	5%	1,416					
C14: Franchises	14,240	15,859	-10%	29,414					
Total Scope 3	**284,947**	**266,050**	**7%**	**293,421**					
Total emissions (location-based)	**328,923**	**313,915**	**5%**	**343,078**					
Total emissions (market-based)	**286,198**	**272,967**	**5%**	**344,522**	**-17%**		**-50%**	**Net-zero**	**-5%**
Emissions intensity, tonnes CO_2 equivalent/revenue in DKK million (location-based)[2]	**10.38**	**11.16**	**-7%**	**-**					
Emissions intensity, tonnes CO_2 equivalent/revenue in DKK million (market-based)[2]	**9.03**	**9.70**	**-7%**	**-**					
Biogenic emissions (tonnes CO_2)[3]	353	-	-	-					

[1] In 2024, we have reassessed Pandora's calculation methodology and data for Scope 3 based on updated knowledge. This led to adjustments in total emissions (tonnes CO_2e), with decreases of -16,047 in 2019 (-4%), -44,951 in 2020 (-15%), -49,524 in 2021 (-15%) and -16,340 in 2022 (-5%), as well as an increase of +8,423 in 2023 (+3%).
[2] Revenue used in the calculation is as reported in *note 2.1 Segment and revenue information* of the Financial Statements.
[3] The biogenic emissions cover purchased electricity from biomass and relates to Scope 2.

ACCOUNTING POLICIES

All emissions are accounted for in accordance with the methodology set out in the Greenhouse Gas (GHG) Protocol Corporate Standard, and our disclosures align with the requirements of European Sustainability Reporting Standards (ESRS) E1-6. CO_2 emissions from biomass are reported separately, and the remaining greenhouse gas emissions are included in Scope 2 market-based as per the GHG Protocol. All CO_2e emission factors used for fossil fuels and electricity are in accordance with the 2006 Intergovernmental Panel on Climate Change Guidelines for National Greenhouse Gas Inventories.

SCOPE 1 emissions include fuels used to craft jewellery for heating, refrigerants for cooling and fuel used for transport of employees. Fossil fuel volumes and refrigerant leakage volumes are multiplied by emission factors from the UK Department for Environment, Food and Rural Affairs (DEFRA).

SCOPE 2 emissions include the purchase of electricity and district heating for crafting, retail (own stores), offices and distribution centres. Electricity for crafting includes electricity from grid, solar panels and biomass. The emissions are calculated using both the market-based approach, which includes the purchase of Renewable Energy Certificates (RECs), and the location-based approach. Consumption data is generated from a mix of meter readings and invoices. Where meter readings and invoices are not available, consumption is estimated based on spend or size of location. The electricity and district heating consumption are multiplied by emission factors (IEA) for their respective countries to calculate the emissions.

Emissions from satellite offices with less than 30 people are omitted. These correspond to emissions from 6% of employees in our offices.

SCOPE 3 emissions include the nine subcategories listed below, which are all relevant to Pandora. Emissions categories excluded from reporting are also detailed, with justification for exclusion. Emissions within Scope 3 are calculated using a mix of supplier-specific, volume and spend data. Emission factors from DEFRA (including VAT) are used to calculate emissions based on spend (including VAT), unless otherwise specified. We have corrected the emissions factors to represent the monetary value and energy intensity of the current year, considering the general inflation and improvement of energy intensity between 2011 and 2024:

- C1 includes materials and services. Where available, material volumes are multiplied by the Life Cycle Assessment (LCA) emission factors. If not available, spend amounts are used and multiplied by DEFRA supply chain emission factors for spending on products. C1 also includes categorised spend amounts on services (for example, media and marketing). For some spend categories, we have collected supplier-specific emission factors.

- C2 includes categorised spend data for machinery, fixtures and furniture, and other capital goods multiplied by relevant LCA and supply chain emission factors (DEFRA).

- C3 Includes upstream greenhouse gas emissions from fuels, heating, and electricity based on invoices used in our crafting facilities, stores, offices, and distribution centres. Emission factors for transmission and distribution losses are from IEA and fuels are from DEFRA.

- C4 includes inbound and outbound logistics, and transportation and distribution services conducted by third-party logistics providers. A combination of supplier-specific and supply chain emission factors for spending on products from DEFRA is used to calculate the emissions. Emissions from other transport types are included in the emission factors used for purchased goods and services.

- C5 includes waste volumes and spend amounts on waste services.

- C6 includes supplier-specific flight, hotel and car rental emissions as well as spend amounts on flight, hotel, car rental and travel expenses.

- C7 includes emissions from Pandora employees' commute from home to work. It is based on a mixture of actual fuel consumption for commuting services in crafting, extrapolated survey data, and estimated data on distance (km travelled) within different transportation types and work-from-home ratio disclosed for the main areas in own operations taking the development of employees into account.

- C8 includes spend amounts on upstream leased cars.

- C14 includes electricity consumption for franchises and is estimated based on the number of franchise stores and the kWh/square metre average across Pandora-owned stores. The estimated electricity consumption is then multiplied by the corresponding IEA country emission factor.

The sub-categories C9-13 and C15 are excluded as not relevant or below the significance threshold for Pandora.

Where material and relevant, we have accounted separately for **biogenic emissions**. The biogenic emissions cover our purchased electricity from biomass used at our crafting facility in Lamphun, Thailand. The biogenic emissions are calculated based on kWh values multiplied by a CO_2-only emission factors from the energy provider. Other GHG emissions associated with purchased biomass (CH_4, N_2O) are included within Scope 2, in line with GHG Protocol reporting guidelines. We have not identified any material biogenic emissions within our Scopes 1 and 3.

In 2024, we have **reassessed** Pandora's greenhouse gas accounting methodology and data for Scope 3 based on updated knowledge in line with the GHG Protocol. The key change relates to a requirement of back-casting supplier emission data from the first year of use back to the baseline year.

SIGNIFICANT ACCOUNTING ESTIMATES

The calculation of greenhouse gas emissions is to a large degree based on generic secondary emission factors and estimated data. Pandora continues to engage suppliers to obtain actual data and primary emission factors to increase the accuracy of the emissions reported. In 2024, the proportion of the total emissions calculated using spend-based emissions calculations is 48%.

ENERGY CONSUMPTION

MWh	2024	2023[1]
Fuel consumption from renewable sources	10,856	-
Renewable energy, purchased	120,892	103,215
Consumption of self-generated non-fuel renewable energy	1,249	1,352
Renewable energy consumption	**132,997**	**104,567**
Fuel consumption from coal and coal products	0	-
Fuel consumption from crude oil and petroleum products	1,561	1,805
Fuel consumption from natural gas	583	850
Fuel consumption from other fossil sources	0	-
Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	884	15,503
Total energy consumption from fossil sources	**3,028**	**18,158**
Share of fossil sources in total energy consumption, %	2%	15%
Total energy consumption from nuclear sources	**0**	**-**
Share of consumption from nuclear sources in total energy consumption, %	0%	-
Total energy consumption	**136,025**	**122,725**
Share of renewable sources in total energy consumption, %	98%	85%
Energy intensity, MWh/revenue in DKK million[2]	4.29	4.36
Share of renewable sources in total electricity consumption, %	**100%**	**87%**

[1] The numbers for 2023 have been adjusted to align with ESRS E1-5.
[2] Revenue used in the calculation is as reported in *note 2.1 Segment and revenue information* of the Financial Statements.

ACCOUNTING POLICIES

Energy consumption is disclosed in accordance with ESRS E1-5 and reported on a market-based approach. Share of renewable sources is reported on two lines to reflect the distinction between total energy consumption and total electricity consumption.

Total energy consumption covers the purchased and generated quantities of electricity and district heating for crafting, retail (Pandora's owned and operated stores), offices (with more than 30 employees) and distribution centres (Scope 2), as well as fuels used in on-site generation and company vehicles (Scope 1). Total electricity consumption covers only purchased and generated quantities of electricity (as scoped above) and excludes energy consumption from fossil sources.

Our purchased renewable energy corresponds to the MWh covered by purchased RECs. Fuel consumption from renewable sources covers our purchased electricity from biomass in our crafting facility at Lampun, Thailand. Self-generated, non-fuel renewable energy covers our own generated solar energy at our crafting facilities. Fuel consumption from crude oil and petroleum products reflects diesel and gasoline fuels for company-owned passenger vehicles as well as LPG used at crafting facilities. Fuel consumption from natural gas reflects on-site usage at two distribution centres.

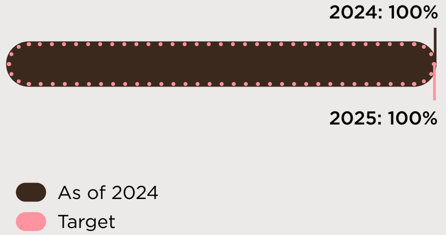
The energy intensity is calculated as the total energy consumption divided by the revenue in DKK million.

ENVIRONMENTAL IMPACTS OF MINING

SCALING CIRCULARITY WITH RECYCLED METALS

TARGET AND PROGRESS

100% RECYCLED SILVER AND GOLD
By 2025, purchase 100% recycled silver and gold. Target achieved in 2023.

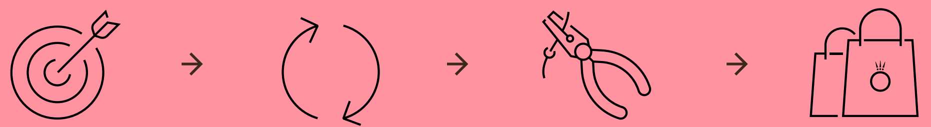


Circularity in our business approach is fundamental in becoming a low-carbon business and reducing our dependency on newly mined materials. From August 2024, we began crafting all our jewellery with 100% recycled silver and gold, and we continue to transform the diamond market with our Pandora Lab-Grown Diamonds collections.

We use a wide range of raw materials for our jewellery, primarily metals such as silver, gold and copper, but also man-made stones, glass and textiles. The extraction and processing of raw materials may cause environmental degradation. This can include habitat destruction, pollution, deforestation, soil erosion and water contamination and we remain committed to mitigating environmental impacts from the use of finite resources by scaling our circular efforts.

Our Global Material Standard guides our work on recycled metals. In 2024, we updated our Global Environmental Policy, which guides our work with all environmental topics, including materials and related mining activities, and serves as a foundation to develop future guidelines and frameworks, including future updates to our Global Material Standard.

REACHING 100% RECYCLED SILVER AND GOLD



2019
Target setting

2023
Sourcing 100% recycled silver and gold

2024
Crafting with 100% recycled silver and gold[1]

2025
Selling all newly crafted jewellery with 100% recycled silver and gold[2]

[1] As of August 2024 all jewellery has been crafted with 100% recycled silver and gold.
[2] All new products appearing in stores and online from early 2025 have been made with 100% recycled silver and gold.

58,000 TONNES OF CO_2 AVOIDED ANNUALLY

Having depleted the inventory of newly mined silver and gold during 2024, all of Pandora's new jewellery has been crafted with 100% recycled silver and gold as of August. With this transformational shift, we avoid around 58,000 tonnes of CO_2 emissions per year.

FOCUSING ON METALS

By completing the shift to using only recycled silver and gold, we successfully reduced our dependency on newly mined crafting metals by almost three-quarters by volume. As of August 2024, all our jewellery has been crafted using 100% recycled silver and gold sourced from certified, responsible refiners.

Although in much smaller volumes, we use copper for some alloys, including rose gold and plated products. Copper mining is associated with a variety of environmental risks across land and freshwater ecosystems. To address the potentially negative environmental impacts of mining, we are exploring strategies for crafting metals beyond recycled silver and gold and expect to adopt a framework in 2025.

While using recycled silver and gold is an important step towards reducing emissions, we are mindful that the recovery of precious metals involves complex processes and chemical reactions. With our responsible sourcing programme, we engage suppliers on best practices for responsible, transparent and traceable sourcing. For more information, see the Workers in the value chain chapter.

ENSURING TRACEABILITY

To promote responsible sourcing of metals and declare our metals conflict-free, we apply a due diligence process aligned with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. Metal supply chains converge at refineries, and as a result, we annually map key metals, including silver, gold and platinum group metals to the refinery level. We also request certifications as part of our due diligence, which serves as a foundation for the risk management of high-risk metal supply chains. Extensive traceability is a key driver for mitigating upstream environmental impacts, making it a key priority beyond metals. In 2024, we initiated a traceability project to build on existing due diligence procedures with the objective of increasing visibility upstream.

LAB-GROWN DIAMONDS

Our lab-grown diamonds exemplify how innovation can replicate nature. In 2024, we continued our mission to expand the lab-grown diamonds jewellery market by launching the Pandora Lab-Grown Diamonds collection in our home country of Denmark.

Our lab-grown diamonds are grown, cut and polished using 100% renewable electricity. As a result, a finished white Pandora Lab-Grown Diamond has 9.17 kg of carbon emissions per cut and polished carat. This means its carbon footprint is around 95% lower than that of a mined diamond of the same size.[1]

LOOKING AHEAD

Beyond our focus on metals and man-made stones, we remain dependent on finite resources, including mined materials. To identify impacts, we have completed a nature impact assessment across all of our material usage. The findings indicate significant environmental impacts from the use of copper and palladium, including environmental risks of land use, pollution and freshwater use. These findings will support us in setting targets beyond recycled silver and gold, which we expect to do in 2025.

[1] Pandora Lab-Grown Diamonds: Carbon Footprint Report 2023.

CIRCULAR JEWELLERY

%	2024	2023
Recycled silver and gold total	**100%**	**97%**
Share of man-made stones	100%	100%
Share of silver of purchased product materials	67%	68%

ACCOUNTING POLICIES

Circular jewellery is an entity-specific metric, which is why no reference to an ESRS is made. The percentage of recycled silver and gold is calculated as the share of total purchased silver and gold. Recycled silver and gold are precious metals that have been previously refined. Our products may contain fractions of silver and gold coming from non-recycled sources due to difficulties in separating sources in the refining process. Total purchased silver and gold consists of grains, components, plating solutions for Pandora in-house production, and finished goods from external production. It excludes refinery from scrap and rework metals from Pandora in-house production, production material, tooling, and machinery.

Our guidelines are to only use suppliers who source/use certified silver and gold and have had their Chain of Custody (CoC) process audited by an external third party. These audits are an important enabler for Pandora to trace the sourced certified silver and gold from when it was initially sourced, either by Pandora's suppliers or by Pandora itself, and until the certified silver and gold is used in the crafting of our jewellery. Using an externally audited CoC process to verify the sourced certified silver and gold enables Pandora to secure a higher level of credibility on our commitment to craft from 100% recycled silver and gold.

The percentage of man-made stones is calculated as the share of procured man-made stones, cultured pearls excluded. The share of silver of purchased product materials is calculated as the share of total purchased product materials, for example silver, gold and other metals.

ENVIRONMENTAL IMPACTS OF MATERIALS

ADVANCING SAFER MATERIALS AND PROCESSES ACROSS THE VALUE CHAIN

Pandora jewellery is free from hazardous substances, and we apply comprehensive testing against our Restricted Substances List (RSL) to ensure regulatory compliance and to protect consumers, workers and ecosystems.

From casting and plating to assembling and finishing processes, chemistry is essential for crafting high-quality products. A safe approach to the production, storage, handling and disposal of chemicals is therefore fundamental.

SAFE PRODUCTS ABOVE ALL

Our chemicals management programme ensures that we adhere to global standards and comply with local regulatory requirements, from raw materials to finished goods. Our products are continuously tested for safety purposes, and we are the first company in Thailand, and one of the few globally within the jewellery manufacturing industry, to be certified against ISO IEC 17025 (testing and calibration laboratories).

SAFEGUARDS AGAINST RESTRICTED SUBSTANCES

To help ensure regulatory compliance, we apply comprehensive requirements for controlling and monitoring hazardous substances. Our chemical requirements are based on our RSL, which comprises substances restricted in usage pertaining to our products and raw materials. Our RSL is monitored by senior management in Crafting & Supply Quality and is aligned with regulatory requirements (including REACH[1]) and provides clear measures for chemical safeguards and workplace safety.

[1] European Regulation (EC) No. 1907/2006 and its amendments REACH Annex XVII Item 63.

CHEMICAL MANAGEMENT

Our chemical management approach is organised around three focus areas:

SAFER INPUT

We require safety data sheets, passed test certificates and keep records of all substances. Non-compliant substances are discontinued after careful review.

SAFER PROCESS

We drive continuous progress across our four targets: zero accidents, zero health risks, zero waste and zero non-compliance, governed by our ISO 45001 and 14001 certifications.

SAFER OUTPUT

Wastewater
We treat wastewater on-site before distribution to industrial treatment. Wastewater quality is regularly monitored to ensure it meets or exceeds local legal requirements.

Hazardous waste
We treat hazardous waste according to local legal requirements, including zero landfill. For some solid waste types, we partner with waste disposal suppliers to find ways to reuse it.

Our modern crafting facilities in Thailand
More than 11,300 skilled craftspeople work at our crafting facilities in Thailand.

These safeguards extend beyond Pandora throughout our value chain and are communicated to suppliers as part of supplier contracts and sourcing documents. Suppliers must provide safety data for all substances, and test certificates are required as evidence of compliance. The health and safety impacts of our products are continuously governed by the ISO 9001 certification of our crafting facilities. As in previous years, there were no reported critical incidents of non-compliance concerning the health and safety impacts of products in 2024.

LOOKING AHEAD

We continue to work in accordance with our ambitious "Together Towards Zero" campaign, designed and run by our Safety, Health & Environment leadership team and employees at our crafting facilities in Thailand. The campaign focuses on the following four areas: zero accidents culture, zero health risks, zero waste and zero non-compliance, as determined by internal and external standards, including our RSL, and governed by our ISO 45001 and 14001 certifications. In 2025, we will explore how to set targets to advance our chemical management programme.

In 2024, we updated our Global Environmental Policy, ↗ which guides our work with all environmental topics, including chemicals, and serves as a foundation to develop future guidelines and frameworks.

ENVIRONMENTAL IMPACTS OF INDIRECT PROCUREMENT

FOCUSING ON VISUAL MERCHANDISING CAMPAIGNS

Indirect procurement at Pandora encompasses a wide range of goods and services. In 2024, we focused on visual merchandising campaigns to reduce the environmental impact of materials used.

The environmental impact of indirect procurement is a complex area due to the wide range of goods and services purchased through our indirect procurement function. This complexity requires further exploration and consideration to inform our prioritisation and target setting in the future. Our indirect procurement activities have an adverse environmental impact, among others due to the waste generated from consumer packaging – both in production and at the end-of-use stage. We are working with suppliers and other external partners to gain a deeper view and understanding of these impacts and potential opportunities associated with lowering the environmental impact.

Our Global Environmental Policy ↗ guides our environmental work and serves as the foundation to further develop topic-specific agendas.

ENHANCING DATA TRANSPARENCY

To address the environmental impact of the goods and services we purchase, we have established a mapping process for globally purchased point-of-sales materials and store fixtures and furniture. Our consumer-facing packaging is FSC®-certified, and we continue to explore opportunities to switch to more sustainable raw materials with a lower environmental impact.

We aim to expand the scope of procurement mapping over the next three years, focusing on enhancing visibility and incorporating more comprehensive data from key suppliers.

FOCUSING ON THE ENVIRONMENTAL IMPACT OF VISUAL MERCHANDISING

We continue to drive internal behaviour through training for the procurement and business teams, and in 2024, we focused on addressing the environmental impact of goods, particularly the area of visual merchandising (VM) campaigns by:

- Collaborating with the creative team to embed sustainability considerations early in the design stages of campaign concept development. This involved training and raising awareness on how design choices influence the environmental impact of VM products,
- Engaging with suppliers during the product development stage and leveraging their expertise to identify alternative, lower-impact materials that meet quality and design demands,
- Working across teams to ensure that the overall impact of VM products is measured at the campaign level and reduced from an end-to-end perspective (including production, transportation and distribution).

WATER MANAGEMENT IN OWN OPERATIONS

DRIVING WATER RESILIENCE IN OWN OPERATIONS

To safeguard water resources and freshwater ecosystems, we monitored and managed water consumption in risk areas and achieved a 23% water recycling rate in 2024. We also completed a water impact assessment to inform our continued efforts.

Water is essential in several crafting processes, including cleaning and plating, with approximately 90% of our total water consumption used directly in crafting. We are committed to safeguarding this finite resource by building a resilient and inclusive approach to water management, aimed at minimising our impact on local water availability and quality. We have updated our Global Environmental Policy ↗ and developed a Water Standard for mitigating water scarcity and preserving water quality.

WATER CONSUMPTION IN AREAS AT RISK

In 2024, we updated our company-wide water risk assessment using the WWF Water Risk Filter tool to identify material locations at water risk. Based on the locations of our crafting facilities, we face possible risks of water scarcity and poor water quality. Specifically, our sites in Bangkok are in high risk areas, and as a result, our water consumption in areas with high water risk totalled 715,903 m^3. This highlights the need to manage water consumption at these facilities to reduce our impacts and dependencies on freshwater.

MANAGING WATER CONSUMPTION AT OUR CRAFTING FACILITIES

We monitor risks of water shortage and flooding on a weekly basis. Our emergency response plan enables us to navigate and optimise processes, reducing the risks of amplifying water scarcity and securing stable operations in case these risks materialise. At our crafting facilities, water efficiency is tracked against internal targets that include total water consumption, comprising water withdrawals from city water and recycled water.

Water in our crafting processes
Water is essential in several crafting processes, including cleaning and plating, with approximately 90% of our total water consumption used directly in crafting.

We also made important strides to increase water efficiency, including investing in temperature sensors to further optimise processes and adopting water-saving technology for water treatment in cooling towers. However, due to increased production, our total water consumption increased by 2% compared to 2023. While we achieved a recycling rate of 25% at our crafting facilities, we fell short of our internal targets for water consumption from city water withdrawals. This remains a key challenge to address as we work to lower our freshwater dependence and enhance efficiency across operations.

LOOKING AHEAD

To identify material impacts and plan suitable mitigation, we have completed a freshwater impact assessment across our own operations and upstream supply chain, building on previous high-level water risk assessments. This highlights the importance of increasing water efficiency in our crafting, improving water recycling rates and building on existing wastewater treatment efforts on-site to improve wastewater quality. It also highlights a need to focus on upstream water impacts associated with raw material use, for example via responsible sourcing practices. These findings will support us in setting water targets, which we expect to do in 2025.

WATER CONSUMPTION

m^3	2024	2023[1]
Total water consumption	**1,226,949**	**1,194,843**
Water consumption in areas with high water risk	715,903	-
Water consumption in areas with high water risk, %	58%	-
Total water recycled and reused	279,826	238,676
Recycling percentage, %	**23%**	**20%**
Water intensity, m^3/revenue in DKK million[2]	38.73	42.47

[1] The numbers for 2023 have been adjusted to align with ESRS E3-4. In addition a reassessment has been made, due to an error in calculation in 2023, causing a decrease of total water consumption of -10% (-136,972 m^3).
[2] Calculated in line with our standard reporting currency, DKK. Revenue used in the calculation is as reported in *note 2.1 Segment and revenue information* of the Financial Statements.

ACCOUNTING POLICIES

Water management data is disclosed in accordance with ESRS E3-4. Water consumption includes volumes of water consumed in our global operations. The water consumption for our crafting facilities and distribution centres are calculated as the purchased volumes of water. The water consumption in our offices is calculated as an estimate based on headcount, adjusted for remote working. Water consumption at retail locations is calculated as an estimate based on working hours.

Water consumption in areas with high water risk and water stress includes volumes consumed at our crafting facilities in Bangkok and is estimated based on reported city water consumption, including recycled water, for each location (reported or estimated) assessed against WWF Water Risk Filter per location. The share of water in areas with high water risk is compared to the total water consumption.

Water recycled and reused is the volume of water at our crafting facilities that has either been recycled for irrigation and sanitary purposes or reused in our crafting processes before being sent to wastewater treatment.

We exclude activities and facilities that contribute less than 1% of the company-wide gross water consumption from reporting:

- Recycled water is excluded from reporting for all offices, distribution centres and retail locations, as there is no on-site treatment facility or capacity at these premises to recycle water.
- Water consumption in areas at water risk is excluded from reporting for offices, retail stores and distribution centres due to lack of materiality, given the threshold of 1% relative to the company-wide water consumption.

STORY

CRAFTING WITH CARE

For 35 years, we have seamlessly blended centuries-old craftsmanship with modern production techniques. As we continue to scale production, we remain committed to reducing our environmental impact while maintaining the highest quality standards. Our jewellery is crafted with care and attention to detail, ensuring every piece reflects the artistry at the heart of our brand. The magic happens at our state-of-the-art crafting facilities in Thailand, where we continuously set new benchmarks for production design and craftsmanship at scale.

Craftsmanship has been emblematic to Pandora since the very beginning. Our founders, Per Enevoldsen and Winnie Liljeborg, fell in love with Thailand in the 1980s, visiting the country many times and becoming deeply impressed by the skills of Thai jewellery artisans.

Inspired by this experience, they pursued their vision of providing beautiful, high-quality jewellery from precious metals — designed to be affordable for a broad customer base back home in Denmark. In 1989, they established a small goldsmith's workshop in a leafy residential suburb of Bangkok, with just a handful of people. As demand gradually increased throughout the 1990s, the founders scaled up production, developing unique systems that combined traditional Thai craftsmanship, Danish goldsmithing principles and modern production techniques.

Today, we have more than 11,300 employees working at our three facilities in Thailand. All facilities operate on renewable electricity and uphold some of the highest sustainability standards in the industry.

To meet the growing demand for our jewellery and to increase our resilience to potential supply disruptions, we began the construction of a brand-new crafting facility in 2024. The facility is located in the Binh Duong province, about 40 km north of Ho Chi Minh City in Vietnam. Set to open in 2026, the new facility will employ 7,000 people and produce up to 60 million pieces of jewellery per year.

The site covers 7.5 hectares, equivalent to the size of 13 football fields, and the buildings will cover more than 50,000 m^2. The facility will meet the same high sustainability standards we uphold in Thailand and will be powered by 100% renewable electricity and constructed in accordance with LEED Gold standards – a leading green building certification.

Just like in Thailand, the Vietnam facility will only use recycled silver and gold – an important step towards reaching our goal of halving carbon emissions across our full supply chain by 2030 and reaching net zero by 2040.

Choice of materials
We are using 100% man-made stones in the crafting of our jewellery.

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

As we grow our business, we remain focused on addressing both potential and actual climate-related risks. We rely on the Task Force on Climate-Related Financial Disclosures (TCFD) framework to guide us in this effort and respond to growing demands from regulators and the financial sector for greater transparency on financially material climate change impacts affecting Pandora.

GOVERNANCE

Pandora's Board of Directors (the Board) maintains oversight of climate-related risks and opportunities as part of its broader governance responsibilities. This includes evaluating the alignment of climate-related initiatives with Pandora's purpose and strategy and ensuring the integration of sustainability into our strategic objectives. The Board approves Pandora's climate transition plan, receives updates on the progress of strategic sustainability priorities, including climate-related risks and mitigation strategies, and evaluates sustainability performance and reporting annually. In 2024, the Board was presented with the updated double materiality assessment, conducted in compliance with the Danish Financial Statements Act. For further details on Pandora's governance, refer to the Corporate governance chapter.

STRATEGY

We aspire to be a low-carbon business, aiming to limit our climate impacts across the entire value chain. In 2024, we advanced this ambition by having our net zero by 2040 target validated by the Science Based Target initiative (SBTi). For further information on our low-carbon strategy, initiatives and targets, see our Greenhouse gas emissions chapter.

RISK MANAGEMENT

We operate an enterprise risk management system, where management teams across our value chain are responsible for the continuous identification, assessment, mitigation and reporting of current and emerging risks. All relevant business functions provide quarterly updates on their most material risks, which are presented to the Risk Management Board for review and potential inclusion in Pandora's most material risks.

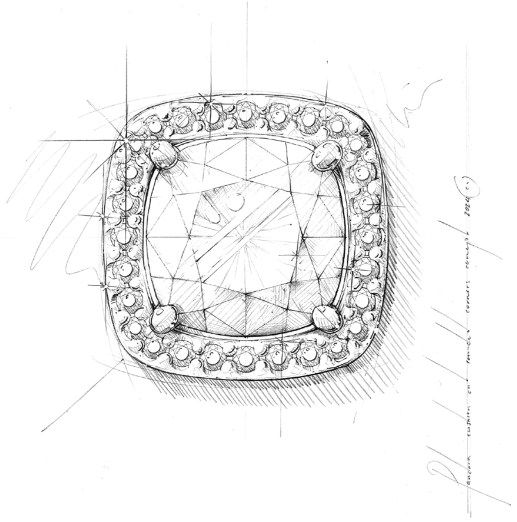
In 2022, Pandora conducted a qualitative scenario analysis to enhance our business resilience against future climate change effects. This analysis was aligned with Pandora's risk management matrix. The scenario analysis assessed the materiality of different climate-related risks and opportunities relevant to Pandora's direct operations and value chain (upstream, direct operations and downstream) using three different climate scenarios, including a high-emissions scenario and a 1.5°C scenario, aligned with scenarios and assumptions used in Pandora's TCFD and CDP disclosures and SBTi target-setting.

Thirteen internal stakeholders from a range of functions, including our Chief Financial Officer and representatives from operations, supply chain, risk, sustainability and logistics were interviewed as part of the assessment. The climate-related risks and opportunities assessed in the climate scenario analysis were the ones considered most material to the business by the stakeholders, and the input was validated by our Chief Financial Officer.

The exercise helped identify and inform assets and business activities where significant efforts are required to be compatible with Pandora's transition to low-carbon operations. For more information, see the Risk and Double materiality assessment chapters.

METRICS AND TARGETS

We are committed to reducing our climate impact through clear targets and impactful initiatives. Our long-term incentive plan (LTIP) for senior leadership incorporates sustainability performance as a key component, including our science-based target to reduce greenhouse gas emissions. For more information on our sustainability targets, refer to the respective chapters. For further details on the LTIP, see the Remuneration Report.



EU TAXONOMY

In 2024, our focus remained on assessing how the six EU Taxonomy environmental objectives apply to Pandora's core business. Though jewellery crafting remains outside its scope, we are committed to refining our approach and expanding contributions to align with sustainable economic activities.

The EU Taxonomy is an EU classification system that identifies environmentally sustainable economic activities. While the crafting of jewellery remains outside of its scope for 2024, we continue to assess the relevance of the economic activities to our core business annually. These are analysed for their contribution to the six environmental objectives: climate change mitigation (CCM), climate change adaptation (CCA), sustainable use and protection of water and marine resources (WTR), transition to a circular economy (CE), pollution prevention and control (PPC), and protection and restoration of biodiversity and ecosystems (BIO). Similar to previous years, before preparing our statement on EU Taxonomy, we reviewed and assessed which economic activities are eligible under the EU Taxonomy definition and subsequently allocated financial numbers to these activities.

The annual process for assessing compliance with the criteria set out in Article 3 of Regulation (EU) 2020/852 has been conducted in three stages:

1. **Screening of eligible economic activities:** We performed a screening of the technical annexes of the Climate Delegated Act, the Complementary Climate Delegated Act, the Environmental Delegated Act and the amendments to the Climate Delegated Act to identify any potentially eligible economic activities for the revenue KPI and for both category (a) and (c) of the CAPEX and OPEX KPIs. We identified areas where we had any eligible economic activities in the reporting period, which were subject to further assessment of eligibility.

2. **Assessment of eligible economic activities:** Each of the identified economic activities was assessed to determine how the description of the economic activity in the Annex corresponds to Pandora's operations.

3. **Assessment of the alignment of economic activities:** For each of the eligible economic activities, we identified key internal stakeholders to help locate and collate documentation needed to meet the alignment criteria.

TAXONOMY-ELIGIBILITY

Our core jewellery-crafting activities are not covered by the Climate Delegated Act, the Complementary Climate Delegated Act, the Environmental Delegated Act and the amendments to the Climate Delegated Act. We continue, however, to monitor developments closely. As these activities are considered Taxonomy-non-eligible, we have no eligible revenue. Our reporting for 2024 is based on the same interpretation used for our 2023 reporting, which broadened the eligibility assessment to consider other economic activities in terms of CAPEX and OPEX. Based on this interpretation, we have identified CAPEX and OPEX-related eligible economic activities that meet the Taxonomy's definition.

Since mid-2024, our Lamphun facility in Thailand has been operating with a mix of solar and biomass technologies. As part of the EU Taxonomy assessment, we reviewed the eligibility of these renewable electricity sources. While they support sustainable operations, their contribution remains immaterial to our overall financial and operational performance for the reporting year 2024.

TAXONOMY-ALIGNMENT

Given the evolving nature of EU Taxonomy, we recognise that the requirements for alignment are still developing. In 2024, we reassessed the alignment potential of our eligible activities and despite the significant steps we have taken to become a low-carbon, circular, inclusive, diverse and fair business, we concluded that we remain non-aligned.

Having thoroughly reviewed the extensive substantial contribution and "do no significant harm" criteria for the identified eligible economic activities and given the nature and location of our activities, we chose to retain our conservative approach and disclose no Taxonomy-alignment for the identified economic activities in 2024. Pandora is actively working to enhance alignment by focusing on completing ongoing projects, obtaining required certifications and improving data collection efforts in the coming years.

ACCOUNTING POLICIES

The share of Taxonomy-eligible economic activities is expressed as the proportion of revenue, total investments (CAPEX) and operational expenditures (OPEX) related to assets or processes listed in EU Taxonomy.

- **Revenue:** Total revenue is aligned with the revenue reporting in *note 2.1 Segment and revenue information.* The revenue KPI is defined as Taxonomy-eligible revenue (numerator) divided by total revenue (denominator).

- **CAPEX:** Total CAPEX is aligned with additions reported in *note 3.1 Intangible assets* (IAS 38), *note 3.2 Property, plant and equipment* (IAS 16) and *note 3.3 Leases*. Goodwill is not included in CAPEX as it is not defined as an intangible asset in accordance with EU Taxonomy. The CAPEX KPI is defined as Taxonomy-eligible CAPEX (numerator) divided by total CAPEX (denominator).

- **OPEX:** According to EU Taxonomy, OPEX is defined as direct non-capitalised costs that relate to research and development, building renovation, short-term lease, maintenance and repair and any other direct expenditures relating to the day-to-day servicing of property, plant and equipment. The OPEX KPI is defined as Taxonomy-eligible OPEX (numerator) divided by total OPEX (denominator). As EU Taxonomy OPEX has a different definition than OPEX, the OPEX used cannot be derived from the Financial Statements.

- **Double counting:** For the calculation of the denominator of the revenue, OPEX and OPEX KPIs, we have extracted the figures directly from our internal system, ensuring that the figures are only counted once in each KPI. For the allocation of the numerator for CAPEX, we have first identified the relevant figures and then allocated the primary related economic activity in the Climate Delegated Act. In this way, we ensure that no CAPEX is considered more than once.

CONTRIBUTION TO MULTIPLE OBJECTIVES

Regarding our identified economic activities, we note that none of these contribute to multiple objectives.

DISAGGREGATION OF KPIs

There has been no disaggregation of KPIs for any economic activity assessed.

CONTEXTUAL INFORMATION ABOUT KPIs

The numerator of the CAPEX KPI for economic activity 7.7 is driven by new leases and leasehold improvements in the lease stores. Economic activity 8.2 is driven by investments in our digital innovation and capabilities, which are reported under CAPEX or OPEX, respectively, depending on whether the requirements for capitalisation are met. There are no CAPEX plans to upgrade a Taxonomy-eligible economic activity to become Taxonomy-aligned or to expand a Taxonomy-eligible economic activity ("category b" according to Section 1.1.2.2 of Annex I to the Art. 8 Delegated Act). The numerator of the OPEX KPI is, in addition to activity 8.2 as described above, driven by activity 6.5 regarding vehicles used by Pandora and activity 7.7 Buying and owning stores and buildings.

MINIMUM SAFEGUARDS

Pandora has established a human rights due diligence (HRDD) process following the guidance in the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises (MNEs). More precisely, our business conduct is guided by the following policies: Human Rights Policy, Supplier Code of Conduct, Franchisee and Distributor Code of Conduct, Responsible Sourcing Policy, Materials Standard, Responsible Marketing Standard, Whistleblower Policy, Data Ethics Policy and Privacy Policy. The policies are publicly available on our corporate website under 'Policies'.

We conduct HRDD to ensure we continuously focus on identifying, preventing, mitigating, tracking and remediating actual and potential adverse impacts in our own operations, in our supply chains or in our business relationships.

Read more about our Corporate governance, Human rights in own operations and Workers in the value chain.

Due diligence is a continuous process, and we work closely with our value chain actors to ensure our due diligence framework is implemented. We use a variety of approaches to implement respect for human rights and aim to use a multi-pronged approach. For example, we screen a selection of our suppliers for sanctions and adverse media on environmental and social issues, and we inquire about their sustainability management systems before and during onboarding, including through third-party audits. We acknowledge that there are limitations to certain tools such as audits, which is why we also focus on capacity-building and strengthening supplier relationships.

In 2024, there have not been any incidents where Pandora was found to be in breach of human rights laws, guilty of breaching tax laws, convicted of corruption or bribery or found in breach of competition laws. Likewise, Pandora has not been subject to complaints of alleged breaches of the OECD guidelines or been non-compliant with the OECD MNE guidelines and has therefore not collaborated with any OECD National Contact Points to resolve such issues in 2024.

Finally, Pandora has not been approached by the Business and Human Rights Resource Centre and therefore has not been non-responsive to the Centre nor found to be responding inadequately to affected stakeholders or their representatives' concerns in 2024. The KPIs indicate that we might have potential to contribute to the green transition with our CAPEX and OPEX activities reported as Taxonomy-eligible.

				Substantial contributions						Do no significant harm (Y/N)									
TURNOVER[1] DKK million	Code	Absolute turnover	Proportion of turnover	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Proportion of Taxonomy-aligned or -eligible turnover, year N-1	Category (enabling activity)	Category (transitional activity)
Taxonomy-aligned activities																			
Turnover of environmentally sustainable activities (Taxonomy-aligned)		0	0%														0%		
Of which enabling		0	0%														0%		
Of which transitional		0	0%														0%		
Taxonomy-eligible but not -aligned activities																			
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)		0	0%														0%		
Turnover of Taxonomy-eligible activities		0	0%																
Taxonomy-non-eligible activities		**31,680**	**100%**																
Total		**31,680**	**100%**																

[1] Turnover is used in the table to be in compliance with the EU Directive.

EL = Taxonomy-eligible activity for the relevant objective
N/EL = Taxonomy-non-eligible activity for the relevant objective

CAPEX DKK million	Code	Absolute CAPEX	Proportion of CAPEX	Substantial contributions: Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Do no significant harm (Y/N): Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Proportion of Taxonomy-aligned or -eligible CAPEX, year N-1	Category (enabling activity)	Category (transitional activity)
Taxonomy-aligned activities																			
CAPEX of environmentally sustainable activities (Taxonomy-aligned)		0	0%														0%		
Of which enabling		0	0%														0%		
Of which transitional		0	0%														0%		
Taxonomy-eligible but not -aligned activities																			
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5 CCA 6.5	11	0%	EL	EL	N/EL	N/EL	N/EL	N/EL								0%		
Construction of new buildings	CCM 7.1 CCA 7.1 CE 3.1	188	4%	EL	EL	N/EL	EL	N/EL	N/EL								1%		
Buying and owning buildings	CCM 7.7 CCA 7.7	2,884	66%	EL	EL	N/EL	N/EL	N/EL	N/EL								69%		
Computer programming, consultancy and related activities	CCA 8.2	500	11%	N/EL	EL	N/EL	N/EL	N/EL	N/EL								12%		
CAPEX of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)		3,583	82%	71%	11%	-	-	-	-										
CAPEX of Taxonomy-eligible activities		3,583	82%	71%	11%	-	-	-	-										
Taxonomy-non-eligible activities		**773**	**18%**																
Total		**4,356**	**100%**																

EL = Taxonomy-eligible activity for the relevant objective
N/EL = Taxonomy-non-eligible activity for the relevant objective

				Substantial contributions						Do no significant harm (Y/N)									
OPEX[1] DKK million	Code	Absolute OPEX	Proportion of OPEX	Climate change mitiga-tion	Climate change adapta-tion	Water and marine resources	Circular economy	Pollution	Bio-diversity and eco-systems	Climate change mitiga-tion	Climate change adapta-tion	Water and marine resources	Circular economy	Pollution	Bio-diversity and eco-systems	Minimum safe-guards	Proportion of Taxonomy-aligned or -eligible OPEX, year N-1	Category (enabling activity)	Category (transi-tional activity)
Taxonomy-aligned activities																			
OPEX of environmentally sustainable activities (Taxonomy-aligned)		0	0%														0%		
Of which enabling		0	0%														0%		
Of which transitional		0	0%														0%		
Taxonomy-eligible but not -aligned activities																			
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5 CCA 6.5	15	4%	EL	EL	N/EL	N/EL	N/EL	N/EL								4%		
Buying and owning buildings	CCM 7.7 CCA 7.7	199	49%	EL	EL	N/EL	N/EL	N/EL	N/EL								48%		
Computer programming, consultancy and related activities	CCA 8.2	186	46%	N/EL	EL	N/EL	N/EL	N/EL	N/EL								46%		
OPEX of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)		400	98%	52%	46%	-	-	-	-										
OPEX of Taxonomy eligible activities		400	98%	52%	46%	-	-	-	-										
Taxonomy-non-eligible activities		**8**	**2%**																
Total		**408**	**100%**																

[1] The total of OPEX base can not be reconciled to the Financial Statements due to a narrow OPEX definition in the EU Taxonomy.

EL = Taxonomy-eligible activity for the relevant objective
N/EL = Taxonomy-non-eligible activity for the relevant objective

PROPORTIONAL OVERVIEW OF KPIs

PROPORTION OF TURNOVER/TOTAL TURNOVER	Proportion of Taxonomy-aligned per objective	Proportion of Taxonomy-eligible per objective
CCM	0%	0%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

PROPORTION OF CAPEX / TOTAL CAPEX	Proportion of Taxonomy-aligned per objective	Proportion of Taxonomy-eligible per objective
CCM	0%	71%
CCA	0%	82%
WTR	0%	0%
CE	0%	4%
PPC	0%	0%
BIO	0%	0%

PROPORTION OF OPEX / TOTAL OPEX	Proportion of Taxonomy-aligned per objective	Proportion of Taxonomy-eligible per objective
CCM	0%	52%
CCA	0%	98%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

NUCLEAR AND FOSSIL GAS RELATED ACTIVITIES

As Pandora does not engage in nuclear or fossil gas related activities, below table is included for compliance purposes.

ROW	NUCLEAR ENERGY-RELATED ACTIVITIES	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No

	FOSSIL GAS RELATED ACTIVITIES	
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

SECTION 3

SOCIAL

Diversity, equity and inclusion, as well as human rights, are key to our approach to responsible business. This section outlines the five material social matters. To explore the topics in detail, follow the links below.

DIVERSITY, EQUITY AND INCLUSION
ADEQUATE WAGE
HUMAN RIGHTS IN OWN OPERATIONS
WORKERS IN THE VALUE CHAIN
RESPONSIBLE MARKETING

DIVERSITY, EQUITY AND INCLUSION

BUILDING A DIVERSE, EQUITABLE AND INCLUSIVE WORKPLACE

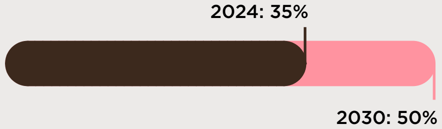
In 2024, we continued to advance our efforts to create a workplace that embraces diversity, prioritises equity and fosters inclusion. Through targeted initiatives, we progressed towards gender parity in our Leadership Team, ensuring equal pay and building a more inclusive future for all employees at Pandora.

Diversity, equity and inclusion have long been integral to our culture and operations, and we remain dedicated to embedding them across all parts of our organisation. We continue to build on our existing efforts to create an inclusive workplace that reflects the diversity of the more than 41,300 employees in our global workforce. Employees are well-distributed across male, female, other or not reported, with the highest number of employees located in Thailand and the United States.

The age profile is distributed with 48% below 30, 48% between 30 and 50, and 4% above 50 years, highlighting a multigenerational workforce committed to inclusivity and diversity.

TARGETS AND PROGRESS

FULL GENDER PARITY
Achieve full gender parity in the Leadership Team no later than 2030.



INCLUSION SCORE OF 8.5
Maintain 8.5 score on inclusion in employee listening survey.

As of 2024
Target

DRIVING PROGRESS WITH A UNIFIED FRAMEWORK

Our diversity, equity and inclusion work is anchored by four pillars that guide our efforts and ensure measurable outcomes as illustrated below.

Our work is guided by Pandora's Inclusion and Diversity Policy, which outlines Pandora's commitments in alignment with our diversity, equity and inclusion strategy. These commitments include fostering an inclusive workplace, achieving gender parity in our Leadership Team and ensuring that market communications reflect the diversity of society. In 2025, we will update our policy to ensure that it supports our long-term goals and the evolving needs of our global workforce.

BRINGING DIVERSITY, EQUITY AND INCLUSION TO LIFE: 2024 IN ACTION

Driving gender parity forward

Achieving gender parity in our Leadership Team remains one of our key priorities. In 2024, women made up 57% of our Board of Directors, while the representation of women in the Leadership Team increased from 34% in 2023, to 35% in 2024. While there is still work to be done, we remain steadfast in our focus and are on track to achieve gender parity in our Leadership Team no later than 2030. Achieving true gender parity requires sustained dedication and actions, and we remain committed to closing the gender gap in leadership.

Ensuring equal pay

In 2024, we made significant progress in this area by launching our global Pay Transparency project, which lays the ground for addressing potential unjustified pay differences. This effort builds on our established policies to ensure that decisions related to hiring, promotions and salary reviews are made equitably. We reported a gender pay gap of 1.9% and a total remuneration ratio of 288. Our CEO's salary is comparable to that of other CEOs in Denmark and Europe. The ratio to the median compensation is influenced by our significant workforce in Thailand and the large number of retail positions at Pandora. 28% of our employees work at our crafting facilities in Thailand, where they receive competitive local wages, though salaries and the cost of living remain significantly lower than the Danish average. Additionally, 62% of our employees work in our stores worldwide. This structure results in a wider wage gap at Pandora compared to companies with a higher proportion of office-based employees or specialised professionals. In 2024, the ratio was further impacted by the special one-time award granted to the CEO. See the Adequate wage chapter and the Remuneration Report ↗ for more detail. We also met our disclosure obligations on gender pay gaps in the UK and Australia, demonstrating our ongoing commitment to transparency. These efforts ensure that pay equity remains a priority across all parts of our organisation.

Embedding diversity and inclusion into our culture

We continue to embed principles of diversity and inclusion into our everyday operations, ensuring that these values are reflected in how we work, engage and lead. In 2024, we introduced and expanded initiatives to strengthen inclusivity and awareness:

- **Training and awareness:** We launched an e-learning programme on unconscious bias,

BREAST CANCER AWARENESS MONTH

In October, our North American Employee Resource Group "Until We All Shine" and the We Care Committee organised events to raise awareness about breast cancer. This included expert discussions on early detection and a live panel featuring Pandora cancer survivors and caregivers.

DATA ANALYTICS & REPORTING
We use insights to track progress and drive meaningful actions.

TRAINING & DEVELOPMENT
We provide employees with the tools and knowledge to build an inclusive workplace.

COMMUNICATION & VALUE PROPOSITION
We ensure a unified stance and consistent messaging across our global organisation.

EXTERNAL PARTNERSHIPS & INTERNAL EMPLOYEE RESOURCE GROUPS
We foster collaboration with external communities while empowering diverse employee networks internally.

equipping hiring managers with tools to foster fair and unbiased recruitment processes.

- **Global celebrations**: We hosted events for International Women's Day and Pride Month, showcasing our commitment to diversity and inclusion through panel discussions, external speakers and community stories.

- **Community partnerships:** In the UK, we partnered with Switchboard, an LGBTQIA+ support organisation, donating GBP 20,000 as part of Pride celebrations and launching a Pride charm to further raise awareness and support their vital work.

INCLUSION AND DIVERSITY POLICY

The Inclusion and Diversity Policy outlines Pandora's ambitions and commitments to create an inclusive, diverse and fair workplace. It details the collective responsibilities within the company to ensure all employees understand how they can contribute to creating a culture of inclusion. The policy is applicable to both Pandora's direct operations and value chain and is approved by the Board of Directors. The policy is publicly available on our corporate website under 'Policies'.

In 2025, the policy will be updated to capture Pandora's updated diveristy, equity and inclusion strategy and address all mandatory Corporate Sustainability Reporting Directive disclosure requirements.

Empowering voices, fostering inclusion
At Pandora, we are committed to nurturing an inclusive work environment where every employee feels valued, respected and empowered to contribute with their unique perspectives and talents. By fostering a culture of inclusion and belonging, we not only enhance individual well-being and engagement but also drive innovation, creativity and collaboration. In 2024, we conducted our bi-annual employee listening survey to assess inclusivity across our global organisation, inviting participation from all office, retail, distribution and Crafting & Supply employees. The survey revealed an inclusiveness score of 8.8 on a scale from 0 to 10, up from 8.7 in 2023. These insights guide our actions and keep us aligned with our target of maintaining a score above 8.5 in 2025.

Fostering transparency and accountability
We continue to prioritise transparency and accountability in all aspects. Our whistleblower programme provides employees with a secure and confidential channel to raise concerns, ensuring that everyone feels empowered to speak up. This framework complements our broader diversity, equity and inclusion initiatives, reinforcing a culture of trust. For details on our whistleblower hotline (ESRS S1-3), see the Business ethics chapter.

Navigating a global landscape
Operating in more than 100 countries with a workforce representing diverse nationalities, genders and age groups presents both opportunities and challenges. From navigating cultural differences to adapting to local regulatory environments, these complexities can impact our ability to measure progress, particularly where data collection on diversity, equity and inclusion metrics is restricted. We remain committed to finding innovative ways to advance inclusivity and tailor our approach to the needs of our global workforce.

Looking ahead
Together, we will continue building an environment where every employee feels empowered to bring their authentic selves to work, driving the innovation and creativity that shape our future.

A cultural hotspot
Our dedicated front-line employees in Paris work out of a total of nine stores in the French capital city. A prime Pandora store is located on the Champs-Élysées, one of the most visited avenues in the world.

EMPLOYEE CHARACTERISTICS

Number	2024	2023
Gender		
Female	33,243	-
Male	7,687	-
Other	272	-
Not reported	124	-
Total employees	**41,326**	**37,142**
Country		
Thailand	11,864	-
US	8,584	-
Other countries below 10% of total number of employees	20,878	-
Employee turnover		
Total employees who left Pandora, excl. seasonal and temporary employees	10,048	9,242
Total employee turnover, excl. seasonal and temporary employees, %	30.1%	29.9%
Total employees who left Pandora	15,889	-
Total employee turnover, %	44.4%	-

ACCOUNTING POLICIES

Our employee characteristics are accounted for in accordance with ESRS S1-6. The number of employees includes all recorded individuals employed by Pandora, except external contractors, at year-end and is accounted for in Headcount. The gender distribution is based on the total number of employees at year-end. The country data is presented in accordance with the ESRS standard, including countries with employees representing at least 10% of our total number of employees.

Total employee turnover is presented in two ways: excluding and including seasonal and temporary employees. This approach reflects the nature of our business, where we frequently hire employees for short-term assignments during peak seasons to meet increased operational demands. Since the turnover of these seasonal and temporary employees aligns with their employment terms, we exclude them from the first employee turnover calculation. This distinction ensures that our turnover metrics accurately represent trends in our workforce while taking the seasonal fluctuations of our business into account.

Employee turnover is calculated as the number of employees who left Pandora during the year divided by the average number of employees for the same period.

GENDER DISTRIBUTION IN MANAGEMENT

Number	2024		2023	
Board of Directors				
Female	4	57%	4	57%
Male	3	43%	3	43%
Other	0	0%	0	0%
Not reported	0	0%	0	0%
Executive Management				
Female	0	0%	0	0%
Male	2	100%	2	100%
Other	0	0%	0	0%
Not reported	0	0%	0	0%
Executive Leadership Team				
Female	1	12.5%	1	12.5%
Male	7	87.5%	7	87.5%
Other	0	0%	0	0%
Not reported	0	0%	0	0%
Leadership Team				
Female	33	35%	33	34%
Male	60	65%	65	66%
Other	0	0%	0	0%
Not reported	0	0%	0	0%

ACCOUNTING POLICIES

The gender distribution in management is disclosed in accordance with ESRS S1-9. The data includes the total number of members in the Board of Directors (the Board), the total number of employees in both Executive Management and the Executive Leadership Team at year-end. The Leadership Team comprises Vice Presidents, Senior Vice Presidents and members of the Executive Leadership Team, Executive Management and the Board at year-end.

EMPLOYEES BY CONTRACT TYPE

Number	2024	2023
Total number of permanent employees	**35,084**	**-**
Female	27,567	-
Male	7,310	-
Other	86	-
Not reported	121	-
Total number of temporary employees	**6,242**	**-**
Female	5,676	-
Male	377	-
Other	186	-
Not reported	3	-

ACCOUNTING POLICIES

The number of employees by contract type is disclosed in accordance with ESRS S1-6. The data includes all recorded individuals employed by Pandora at year-end and is accounted for in Headcount. Permanent employees are regularly scheduled to work either part-time or full-time schedules without a specified end date, while temporary employees are regularly scheduled to work either part-time or full-time schedules with a specified end date at year-end. Pandora has no employees with a contract as non-guaranteed hours.

AGE SPLIT

%	2024	2023
Below 30 years	48%	-
30-50 years	48%	-
Above 50 years	4%	-

ACCOUNTING POLICIES

The age split is disclosed in accordance with ESRS E1-9. The data includes all recorded individuals employed by Pandora at year-end and is accounted for in Headcount, attributed to an age range based on their recorded date of birth.

DISABILITIES

%	2024	2023
Employees with disabilities[1]	0.2%	-

[1] Countries where the data is reported: Chile, China, France, Germany, Hong Kong, Italy, Romania, Spain and Turkey.

ACCOUNTING POLICIES

The percentage of employees with disabilities is reported in accordance with ESRS S1-12. The share of employees with disabilities is compared to total number of employees at year-end and is accounted for in Headcount.

The number of employees with disabilities employed by Pandora at year-end includes employees with disabilities in countries where it is a legal requirement to register employees with disabilities. The legal definitions of individuals with disabilities by the respective countries are taken into consideration when reporting the data.

REMUNERATION METRICS

%	2024	2023
Gender pay gap	1.9%	-
Total remuneration ratio	288	-

ACCOUNTING POLICIES

Gender diversity and pay data is disclosed in accordance with ESRS S1-16. The gender pay gap is calculated by comparing the average gross hourly earnings of men and women across the workforce expressed as a percentage of the average pay level of male employees. It includes all employees at year-end and is accounted for in Headcount, attributed to the binary gender of either female or male. Employees not registered with a binary gender have not been included. The average gross hourly earnings includes annual base salary and STIP payout.

The total remuneration ratio is calculated by comparing the annual total compensation of our highest paid employee, the CEO, to the median annual compensation of all other employees at year-end. The calculation is based on the total gross compensation figures, which include salary, bonuses, and other financial benefits comprising the total fair value of all annual long-term incentives including share-based payments. For context information see page 88. The remuneration ratio is also disclosed in our Remuneration Report as the CEO pay ratio.

ADEQUATE WAGE

ADVANCING EQUITABLE AND ADEQUATE WAGES GLOBALLY

We are committed to equitable and adequate compensation and are actively working towards implementing a Global Adequate Wage Policy. Once in place, this policy will ensure that every employee earns a wage that supports a decent standard of living.

By committing to adequate wages, we strengthen our brand, attract and retain the right talent and contribute positively to the communities in which we operate.

BUILDING A FRAMEWORK FOR FAIR COMPENSATION

In 2024, we completed a benchmarking study to evaluate our wage practices against adequate and living wage standards in every country where we operate. These standards were sourced from WageIndicator.org, part of the WageIndicator Foundation, ensuring reliable and credible references for our strategy. We took a conservative approach, including only guaranteed pay provided to all employees and pay components that truly contribute to a higher standard of living in our comparison with adequate wage data. In countries where adequate wage data was unavailable, we applied the living wage. For countries where both figures were available, we used the higher figure to ensure maximum fairness.

As a company, we are fully committed to meeting the expectations placed upon us to ensure equitable pay for all employees. These expectations are rightly evolving and becoming more demanding. In this context, our first fully comprehensive global benchmark study revealed that 98% of our employees are paid at or above the adequate wage benchmark.

However, we identified 17 countries where at least one employee fell below the adequate wage threshold. The proportion of employees impacted ranged from less than 1% to 80% of the workforce

Closing wage gaps

By March 2025, we expect to have closed the wage gaps in 13 out of the 17 countries where at least one employee fell below the adequate wage threshold.

in these countries. To address these disparities, we have engaged with key stakeholders to develop an equitable and sustainable wage framework.

Our analysis led to several key insights. In Luxembourg, the adequate wage is significantly higher, at 50% of the average national wage, surpassing the living wage figure from WageIndicator.org by 43%. In Portugal, we meet the requirements for adequate wage; however, the living wage figure is higher. Since we have committed to using the higher of the two figures for our comparisons, we are treating Portugal as non-compliant with our internal standards, even though we fully comply with the adequate wage requirements.

We have defined actions to close wage gaps and ensure all employees are compensated adequately. We plan to close these gaps in 13 countries by March 2025, and are currently developing plans for the remaining four countries with an aim to resolve them in 2025. We are committed to reporting on the progress of these initiatives as they advance and will conduct an annual review to ensure continued application of living wage standards globally.

SETTING CLEAR TARGETS FOR WAGE EQUITY

Our objective is to pay an adequate and equitable wage in all countries where we operate. We aim to use the external wage benchmarks to establish internal pay ranges for each country, ensuring that wages cover basic living needs and support a decent standard of living. These benchmarks will be reviewed annually to account for inflation and shifts in the cost of living.

This approach reflects our strong commitment to aligning with regulations and best practices in ensuring fair and adequate compensation for all our employees. By proactively addressing the challenges and opportunities related to wage adequacy, we are ensuring an equitable and sustainable future for our workforce.

ADEQUATE WAGE POLICY

We are in the process of developing Pandora's Adequate Wage Policy, with the goal of finalising it in 2025. The policy will ensure that employees' wages are not only compliant with local regulations but also reflect the cost of living in each country where we operate. It will outline the third-party and international standards we follow. Key internal stakeholders are being consulted during the development of the policy, which will be approved by the Board of Directors. The policy will be made publicly available on our corporate website under 'Policies'.

ADEQUATE WAGE

%	2024		2023
Number and share of employees paid an adequate wage	**34,508**	**98%**	-
Number and share of employees not paid an adequate wage by country[1]			
Chile	148	80%	-
Ireland	140	71%	-
Luxembourg	14	70%	-
South Africa	60	63%	-
Colombia	103	59%	-
Peru	38	56%	-
Singapore	42	45%	-
Portugal	42	16%	-
Netherlands	34	15%	-
Denmark	36	3.3%	-
Mexico	25	3.1%	-
US	130	2.0%	-
Brazil	13	2.2%	-
Belgium	4	1.8%	-
Czech Republic	2	1.3%	-
Romania	1	0.7%	-
Thailand	3	0.03%	-

[1] We plan to close the gaps by March 2025 in Belgium, Brazil, Colombia, Czech Republic, Denmark, Ireland, Mexico, Peru, Portugal, Romania, Singapore, Thailand and the US. We aim to resolve the remaining gaps in Chile, Luxembourg, the Netherlands and South Africa in 2025.

ACCOUNTING POLICIES

Adequate wage data is disclosed in accordance with ESRS S1-10. The share of employees paid an adequate wage is the annual consolidation of the country-level assessments of base wage including qualifying allowances (housing-, meal and transport allowances, free school for children, guaranteed bonus and paid private medical insurance) per employee, benchmarked against the adequate wage calculated for the country by WageIndicator.org as per the October 2024 update. Where a calculated adequate wage is not available in the external benchmark, the calculated living wage has been used. For countries, where both an adequate wage and a living wage are available, the highest calculated wage benchmark has been used. The wages of all employees which are accounted for in Headcount excluding apprentices, student assistants and interns have been considered. The share of employees paid an adequate wage is calculated as the number of employees paid an adequate wage compared with the total number of employees in scope. Where employees by country are not paid an adequate wage, the number and share in those countries are detailed.

HUMAN RIGHTS IN OWN OPERATIONS

ENSURING A FAIR AND RESPECTFUL WORK ENVIRONMENT

We are committed to ensuring that people are treated fairly and with respect. In 2024, we focused our efforts on raising human rights awareness and assessing our grievance mechanisms in Thailand.

We assess human rights risks across our operations and value chain, to ensure positive and meaningful impact. This work is guided by Pandora's Global Human Rights Policy.

PRIORITISING EMPLOYEE VOICES

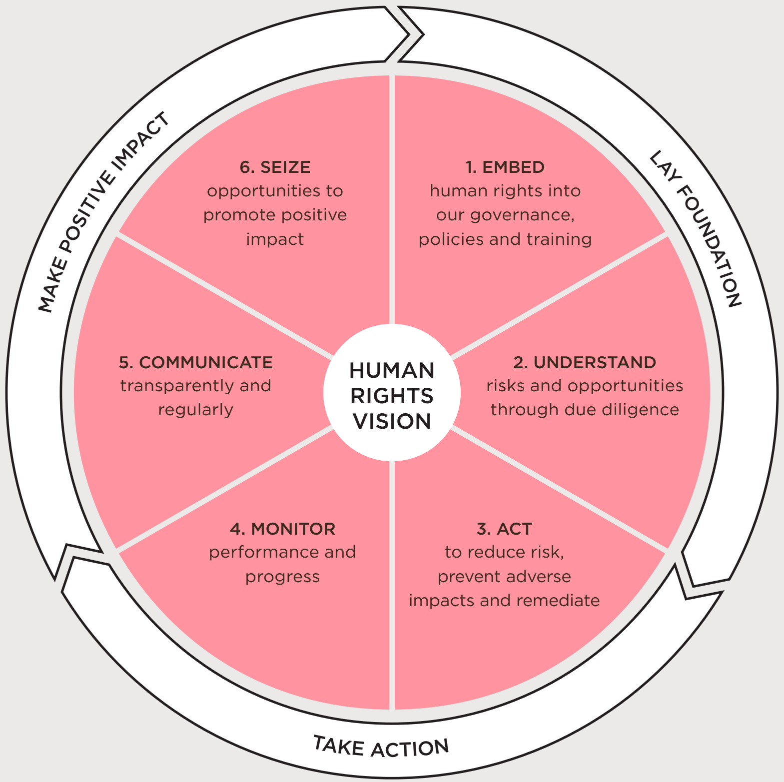
Our employees are essential to our success, which is why we prioritise creating the best possible working environment. We consistently gather and act on employee feedback both globally and locally, ensuring job security and accessibility. Our bi-annual employee listening survey offers insights into employee engagement, including diversity and inclusion metrics.

IMPROVING WORKPLACE CULTURE THROUGH ENGAGEMENT AND TRAINING

Thailand is home to 29% of our employees. Our grievance mechanisms, along with the 2022 human rights impact assessment, highlighted occasional instances of unacceptable workplace behaviour. In response, we deepened our understanding of worker experiences through focus groups with a statistically representative sample of employees and provided targeted training for managers on key topics.

- **Focus groups:** Through focus groups, we explored perceptions of the working environment, harassment, discrimination and the effectiveness of grievance mechanisms. In 2023, we focused on employees with disabilities; in 2024, on a broader selection of employees.

  Key issues raised through these interviews included a high overall satisfaction with the workplace atmosphere, but some verbal microaggressions were cited as well as favouritism and low levels of understanding of discrimination.



OUR APPROACH TO RESPECTING HUMAN RIGHTS

The approach outlined above is guided by our human rights vision: We respect the human rights of everyone touched by our business, ensuring they are treated fairly and have an empowered voice. The illustration highlights how we address the most critical human rights risks within our operations and value chain, striving to create positive impacts.

Our salient human rights risks include access to grievance mechanisms, child and young labour, discrimination and equality, freedom of association and collective bargaining, harassment and gendered impacts, modern slavery and forced labour, online advertising, privacy, working hours, and wages and benefits.

Following these insights, we aim to continue raising awareness of discrimination and harassment and enhance trust in our grievance mechanisms.

- **Manager training:** In 2024, 161 managers participated in classroom sessions on discrimination and harassment, fostering interactive learning. Post-training surveys showed that 83% found the training valuable for building a positive workplace. Participants reported increased sensitivity to their role in preventing workplace harassment and discrimination. The training will continue in 2025.

To ensure our policy remains relevant, we began a human rights-focused review of existing policies in 2024, updating them where necessary. Examples include extending our benefits coverage to adopted children to promote equality.

STRENGTHENING COMPLAINT MECHANISMS

In 2024, we prioritised a comprehensive review of our grievance mechanisms in Thailand to ensure they are both trusted by employees and aligned with the effectiveness criteria outlined in the UN Guiding Principles on Business and Human Rights. The assessment included employee interviews, confirming the following areas for improvement: strengthening users' trust and increasing transparency and communication to employees about how complaints are handled, ensuring consistent follow-up.

We provide multiple reporting channels, including face-to-face, online and anonymous options, supplemented by QR codes and a mobile app for two-way communication between employees and management. These channels are promoted through posters, radio broadcast and morning employee briefings. Most reports involve clarifying questions about our Welfare and Benefits programme or overtime requests, with a few addressing policy breaches, all of which were investigated. For details on our whistleblower hotline and number of cases reported, see the Business ethics chapter.

We resolve issues collaboratively, using reports to enhance our workplace, valuing our people as our greatest asset.

RAISING HUMAN RIGHTS AWARENESS

To promote human rights awareness, we organised activities on Human Rights Day, International Women's Day and Disability Day. These events featured panel discussions with external human rights experts, such as UNICEF-representatives, focusing on fostering a culture that enables more women in leadership. Additionally, we deliver mandatory human rights e-learning.

WORKER REPRESENTATION

While we do not have a global union framework, all employees in Thailand are covered by a collective bargaining agreement, and we regularly engage with the union to discuss wages, benefits and working environment. In 2024, we held ten meetings with union representatives, discussing workplace improvements such as enhancing workstations, addressing facility maintenance and reviewing trends for overtime based on company performance. We also successfully negotiated the annual collective bargaining agreement, which resulted in improved benefits for employees, including an increased meal allowance.

Our other significant employment market is the US, where employees are not covered by a collective bargaining agreement but all receive the same benefits. Concerns can be raised with our employee relations department or relevant government bodies as per federal regulations.

For more information on other human rights impacts, such as privacy, adequate wages and health and safety, refer to the chapters Corporate governance, Adequate wage and People. Further details on our approach to human rights in our own operations are available in our 2024 Transparency in Supply Chains Statement.

GLOBAL HUMAN RIGHTS POLICY

The Global Human Rights Policy outlines our commitment to adhering to international standards, including the United Nations Guiding Principles on Business and Human Rights, the International Labour Organization's (ILO) Declaration on the Fundamental Principles and Rights at Work and other international instruments. It details our salient human rights issues, key stakeholder groups and engagement practices as well as implementation of human rights across the business and remediation mechanisms. Applicable to our direct operations and value chain, the policy has been approved by the Board of Directors. The policy is publicly available on our corporate website under 'Policies'.

TARGETS

We track our human rights programme through KPIs, such as maintaining zero health and safety incidents, tracking and resolving grievances raised through our whistleblower hotline, monitoring employee attrition rates and achieving an 8.5 inclusiveness score in our bi-annual survey. Additionally, we started benchmarking and tracking our wages against global living and adequate wage benchmarks this year. We will continue developing human rights targets in 2025 and beyond to measure the impact of our programme.

Giving back to local communities
Read about our collaboration with UNICEF in the story Empower through learning.

EMPLOYEES COVERED BY COLLECTIVE BARGAINING AGREEMENTS

%	2024	2023
Total employees covered	**44%**	**51%**
Coverage rate by country[1]		
0-19%	US	-
20-39%	-	-
40-59%	-	-
60-79%	-	-
80-100%	Thailand	-

[1] We do not have significant countries (+10% of employees) in coverage rates between 20-79%.

ACCOUNTING POLICIES

Employees covered by collective bargaining agreements (CBA) is accounted for in accordance with ESRS S1-8 and includes the total number of employees covered by at least one collective bargaining agreement. The coverage rate for employees in non-EEA countries, where more than 10% of Pandora employees are located at year-end, is calculated as the percentage of employees in the respective country that is covered by at least one CBA.

INCIDENTS, COMPLAINTS AND SEVERE HUMAN RIGHTS IMPACTS

Number	2024	2023
Incidents of discrimination (incl. harassment)	61	-
Complaints filed through channels to raise concerns	233	130
Incidents of severe human rights	0	-
Fines, penalties and compensation as a result of above incidents, DKK	0	-

ACCOUNTING POLICIES

Incidents, complaints and severe human rights impacts are disclosed in accordance with ESRS S1-17. The number of incidents of discrimination and complaints includes all complaints filed through our whistleblower hotline at year-end. Incidents of severe human rights includes the number of incidents connected to Pandora's workforce, and all OECD reports are included in the reported number.

Fines, penalties and compensation resulting from incidents of discrimination and harassment are expenses measured in DKK, in the fiscal year in which they become probable and can be reliably estimated.

HEALTH AND SAFETY

Number	2024	2023
Employees covered by H&S management systems, %	99.6%	-
Injuries		
Total work-related accidents with absence	114	82
Total rate of recordable work-related accidents with absence	1.72	1.38
Total work-related accidents	210	-
Total rate of recordable work-related accidents	3.18	-
Total fatalities	0	0
Total fatalities, other workers working on Pandora sites	0	-
Ill health		
Work-related ill health, own workforce	8	-
Days lost to work-related injuries, ill health and fatalities	1,567	-

ACCOUNTING POLICIES

Health and safety data is disclosed in accordance with ESRS S1-14. The data covers all employees, and where relevant, contractors, at year-end and is accounted for in Headcount.

The number of employees in Pandora covered by a health and safety management system is disclosed as the number of employees at year-end.

The rate of recordable accidents is presented both for all recorded accidents and recorded accidents with at least one day of absence. This approach ensures that our reporting aligns with the nature of our business while remaining compliant with the ESRS standard. While our definition of a material accidents includes those with at least one day of absence, we also record all accidents to enhance completeness and transparency in our reporting. The rate is calculated as the reported number of work-related accidents and fatalities with absence per million nominal working hours. Contractors, visitors, employees on unpaid leave and interns are not included.

Work-related ill health cases are health cases caused or aggravated by work conditions or practices. The number of days lost due to work-related injuries, fatalities and ill health cases counts the first full day and last day of absence with calendar days considered.

WORK-LIFE BALANCE

%	2024	2023
Total employees entitled to take family-related leave	**83%**	-
Total entitled employees that took family-related leave	**3.8%**	**-**
Female	3.8%	-
Male	3.9%	-
Other	1.4%	-
Not reported	0.0%	-

ACCOUNTING POLICIES

The number of employees entitled to take family-related leave is disclosed in accordance with ESRS S1-15. The data includes the number of employees eligible for family-related leave, such as parental, maternity, paternity, or caregiving leave at year-end and is accounted for in Headcount. The number of employees that took family-related leave is calculated as the share of the employees who took family-related leave compared to the number of employees who were entitled to take family-related leave at year-end. To read more about Pandora's offer of social protection (ESRS S1-11), see our People chapter.

WORKERS IN THE VALUE CHAIN

STRENGTHENING SUPPLIER PARTNERSHIPS FOR WORKER WELFARE

Respecting the human rights of everyone impacted by our business is fundamental to our business approach. In 2024, we continued our focus on building supplier capabilities, upskilling colleagues and reviewing our buying practices to ensure responsibility.

Through our Responsible Sourcing Programme, we engage workers from product suppliers, such as jewellery, point-of-sale materials and fixtures and furniture. We also assess risks among other suppliers and, since 2023, we have expanded our focus to service suppliers in warehousing and construction. Our efforts are guided by our Supplier Code of Conduct and Responsible Sourcing Policy.

SHARED COMMITMENT TO IMPROVING WORKER WELFARE

Our product suppliers undergo audits to the SMETA (Sedex Members Ethical Trade Audit) standard or an equivalent accepted standard, as outlined in our Responsible Sourcing Policy, at least every two years. Conducted by independent third-party experts, these audits assess working conditions and compliance through site tours, document reviews and worker interviews.

Recognising that audits provide valuable insight but represent only a snapshot in time, our responsible sourcing and procurement teams collaborate with suppliers to prepare, follow up, address root causes and engage with their workers on remediation. We prioritise worker well-being and ensure effective resolution of issues. For more information on identified non-conformances, refer to our 2024 Transparency in Supply Chains Statement. ↗

Responsible sourcing
We engage workers from product suppliers through our Responsible Sourcing Programme. Since 2023, we have also assessed risk among service suppliers in warehousing and construction.

SUPPORTING VULNERABLE WORKERS

Certain worker groups, such as migrants – who make up about 7% of the workers of our jewellery supply chain – face a higher risk of labour rights abuses. In 2024, we identified and resolved issues with migrant worker management at five sites, including payment of recruitment fees and passport retention. While constructing our crafting facility in Vietnam, we engaged a responsible construction supplier to mitigate risks in a sector often characterised by informal and multi-layered recruitment practices. Supported by a third-party expert, we evaluated potential suppliers, using sustainability performance as a key criterion, and implemented a grievance mechanism to enable workers to voice concerns freely. This collaboration will continue throughout the project to monitor progress and address emerging risks.

ACTIVATING COMPLAINT MECHANISMS

Our Supplier Code of Conduct requires suppliers to provide workers with access to grievance mechanisms without fear of retaliation. In addition, our whistleblower hotline is freely available to all relevant stakeholders.

Setting the standard for brilliance
All of our Pandora Lab-Grown Diamonds are hand-set in jewellery crafted with 100% recycled silver and gold.

STRENGTHENING ACCOUNTABILITY AND KNOWLEDGE IN OUR SUPPLY CHAIN

To foster sustainable practices, we engage suppliers on human rights and environmental topics through initiatives like capability building. In 2024, we hosted webinars and an in-person jewellery supplier summit and launched an e-learning programme on topics like worker consultation and water management. Our on-site capability-building programme engaged six suppliers, including three from 2023, focusing on management systems and improvements beyond audits.

We integrated sustainability in procurement by adding requirements for worker representation and grievance mechanisms to supplier contracts and by providing our colleagues with a monitoring tool to address human rights during supplier visits, focusing on high-risk sectors like third-party logistics.

RESPONSIBLE BUYING PRACTICES

Our business practices potentially impact human rights in our supply chain, including working conditions. Following a 2023 review of buying practices, we made improvements in 2024, including a review of supplier contracts, improving our sampling process, technological advancement of planning and forecasting and more flexible production orders for recurring and large-volume materials. These changes have strengthened cross-functional collaboration, improving understanding of how certain actions affect other teams at Pandora, our suppliers and workers in our supply chain. We will continue refining our approach to responsible buying.

LOOKING AHEAD

We are developing broader targets for our responsible sourcing programme and expect to further develop these in 2025. These targets will focus on key enablers to drive meaningful and positive impact for workers across our supply chain. For more information on our approach to workers in the value chain, including identified non-conformances, refer to our 2024 Transparency in Supply Chains Statement.

SUPPLIER CODE OF CONDUCT

The Supplier Code of Conduct outlines our basic expectations of suppliers regarding environmental, social and legal compliance criteria. It aligns with international standards, including the Ethical Trading Initiative Base Code and International Labour Organization conventions.

RESPONSIBLE SOURCING POLICY

The Responsible Sourcing Policy outlines how we implement our Supplier Code of Conduct through risk assessment, management systems, traceability, audits, reporting and disclosure. It outlines the three core objectives for our Responsible Sourcing Programme: responsible, transparent and traceable. The policy is applicable to Pandora's suppliers and is approved by Pandora's Board of Directors.

The Supplier Code of Conduct and Responsible Sourcing Policy are publicly available on our corporate website under 'Policies'.

RESPONSIBLE MARKETING

EMBEDDING RESPONSIBILITY IN MARKETING PRACTICES

In 2024, we took important steps to ensure that responsible marketing is a firm practice. One such step involved introducing training for all gobal marketing employees to help our teams effectively implement our policies.

In 2024, we welcomed more than 860 million visitors to our stores and digital platforms – a testament to our global reach and the connection we have built with our customers. With this influence also comes responsibility, and we are proud to have taken meaningful actions to uphold it.

We believe a brand of our impact should consistently reflect the diverse world around us and champion inclusivity. We recognise the importance of producing content responsibly. To support this, we have launched a mandatory Responsible Marketing Standard (RMS) training module for our global marketing team, with a completion rate of 95% by the end of 2024, based on the marketing population at the time of the training. We aim to review our target audience in 2025 and expect to extend the training to our local marketing teams.

This training not only fosters awareness but also educates employees on using Pandora's whistleblower hotline to submit possible complaints on negative impacts arising from marketing activities. In addition, we are initiating dialogues with our business partners to assess their awareness and alignment with the RMS, ensuring our shared values are upheld across all our collaborations. Our indirect procurement team is responsible for including the RMS in the tender process for new suppliers, and our marketers proactively communicate these principles directly to our creative partners.

Furthermore, we have an established Responsible Marketing Committee, which includes key stakeholders from across the company and is chaired by our Chief Marketing Officer. The committee convenes twice a year to oversee the monitoring and execution of our commitments.

To strengthen our accountability, we have implemented a comprehensive end-to-end process to assess the effectiveness of our efforts. This is achieved through continuous review processes throughout the product and creative decision gates that are set out for each collection.

To reflect societal diversity in our customer engagement, we have developed two targets to increase representation of underrepresented groups among brand ambassadors and marketing suppliers. It has proven challenging to obtain the data we need while complying with data collection restrictions. We are therefore refining and updating our approach in 2025.

TARGETS

BRAND AMBASSADOR REPRESENTATION
By 2025, ensure that 30% of our brand ambassadors in global communication come from underrepresented groups.

DIVERSIFYING SUPPLIER SPEND
By 2025, ensure that 30% of our branding content budget is spent with suppliers owned by women or other underrepresented groups.

RESPONSIBLE MARKETING STANDARD

Pandora has a Responsible Marketing Standard (RMS), which sets out principles and standards for the company and its partners when marketing our jewellery. The RMS outlines ethical guidelines that emphasise diversity, equity, inclusion and transparency in all our marketing practices. The scope covers all marketing activities and partnerships, ensuring that our practices align with our core values and resonate responsibly with our global audience.

The RMS is publicly available on our corporate website under 'Policies'. ↗

In 2025, the RMS will be updated to capture Pandora's responsible marketing initiatives and commitments, addressing all mandatory Corporate Sustainability Reporting Directive disclosure requirements.

STORY

EMPOWER THROUGH LEARNING

Pandora has partnered with UNICEF since 2019 to help reach more than 2.4 million children worldwide, and provide them with opportunities to learn, express themselves and find work in the future.

As the world's largest jewellery brand, we recognise that we have an important role in reducing our impact on the planet and creating positive outcomes for the people and communities touched by our business.

To achieve this, we focus our resources and efforts on one single cause that can adapt to local needs. Our corporate giving approach "Empower through learning" focuses on leveraging education to help children and young people, especially girls, find and use their voices and forge a brighter future.

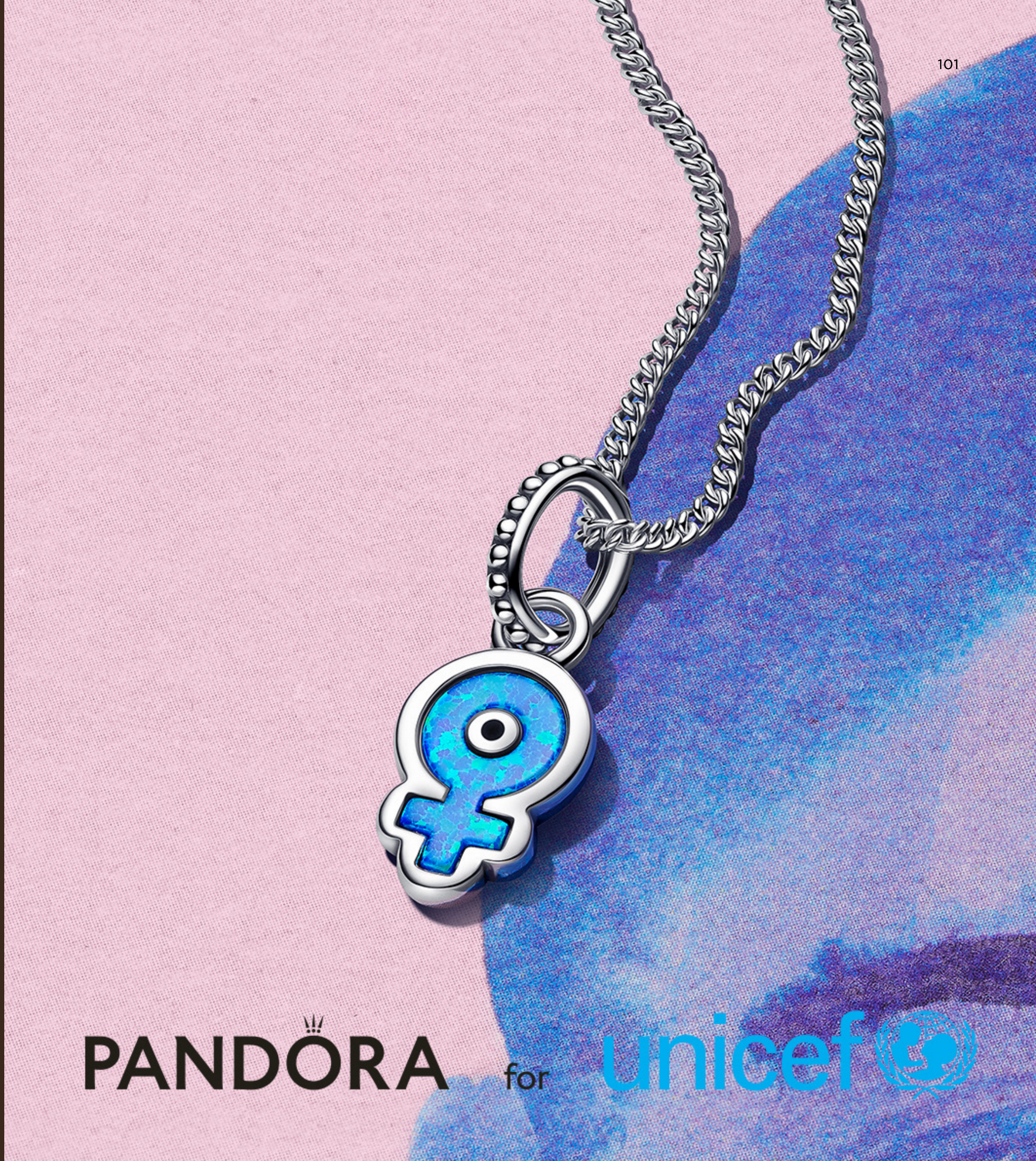
LEARNING FOR A BETTER FUTURE
We do this mainly through our Pandora for UNICEF partnership, dedicating half of the funds to education programmes in Thailand, Vietnam and China – while the other half is provided as unrestricted support for UNICEF to allocate funds towards critical, lifesaving resources where they are needed the most.

These programmes include the global Youth-Led Action Initiative, which equips young adolescents with skills to lead and make positive changes for themselves and their communities.

To date, we have donated a total of DKK 90 million (USD 14 million) to UNICEF, supporting more than 2.4 million children worldwide.

GIVING BACK TO LOCAL COMMUNITIES
Our efforts are also channelled through more local initiatives in Thailand. One example is our "My School Project", through which Pandora has financed the construction or refurbishments of school buildings in rural Thailand for the past 19 years. Recipient schools are nominated by our own employees.

In 2024, we also piloted new initiatives such as "Pandora Pass Forward", where Pandora educates children from five schools surrounding our Bangkok production facility on simple and practical sustainability practices.



FINANCIAL STATEMENTS

CONSOLIDATED FINANCIAL STATEMENTS

PRIMARY FINANCIAL STATEMENTS

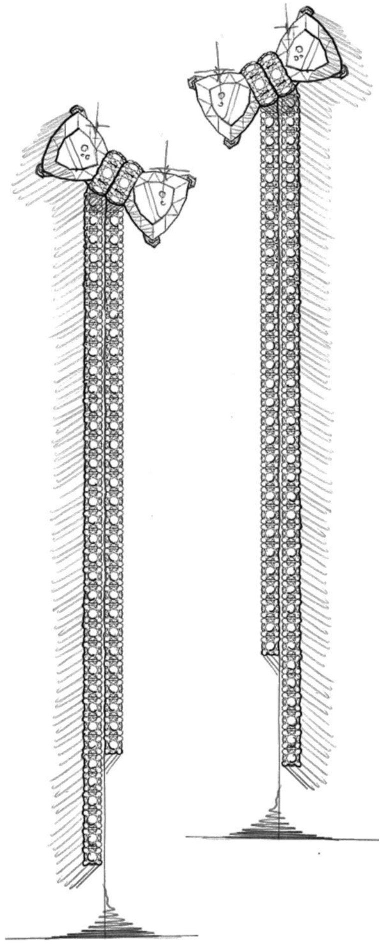
SECTION 1

SECTION 2

SECTION 3

SECTION 4

SECTION 5



Notes
The notes are grouped into five sections related to key figures. The notes contain the relevant financial information as well as a description of accounting policies, judgements and estimates applied for the topics of the individual notes.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER

CONSOLIDATED INCOME STATEMENT

DKK million	Notes	2024	2023
Revenue	2.1	31,680	28,136
Cost of sales	2.2, 3.1, 3.2	-6,391	-6,012
Gross profit		**25,289**	**22,125**
Sales, distribution and marketing expenses	2.2, 3.1, 3.2	-14,844	-12,707
Administrative expenses	2.2, 3.1, 3.2	-2,471	-2,379
Operating profit	2.1	**7,974**	**7,039**
Finance income	4.6	248	251
Finance costs	4.6	-1,297	-1,056
Profit before tax		**6,926**	**6,234**
Income tax expense	2.4	-1,699	-1,494
Net profit for the year		**5,227**	**4,740**
Earnings per share, basic (DKK)	4.2	64.8	55.5
Earnings per share, diluted (DKK)	4.2	64.6	55.1

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

DKK million	Notes	2024	2023
Net profit for the year		**5,227**	**4,740**
Other comprehensive income:			
Items that have been or may be reclassified to profit/loss for the year			
Exchange rate adjustments of investments in subsidiaries		167	-149
Commodity hedging instruments:			
- Realised in cost of sales		2	3
- Realised in net financials		-26	-9
- Realised in inventories		-298	-97
- Fair value adjustments		300	-47
Interest rate hedging instruments:			
- Fair value adjustments		7	-
Foreign exchange hedging instruments:			
- Realised in net financials		137	103
- Fair value adjustments		-70	-151
Tax on other comprehensive income	2.4	21	39
Items that have been or may be reclassified to profit/loss for the year, net of tax		**239**	**-308**
Items not to be reclassified to profit/loss for the year			
Actuarial gain/loss on defined benefit plans, net of tax	2.2	-12	-9
Items not to be reclassified to profit/loss for the year, net of tax		**-12**	**-9**
Other comprehensive income, net of tax		**227**	**-317**
Total comprehensive income for the year		**5,454**	**4,423**

CONSOLIDATED BALANCE SHEET
AT 31 DECEMBER

ASSETS

DKK million	Notes	2024	2023
Goodwill		5,126	4,914
Brand		1,057	1,057
Distribution		1,034	1,039
Other intangible assets		1,015	790
Total intangible assets	3.1	**8,232**	**7,801**
Property, plant and equipment	3.2	3,475	2,746
Right-of-use assets	3.3	4,997	3,779
Deferred tax assets	2.4	1,530	1,260
Other financial assets		298	215
Total non-current assets		**18,532**	**15,800**
Inventories	3.5	4,426	4,166
Trade receivables	3.6	1,217	1,342
Contract assets	3.8	91	55
Derivative financial instruments	4.4, 4.5	162	87
Income tax receivable	2.4	153	103
Other receivables		782	849
Cash		2,394	1,397
Total current assets		**9,226**	**7,998**
Total assets		**27,758**	**23,798**

EQUITY AND LIABILITIES

DKK million	Notes	2024	2023
Share capital	4.1	82	89
Treasury shares	4.1	-3,228	-4,353
Reserves		858	610
Dividend proposed		1,576	1,480
Retained earnings		6,219	7,530
Total equity		**5,508**	**5,355**
Provisions	3.7	494	408
Loans and borrowings	4.3, 4.4	11,625	9,737
Deferred tax liabilities	2.4	102	164
Other payables		152	80
Total non-current liabilities		**12,374**	**10,389**
Provisions	3.7	49	23
Refund liabilities	3.8	840	721
Contract liabilities	3.8	237	185
Loans and borrowings	4.3, 4.4	1,776	1,430
Derivative financial instruments	4.4, 4.5	152	128
Trade payables	3.9, 4.4	3,894	3,211
Income tax payable	2.4	871	583
Other payables	4.4	2,057	1,773
Total current liabilities		**9,877**	**8,053**
Total liabilities		**22,250**	**18,443**
Total equity and liabilities		**27,758**	**23,798**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER

DKK million	Notes	Share capital	Treasury shares	Translation reserve	Hedging reserve	Dividend proposed	Retained earnings	Total equity
2024								
Equity at 1 January		89	-4,353	642	-33	1,480	7,530	5,355
Net profit for the year		-	-	-	-	-	5,227	5,227
Other comprehensive income, net of tax		-	-	208	41	-	-22	227
Total comprehensive income for the year		**-**	**-**	**208**	**41**	**-**	**5,205**	**5,454**
Share-based payments	2.2, 2.3	-	209	-	-	-	-4	205
Purchase of treasury shares	4.1	-	-4,036	-	-	-	-	-4,036
Cancellation of treasury shares	4.1	-7	4,952	-	-	-	-4,945	-
Dividend paid	4.2	-	-	-	-	-1,471	-	-1,471
Dividend proposed	4.2	-	-	-	-	1,568	-1,568	-
Equity at 31 December		**82**	**-3,228**	**851**	**8**	**1,576**	**6,219**	**5,508**
2023								
Equity at 1 January		96	-3,320	797	121	1,430	8,044	7,167
Net profit for the year		-	-	-	-	-	4,740	4,740
Other comprehensive income, net of tax		-	-	-154	-154	-	-9	-317
Total comprehensive income for the year		**-**	**-**	**-154**	**-154**	**-**	**4,731**	**4,423**
Share-based payments	2.2, 2.3	-	278	-	-	-	-103	175
Purchase of treasury shares	4.1	-	-4,998	-	-	-	-	-4,998
Cancellation of treasury shares	4.1	-7	3,687	-	-	-	-3,680	-
Dividend paid	4.2	-	-	-	-	-1,412	-	-1,412
Dividend proposed	4.2	-	-	-	-	1,462	-1,462	-
Equity at 31 December		**89**	**-4,353**	**642**	**-33**	**1,480**	**7,530**	**5,355**

The Board of Directors will propose at the Annual General Meeting that an ordinary dividend of DKK 20 per share, corresponding to DKK 1.6 billion (2023: DKK 18 per share, corresponding to DKK 1.5 billion), be distributed for 2024.

In 2024, Pandora continued share buyback programmes, which resulted in repurchases of 3,704,669 treasury shares, corresponding to DKK 4.0 billion (2023: 7,693,692 treasury shares, corresponding to DKK 5.0 billion).

For further shareholder information on dividend payments, see page 38.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER

DKK million	Notes	2024	2023
Operating profit		7,974	7,039
Depreciation and amortisation		2,353	2,079
Share-based payments	2.3	166	105
Change in inventories		-126	210
Change in receivables		106	56
Change in payables and other liabilities[1]		932	454
Other non-cash adjustments[1]		-44	-63
Finance income received		19	19
Finance costs paid		-922	-683
Income tax paid	2.4	-1,738	-1,832
Cash flows from operating activities, net		**8,721**	**7,384**
Acquisition of subsidiaries and activities, net of cash acquired	3.4	-194	-349
Purchase of intangible assets		-343	-359
Purchase of property, plant and equipment		-1,336	-1,129
Change in other assets		-29	37
Proceeds from sale of property, plant and equipment		14	-
Cash flows from investing activities, net		**-1,889**	**-1,800**
Dividend paid	4.2	-1,471	-1,412
Purchase of treasury shares		-4,013	-5,022
Proceeds from loans and borrowings	4.3	3,674	5,927
Repayment of loans and borrowings	4.3	-2,729	-3,321
Repayment of lease commitments	4.3	-1,162	-1,107
Cash flows from financing activities, net		**-5,701**	**-4,935**
Net increase/decrease in cash		**1,131**	**649**

[1] In 2024, Pandora performed a reclassification of DKK 2 million (2023: DKK 8 million) between "Change in payables and other liabilities" and "Other non-cash adjustments" for presentation purposes. 2023 figures were restated accordingly. "Other non-cash adjustments" mainly comprise obligation to restore leased property.

DKK million	Notes	2024	2023
Cash and cash equivalents at 1 January		1,183	595
Exchange gains/losses on cash and cash equivalents		-11	-61
Net increase/decrease in cash		1,131	649
Cash and cash equivalents at 31 December		**2,303**	**1,183**
Cash balances		2,394	1,397
Overdrafts		-90	-214
Cash and cash equivalents at 31 December		**2,303**	**1,183**
Cash flows from operating activities, net		8,721	7,384
- Finance income received		-19	-19
- Finance costs paid		922	683
Cash flows from investing activities, net		-1,889	-1,800
- Acquisition of subsidiaries and activities, net of cash acquired		194	349
Repayment of lease commitments		-1,162	-1,107
Free cash flows incl. lease payments		**6,767**	**5,489**
Unutilised committed credit facilities	4.4	**7,087**	**4,472**

The above cannot be derived directly from the income statement and the balance sheet.

ACCOUNTING POLICIES

Cash flows from operating activities are presented using the indirect method.

Cash flows in currencies other than the functional currency are translated at the average exchange rates for the month in question, unless these differ significantly from the rates at the transaction dates.

SECTION 1

BASIS OF PREPARATION

This section introduces Pandora's accounting policies and significant accounting estimates and judgements.

A more detailed description of accounting policies and significant estimates and judgements related to specific reported amounts is presented in the respective notes. The purpose is to provide transparency on the disclosed amounts and to describe the relevant accounting policy, significant estimates and numerical disclosure for each note.

NOTE 1.1

GENERAL ACCOUNTING POLICIES

Pandora A/S is a public limited company with its registered office in Denmark.

The Annual Report for the period 1 January to 31 December 2024 comprises the consolidated financial statements of Pandora A/S and its subsidiaries (the Group) as well as separate Financial Statements for the Parent Company, Pandora A/S. The Financial Statements have been prepared in accordance with IFRS® Accounting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act for class D companies.

The consolidated financial statements have been prepared on a historical cost basis, except for derivative financial instruments, which have been measured at fair value.

The Annual Report is presented in Danish kroner (DKK), and all amounts are in millions unless otherwise stated. Due to rounding, numbers presented throughout this report may not add up precisely to the totals, and percentages may not precisely reflect the absolute figures.

Apart from changes due to the implementation of new or amended standards and interpretations as described in *note 1.2 New accounting policies and disclosures*, accounting policies are unchanged from last year.

iXBRL REPORTING

Pandora A/S has filed the Annual Report 2024 in the European Single Electronic Format (ESEF), XHTML, which can be displayed in a standard browser. The consolidated financial statements are tagged using eXtensible Business Reporting Language (iXBRL), which complies with the ESEF taxonomy included in the ESEF Regulation. The Annual Report submitted to the Danish Financial Supervisory Authority consists of the XHTML document together with certain technical files, all included in a zip file named PAND-2024-12-31-en.zip.

ALTERNATIVE PERFORMANCE MEASURES

Pandora presents financial measures in the Annual Report that are not defined according to IFRS Accounting Standards. Pandora believes that these non-GAAP measures provide valuable information to investors and Pandora's management when evaluating performance. Since other companies may calculate these differently from Pandora, they may not be comparable to the measures used by other companies. These financial measures should therefore not be considered to be a replacement for measures defined under IFRS Accounting Standards. For definitions of the performance measures used by Pandora, see *note 5.6 Financial definitions*.

ACCOUNTING POLICIES

The general accounting policies applied in the Annual Report as a whole are described below. The accounting policies related to specific line items are described in the notes to which they relate. The description of accounting policies in the notes forms part of the general description of Pandora's accounting policies.

NOTES

- 2.1 Segment and revenue information
- 2.2 Staff costs
- 2.4 Share-based payments
- 3.1 Taxation
- 3.2 Intangible assets
- 3.3 Property, plant and equipment
- 3.4 Leases
- 3.5 Business combinations Inventories
- 3.6 Trade receivables
- 3.7 Provisions
- 3.8 Contract assets and liabilities
- 4.2 Earnings per share and dividend
- 4.3 Liabilities from financing activities
- 4.5 Derivative financial instruments
- 4.6 Net financials

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements comprise the Financial Statements of the Parent Company and its subsidiaries. Subsidiaries are fully consolidated from the date of acquisition, being the date on which Pandora obtains control, until the date that such control ceases. All intercompany balances, income and expenses, unrealised gains and losses and dividends resulting from intercompany transactions are eliminated in full.

FUNCTIONAL AND PRESENTATION CURRENCY

The consolidated financial statements are presented in DKK, which is also the functional currency of the Parent Company. Each subsidiary determines its own functional currency, and items recognised in the Financial Statements of each entity are measured using that functional currency.

Transactions and balances

Transactions in foreign currencies are initially recognised in the Group entities at their respective functional currency rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchange prevailing at the reporting date. All adjustments are recognised in the income statement.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Foreign exchange rate adjustments arising on monetary items which are considered part of the net investment in foreign entities are recognised in other comprehensive income.

NOTE 1.1
GENERAL ACCOUNTING POLICIES (CONTINUED)

Group companies with a functional currency other than DKK
The assets and liabilities of foreign subsidiaries are translated into DKK at the rate of exchange prevailing at the reporting date, and their income statements are translated at the exchange rates prevailing at the dates of the transactions.

Exchange rate adjustments arising on translation are recognised in other comprehensive income. On disposal of a foreign subsidiary, the component of other comprehensive income relating to that particular foreign operation is recognised in the income statement.

CONSOLIDATED INCOME STATEMENT

The consolidated income statement is presented based on costs classified by function. Cost of sales comprises direct and indirect expenses incurred to generate revenue for the year, comprising raw materials, consumables, production staff, depreciation, amortisation and impairment losses in respect of production equipment.

Sales, distribution and marketing expenses comprise expenses related to the distribution of goods sold and sales campaigns, including packaging materials, brochures, wages and salaries and other expenses related to sales and distribution staff as well as depreciation, amortisation and impairment losses in respect of distribution equipment and stores.

Administrative expenses comprise expenses incurred in the year to manage Pandora, including expenses related to administrative staff and depreciation, amortisation and impairment losses in respect of assets used in the administration.

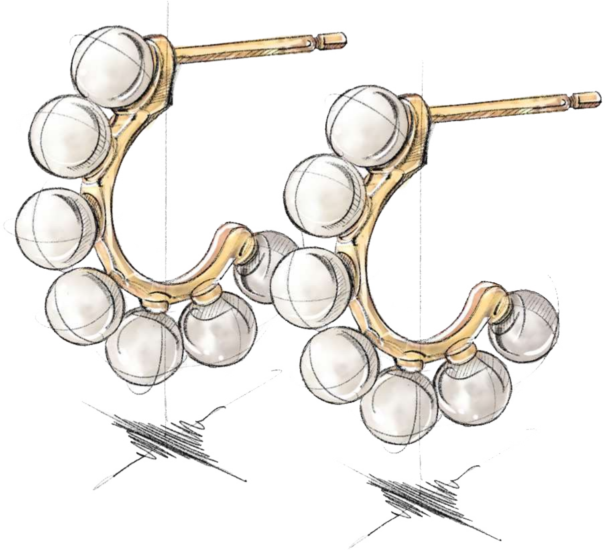
The allocation of amortisation and impairment losses from intangible assets is presented in *note 3.1 Intangible assets* and the allocation of depreciation and impairment losses from property, plant and equipment in *note 3.2 Property, plant and equipment*.

NOTE 1.2
NEW ACCOUNTING POLICIES AND DISCLOSURES

IMPLEMENTATION OF NEW OR AMENDED STANDARDS AND INTERPRETATIONS

Pandora has adopted all new or amended IFRS Accounting Standards and interpretations (IFRS IC) as adopted by the EU and which are effective for the financial year 1 January to 31 December 2024. The implementation of these new or amended standards and interpretations had no material impact on the consolidated financial statements for the year.

The new standards that are not yet effective are not expected to have any material impact on Pandora, except for IFRS 18 Presentation and Disclosure in Financial Statements, which was issued in April 2024 and will be effective from 2027, impacting presentation and disclosure of the Financial Statements. Pandora is currently evaluating the potential impact of this standard.



NOTE 1.3

MANAGEMENT'S JUDGEMENTS AND ESTIMATES UNDER IFRS ACCOUNTING STANDARDS

NOTES

SIGNIFICANT ACCOUNTING ESTIMATES

In preparing the consolidated financial statements, management makes various judgements, accounting estimates and assumptions that form the basis of the presentation, recognition and measurement of Pandora's assets and liabilities.

Determining the carrying amounts of some assets and liabilities requires judgement, estimates and assumptions concerning future events. Judgements, estimates and assumptions are based on historical experience and other factors, which management assesses to be reasonable, but which by their nature involve uncertainty and unpredictability. These assumptions may have to be revised, and unexpected events or circumstances may occur.

Pandora is subject to risks and uncertainties that may lead to actual results differing from these estimates, both positively and negatively.

CLIMATE CHANGE

As a global business, Pandora is exposed to risks associated with climate change comprising both transitional risks and physical risks. The transition from a linear economy to a circular economy entails a range of transitional risks to Pandora, such as the demand for more sustainable products and packaging and further legal requirements with focus on sustainability for the supply chain.

From 1 January 2024, Pandora is subject to the reporting requirements under the Corporate Sustainability Reporting Directive (CSRD), which require additional disclosures to be integrated into the Annual Report in the separate Sustainability Statements section.

In preparing the consolidated financial statements for 2024, management has considered the impact of climate change, particularly in the context of the Group's sustainability targets, to the extent possible. Pandora's targets to reduce its greenhouse gas emissions by 50% by 2030 and achieve net zero emissions by 2040 as well as to only use recycled silver and gold in its jewellery by 2025 are included in the Group's financial budgets and forecasts.

Sustainability-related investments as well as costs of sourcing only recycled silver and gold and using lab-grown diamonds in our jewellery, as well as other potential impact of climate change (such as costs to source renewable energy), have been considered in the budget and forecast applied as basis for impairment testing of goodwill, see *note 3.1 Intangible assets*.

The potential consequences on the value and useful life of production facilities becoming outdated in the sustainability transformation was assessed as having no financial impact. Our investments related to expansion of production facilities are aligned with our sustainability agenda in this respect.

While sustainability is an embedded part of Pandora's business model, by including sustainability targets in our incentive programmes for senior leadership, see *note 2.3 Share-based payments*, and in all of Pandora's loan facilities, see *note 4.4 Financial risks*, management does not consider sustainability targets or climate change to have a material impact on the accounting estimates and judgements prepared by management in relation to the 2024 consolidated and Parent Company financial statements.

MACROECONOMIC UNCERTAINTY

The geopolitical uncertainty driven by events such as the Russian invasion of Ukraine, the Israel-Hamas conflict (including the continuation and escalation thereof) and the U.S. election continues to impact macroeconomic conditions. Pandora remains focused on assessing the value of intangible assets, property, plant and equipment, and internal forecasts have considered the ongoing impacts of volatile commodity prices, inflationary pressures, and changes in the interest and tax environment on income and expenses. Changes in selling prices and direct costs are based on experience and management's expectation of future changes in the markets where the Group operates.

Specific risks for Pandora are discussed in the relevant sections of the Management Review and in the notes.

The areas that involve a high degree of judgement and estimation and that are material to the Financial Statements are described in more detail in the related notes.

SECTION 2

RESULTS FOR THE YEAR

This section comprises notes related to the results for the year, including reporting segment disclosures, and provides additional information related to two of Pandora's performance measures: revenue and EBIT.

A detailed description of the results for the year is given in the Performance review chapter.

REVENUE
DKK MILLION

31,680

2023: 28,136

EBIT MARGIN

25.2%

2023: 25.0%

NET PROFIT
DKK MILLION

5,227

2023: 4,740

EFFECTIVE TAX RATE

24.5%

2023: 24.0%

NOTE 2.1
SEGMENT AND REVENUE INFORMATION

Pandora's activities are segmented into two reportable segments, each responsible for the end-to-end performance of collections. One includes our *Core* collections, while the other, *Fuel with more*, covers newer collections and innovations.

Core includes charms and carriers which focus on collectability. *Fuel with more* includes the Modern Classics (Pandora Timeless and Pandora Signature accompanied by Pandora's newest collection, PANDORA ESSENCE) and Pandora Lab-Grown Diamonds and targets both existing and new customers who may have a different aesthetic preference than the *Core* jewellery design.

The two operating segments include all channels relating to the distribution and sale of Pandora products.

Management monitors the profitability of the operating segments separately for the purpose of making decisions about resource allocation and performance management. Segment results are measured at gross profit as presented in the table to the right.

INCOME STATEMENT BY SEGMENTS DKK million	Core	Fuel with more	Group
2024			
Revenue	23,542	8,139	31,680
Cost of sales	-5,077	-1,315	-6,391
Gross profit	**18,465**	**6,824**	**25,289**
Gross margin, %	**78.4%**	**83.8%**	**79.8%**
Operating expenses			-17,315
Consolidated operating profit (EBIT)			**7,974**
Profit margin (EBIT margin), %			**25.2%**
2023			
Revenue	21,951	6,186	28,136
Cost of sales	-4,875	-1,137	-6,012
Gross profit	**17,076**	**5,049**	**22,125**
Gross margin, %	**77.8%**	**81.6%**	**78.6%**
Operating expenses			-15,086
Consolidated operating profit (EBIT)			**7,039**
Profit margin (EBIT margin), %			**25.0%**

REVENUE BY SEGMENTS DKK million	2024	2023
Core	**23,542**	**21,951**
- Moments	19,934	18,369
- Collabs	2,564	2,681
- ME	1,044	900
Fuel with more	**8,139**	**6,186**
- Timeless	6,339	4,787
- Signature	910	1,129
- PANDORA ESSENCE[1]	574	5
- Pandora Lab-Grown Diamonds	315	265
Total revenue	**31,680**	**28,136**
Goods transferred at a point in time	31,622	28,070
Services transferred over time	58	66
Total revenue	**31,680**	**28,136**

[1] PANDORA ESSENCE was launched in 2024 following a pilot in the Netherlands in 2023.

Non-unit-driven revenue, comprising mainly franchise fees, is allocated proportionately to the different revenue categories.

NOTE 2.1
SEGMENT AND REVENUE INFORMATION (CONTINUED)

The use of sales channels for the distribution of Pandora jewellery depends on the underlying market maturity and varies within markets, but is consistent when viewed between segments.

REVENUE BY SALES CHANNEL

DKK million	2024	2023
Pandora physical stores	19,015	16,142
Pandora online stores	7,120	5,892
Wholesale and third-party distribution	5,545	6,103
Total revenue	**31,680**	**28,136**

GEOGRAPHIC INFORMATION, REVENUE

DKK million	2024	2023
US	9,709	8,306
China	416	564
UK	3,929	3,821
Italy	2,478	2,540
Australia	1,094	1,120
France	1,217	1,196
Germany	2,206	1,527
Rest of world	10,630	9,062
– of which Spain	1,436	1,246
– of which Mexico	1,426	1,385
– of which Denmark	54	39
Total revenue	**31,680**	**28,136**

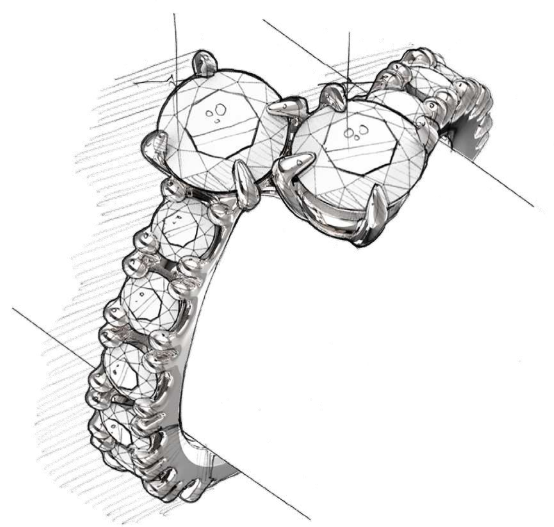
GEOGRAPHIC INFORMATION, ASSETS

DKK million	2024	2023
US	4,541	3,810
UK	1,303	1,162
Italy	635	543
Australia	683	555
France	573	428
Germany	1,114	944
Denmark	2,660	2,426
Thailand	1,428	1,425
Rest of world	3,767	3,034
Total non current assets[1]	**16,704**	**14,326**

[1] Comprise intangible assets, property, plant and equipment and right-of-use assets.

SIGNIFICANT ACCOUNTING ESTIMATES

Recognition and measurement of revenue is based on estimates relating to expected sales returns allowed by customers in most markets. These estimates can have a material impact on the timing and measurement of recognised revenue as well as the level of the refund liability. Reductions in revenue from expected sales returns are calculated based on historical return patterns and on a case-by-case basis for commercial and other reasons, see *note 3.8 Contract assets and liabilities*.



NOTE 2.1
SEGMENT AND REVENUE INFORMATION (CONTINUED)

ACCOUNTING POLICIES

RETAIL SALES – PRODUCTS
Revenue from the sale of products through stores owned and operated by Pandora is recognised when a store sells a product to the customer. Payment is usually due when the customer picks up the product in the store or the product is delivered from an online store. However, in some instances collection is delayed and a receivable recognised, see *note 3.6 Trade receivables*.

A refund liability and a right-of-return asset are recognised for products expected to be returned, see *note 3.8 Contract assets and liabilities*. The estimate for returned products is based on historical experience and expectations. Based on knowledge of the nature of returns, it is considered highly probable that a significant reversal of cumulative revenue recognised will not occur. Rebates and discounts granted to customers are recognised as a reduction in revenue.

The Group's obligation to repair or replace faulty products is part of the standard terms and is therefore recognised as a contract liability, see *note 3.8 Contract assets and liabilities*. Revenue is further measured excluding sales taxes and duties when these are passed on to customers. Sales taxes and duties incurred on sales that are not recoverable from the local taxation authorities are reported gross as part of revenue and cost of sales.

WHOLESALE AND THIRD-PARTY DISTRIBUTORS – PRODUCTS
Pandora manufactures and sells jewellery to wholesalers and third-party distributors. Revenue is recognised when control of the products has been transferred to the wholesaler or third-party distributor. Change of control of the products occurs when they have been delivered to the wholesaler or distributor and no further obligation exists that can affect the transfer of control. Delivery has taken place when the products have been shipped to the location of the wholesaler or distributor and control of the goods has been transferred to the buyer. Revenue from the sale is recognised based on the price specified in the contract.

Revenue is only recognised to the extent it is highly probable that a significant reversal will not occur. A refund liability and a right-of-return asset are recognised for products expected to be returned, see *note 3.8 Contract assets and liabilities*. The estimate for returned products is based on historical experience and expectations. Based on knowledge of the nature of returns in the wholesale and distributor channels, it is considered highly probable that a significant reversal of cumulative revenue recognised will not occur. Provisions for rebates and discounts granted to wholesalers and franchisees are recognised as a reduction in revenue.

The Group's obligation to repair or replace faulty products is recognised on a gross basis in the income statement as both a reduction in revenue and a decrease in cost of goods sold. This is due to the handling of warranty claims, which leads to replacements instead of repairs.

Revenue is further measured excluding sales taxes and duties when these are passed on to customers. Sales taxes and duties incurred on sales that are not recoverable from the local taxation authorities are reported gross as part of revenue and cost of sales.

When control has been transferred, a receivable is recognised, as the consideration to be paid is conditional only on the passage of time. The price specified in the contract is not adjusted for any financing element, as payment terms never exceed 12 months.

LOYALTY PROGRAMME
Revenue related to the loyalty programme points value is deferred up to the time the points are used. The stand-alone selling price of loyalty points issued is calculated by multiplying the estimated redemption rate and the monetary value assigned to the loyalty points. In estimating the redemption rate, Pandora considers breakage, which represents the portion of loyalty points issued that will never be redeemed.

NOTE 2.2
STAFF COSTS

The Group's pension plans are primarily defined contribution plans. Pandora has defined benefit plans relating to employees in Thailand. The defined benefit plans are recognised at the present value of the actuarially measured obligations. In 2024, these obligations amounted to DKK 145 million (2023: DKK 104 million).

In 2024, the actuarial loss was DKK 12 million (2023: loss of DKK 9 million) recognised in other comprehensive income.

STAFF COSTS DKK million	2024	2023
Wages and salaries	6,251	5,487
Pensions	293	244
Share-based payments	166	105
Social security costs	487	414
Other staff costs	599	605
Total staff costs	**7,795**	**6,855**
Staff costs have been recognised in the income statement as follows:		
Cost of sales	1,072	990
Sales, distribution and marketing expenses	5,240	4,500
Administrative expenses	1,483	1,365
Total staff costs	**7,795**	**6,855**
Average number of full-time employees during the year	28,190	27,480

NOTE 2.2
STAFF COSTS (CONTINUED)

TOTAL REMUNERATION

DKK million	Base pay	Bonus	Shares	Benefits	Other[1]	Total
2024						
Executive Management	18.8	18.0	49.3	2.4	-	88.5
Executive Leadership Team[2]	44.4	55.6	80.3	7.4	2.4	190.2
2023						
Executive Management	17.8	16.4	22.2	2.6	-	59.0
Executive Leadership Team[2]	53.7	56.9	52.7	10.2	2.2	175.6

[1] Other relates to sign-on bonuses.
[2] Executive Leadership Team is reported including Executive Management. Executive Management, together with other members of the Executive Leadership Team, is considered key management personnel in Pandora.

TOTAL REMUNERATION

DKK million	2024	2023
Board of Directors	10.1	10.0

Board members receive a fixed travel fee when attending Board meetings abroad. Total travel fee for 2024 amounted to DKK 1.6 million (2023: DKK 1.7 million). For further details, see our Remuneration Report.

ACCOUNTING POLICIES

Wages and salaries, social security contributions, leave and sick leave, bonuses and non-monetary benefits are recognised in the financial year in which services are rendered by Pandora employees. Whenever Pandora provides long-term employee benefits, the costs are accrued to match the rendering of the services by the employees.

Termination benefits are recognised at the time an agreement between Pandora and the employee is made and no future service is rendered by the employee in exchange for the benefits.

NOTE 2.3
SHARE-BASED PAYMENTS

Decisions to grant share-based incentive programmes are made by the Board of Directors in accordance with general guidelines on incentive pay for Pandora.

The total cost related to share-based payments was DKK 166 million (2023: net cost of DKK 105 million). The 2022 programme was recorded at the maximum level, while the 2023 and the 2024 programmes were recorded at maximum levels for financial performance and at target levels for sustainability performance metric. The cost of share-based payments is included in staff costs. In the remaining vesting periods, an amount of DKK 142 million (2023: DKK 97 million) is expected to be recognised in respect of the current programmes. The weighted average remaining contractual life of the shares at the end of the period was 1.1 years (2023: 1.0 year).

For shares exercised in 2024, the average share price at the time of exercise was DKK 1,040.

LONG-TERM INCENTIVE PLANS

Pandora is launching annual incentive programmes targeting Executive Management and other employees. The calculated value of each programme is recognised over the vesting period (three years) based on the likelihood that programme targets will be met. For Executive Management, a further two-year holding period applies.

Vesting of the performance shares granted in 2024 is subject to achievement of Pandora's earnings per share (EPS) for the financial year 2026 and the achievement of sustainability targets, which will be assessed against objectives based on Pandora's internal projections. As financial KPIs are commercially sensitive, Pandora's practice is to communicate these after the end of the performance period. For further details, see our Remuneration Report.

NOTE 2.3

SHARE-BASED PAYMENTS (CONTINUED)

ASSUMPTIONS ON FAIR VALUE OF SHARES

The volatility of the shares is based on the historical volatility of the price of Pandora A/S shares. The risk-free interest rate is based on a Danish government bond with similar maturity. The dividend yield applied is equal to 1.62% for the 2024 programme and is based on the assumed future dividend over the vesting period and the share price on the date of the grant. Actual paid dividends may differ from the assumptions applied in the valuation of the market value. Given that the exercise price for one performance share equals up to 1% of the market price of one share at grant date, the fair value almost equals the market value of one share at grant date. The assumptions therefore have very limited impact on the estimated fair value of the performance shares granted.

ACCOUNTING POLICIES

Selected Pandora employees receive remuneration in the form of share-based payment transactions, whereby programme participants render services as consideration for equity instruments (equity-settled transactions).

EQUITY-SETTLED TRANSACTIONS

The cost of equity-settled transactions with employees is measured by reference to the fair value at the grant date. The calculated fair values are based on the Black-Scholes model. The cost of equity-settled transactions is recognised as staff costs together with a corresponding increase in equity over the period in which the performance and/or service conditions are fulfilled.

The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and management's best estimate of the number of equity instruments that will ultimately vest. The income statement expenses or income for a period represents the movement in cumulative expenses recognised at the beginning and end of that period.

SHARES OUTSTANDING	Executive Management	Other employees	Total	Average exercise price per performance share, DKK
2024				
Shares outstanding at 1 January	254,284	550,498	804,782	0.3
Shares granted during the year	57,182	125,163	182,345	-
Shares exercised during the year	-153,588	-158,650	-312,238	0.9
Shares lapsed during the year	-2,362	-59,634	-61,996	-
Shares outstanding at 31 December	**155,516**	**457,377**	**612,893**	**-**
2023				
Shares outstanding at 1 January	321,412	750,049	1,071,461	0.3
Shares granted during the year	56,228	224,166	280,394	-
Shares exercised during the year	-123,356	-384,839	-508,195	0.1
Shares lapsed during the year	-	-38,878	-38,878	-
Shares outstanding at 31 December	**254,284**	**550,498**	**804,782**	**0.3**

NUMBER OF OUTSTANDING SHARES IN PANDORA A/S	Vesting date	Shares at 31 December 2024	Maximum market value at launch (DKK million)	Accumulated cost recognised (DKK million)	Remaining value to be expensed (DKK million)
Programme start date					
April 2022[2]	2025	150,045	130	89	-
April 2022[1]	2025	42,106	26	26	-
April 2023[2]	2026	183,183	137	67	30
April 2023[1]	2026	56,228	34	20	10
April 2024[2]	2027	124,149	133	36	70
April 2024[1]	2027	57,182	61	21	32
Total number of shares outstanding		**612,893**	**522**	**259**	**142**

[1] Programme related to Executive Management, where a two-year holding period applies.
[2] Programme related to other employees.

NOTE 2.4
TAXATION

INCOME TAXES

Income tax expense

The tax expense was DKK 1.7 billion in 2024, corresponding to an effective tax rate of 24.5% (2023: DKK 1.5 billion, 24.0%). The effective tax rate was negatively impacted by minimum tax, withholding taxes on dividends and other payments, and non-deductible expenses.

The effective tax rate was reduced as part of the investment agreement entered into with the Board of Investment (BOI) in Thailand, where a specific part of the profit is treated as non-taxable profit for an agreed period. However, this benefit is partially offset by minimum tax expense which applies to the extent that the effective tax rate in Thailand is less than 15%.

INCOME TAX EXPENSE

DKK million	2024	2023
Current income tax charge for the year[1]	2,023	1,448
Change in deferred tax for the year	-325	110
Adjustment to current tax for prior years	-14	-50
Adjustment to deferred tax for prior years	15	-14
Total income tax expense	**1,699**	**1,494**
Deferred tax on other comprehensive income	11	-43
Current income tax on other comprehensive income	-32	4
Total tax on other comprehensive income	**-21**	**-39**

[1] Withholding taxes are included in current income tax charge for the year.

RECONCILIATION OF EFFECTIVE TAX RATE AND TAX	2024 %	2024 (DKK million)	2023 %	2023 (DKK million)
Profit before tax		6,926		6,234
Income tax rate in Denmark, 22%	22.0%	1,524	22.0%	1,371
Deviation in foreign subsidiaries' tax rates compared with the Danish rate	0.2%	12	1.0%	64
Non-deductible expenses	2.5%	176	3.0%	190
Tax incentives	-2.3%	-159	-2.1%	-134
Adjustment to tax for prior years	0.0%	1	-1.0%	-64
Non-capitalised tax assets, net	-0.2%	-12	0.8%	51
Withholding taxes/other taxes	0.7%	46	0.3%	16
Minimum tax	1.6%	111	0.0%	-
Effective income tax rate/income tax expense	24.5%	**1,699**	**24.0%**	**1,494**

ACCOUNTING POLICIES

Income tax expense for the year comprises current tax and changes in deferred tax, including changes in tax rate, adjustment to prior years and changes in provision for uncertain tax positions. Tax is recognised in the income statement, except to the extent that it is related to items recognised in equity or other comprehensive income. The tax rates and tax laws used to compute the amounts are those enacted or substantively enacted, by the reporting date, in the countries in which Pandora operates and generates taxable income.

SIGNIFICANT ACCOUNTING JUDGEMENTS

Pandora is subject to income tax in the countries in which the Group operates, comprising various tax rates worldwide. Significant judgements are required in determining the accrual for income taxes, deferred tax assets and liabilities, and provisions for uncertain tax positions. Provisions for uncertain tax positions are measured according to IFRIC 23.

As part of Pandora conducting business globally, tax and transfer pricing disputes with tax authorities may occur. Any unresolved disputes with local tax authorities are recognised as income tax payable/receivable based on the expected value method or the most likely amount. Management believes that the provisions made for uncertain tax positions are adequate. However, the actual obligation may deviate from this and is dependent on the result of litigation and settlements with the relevant tax authorities.

NOTE 2.4

TAXATION (CONTINUED)

OECD Pillar Two minimum tax
OECD has introduced a global minimum tax rate of 15%, based on group accounting income per jurisdiction. The minimum tax rules apply to entities that are a member of a multinational group with annual revenue of EUR 750 million or more in the consolidated financial statements. If the effective tax rate is lower than 15% in any jurisdiction, a top-up or minimum tax must be paid.

Pandora is subject to minimum tax primarily in respect of jurisdictions with income tax rates lower than 15% or in which we receive tax incentives. This includes Thailand and countries such as the United Arab Emirates, Ireland, Hungary and Panama. Of the minimum tax of DKK 111 million (2023: DKK 0 million), the majority relates to Thailand, where Pandora receives tax incentives as part of the investment agreement with BOI.

ACCOUNTING POLICIES

Pandora is subject to global minimum tax (OECD BEPS Pillar Two rules) primarily in respect of jurisdictions with income tax rates lower than 15% or in which we receive tax incentives. Where qualifying domestic minimum taxes are implemented in applicable jurisdictions, Pandora will pay the minimum tax in those jurisdictions. Where no qualifying domestic minimum tax has been implemented, tax will be paid in Denmark.

Deferred tax
At the end of 2024, deferred tax assets amounted to DKK 1,530 million (2023: DKK 1,260 million), and deferred tax liabilities amounted to DKK 102 million (2023: DKK 164 million). Net deferred tax assets amounted to DKK 1,428 million (2023: DKK 1,096 million).

Of the total deferred tax assets recognised, DKK 27 million (2023: DKK 36 million) related to tax loss carryforwards, the utilisation of which depends on future positive taxable income exceeding realised deferred tax liabilities. It is management's opinion that these tax loss carryforwards can be utilised.

DEFERRED TAX

DKK million	2024	2023
Deferred tax at 1 January	1,096	1,089
Exchange rate adjustments	-6	-2
Recognised in the income statement	310	-96
Recognised in other comprehensive income	-11	43
Recognised in equity, share-based payments	39	62
Deferred tax at 31 December	**1,428**	**1,096**
Deferred tax assets	1,530	1,260
Deferred tax liabilities	-102	-164
Deferred tax, net	**1,428**	**1,096**

BREAKDOWN OF DEFERRED TAX

DKK million	2024	2023
Intangible assets	-699	-719
Property, plant and equipment	-85	-15
Right-of-use assets	105	27
Current assets	1,704	1,388
Non-current assets and liabilities	376	379
Tax loss carryforwards	27	36
Deferred tax, net	**1,428**	**1,096**

ACCOUNTING POLICIES

The Group applies the amendments to the Pillar Two model rules published by the OECD. The amendments introduced a mandatory exception to the accounting requirements for deferred taxes in IAS 12, so that an entity would neither recognise nor disclose information about deferred tax assets and liabilities related to minimum taxes. Deferred tax on all the remaining temporary differences between the carrying amounts for financial reporting purposes and the tax base of assets and liabilities are measured using the balance sheet liability method. No deferred tax is recognised on temporary differences that arise from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit or loss.

The recognition of deferred tax assets includes the expected tax value of tax loss carryforwards to the extent that these tax assets can be offset against positive taxable income in the foreseeable future. The same applies to deferred tax assets related to investments in subsidiaries. Management has considered future taxable income and applied judgements to determine whether deferred tax assets should be recognised.

Deferred tax assets and liabilities are measured according to current tax rules and at the tax rates expected to be effective on elimination of the temporary differences. Deferred tax assets and liabilities are offset if the Group has a legally enforceable right to offset current tax assets against current tax liabilities and the deferred tax relates to the same taxable entity and the same tax authority.

NOTE 2.4

TAXATION (CONTINUED)

Tax assets not recognised were DKK 230 million (2023: DKK 191 million), of which DKK 89 million (2023: DKK 100 million) relate to tax loss carryforwards that are not expected to be utilised in the foreseeable future. Tax losses that can expire amounted to DKK 25 million (2023: DKK 23 million).

The Group recognises deferred tax liabilities in respect of earnings that are intended for distribution in the short term where the tax expense on distribution would be material.

Only insignificant latent tax liabilities remained at 31 December 2024. These liabilities are not recognised as the Group is able to control this liability and it is considered probable that the liability will not crystallise in the foreseeable future.

OUR APPROACH TO TAXES AND TAXES PAID

Our sustainability strategy is reflected in our tax approach, and we aim at paying a fair tax in all markets where we operate. Pandora is committed to ensure compliance with the letter and spirit of tax law in the markets where we operate, while striving to maximise shareholder value in a responsible way. The Group Tax Policy, which has been approved by the Board of Directors of Pandora, is available at pandoragroup.com/investor/corporate-governance/tax-information ↗ and includes more information on our approach to taxes.

Pandora operates globally under a vertically integrated business model, and we own a significant part of our value chain from production to retail. Pandora's Transfer Pricing Policy follows a so-called principal operating model, where profit follows risk and value creation throughout the value chain. While all steps of the value chain are important to Pandora, Pandora A/S is the principal value driver and also assumes the majority of business risks. Other entities in the Group achieve a profit margin, based on benchmark studies, and the residual profit (or loss) in the value chain remains with Pandora A/S. With a principal operating model, Pandora by nature has a significant number of intercompany transactions.

Intercompany transactions are made on arm's length basis and therefore priced on a basis consistent with the way unrelated parties would have priced such transactions. This impacts the taxes we pay in the countries in which we do business. Pandora understands the need for more transparency by both taxpayers and tax administrations, and the need to provide more clarity about Pandora's position on tax. In doing so, we provide our full country-by-country report for all markets, including definitions, available at pandoragroup.com/investor/corporate-governance/tax-information. ↗ (ESRS 2 SBM-1)

PAID INCOME TAX

In 2024, we paid income taxes in the amount of DKK 1,738 million (2023: DKK 1,832 million). The major part of the taxes paid is attributable to Denmark and Pandora's key markets, and mainly relates to the current year. Tax payments in respect of prior years decreased in 2024.

Income tax paid reflects the cash tax payments made in the year and relates to taxes on account for the current year as well as payments regarding prior years. For the majority of the countries, the final taxes are paid in the year following the financial year, creating a timing difference in cash tax payments.

CASH INCOME TAX PAID

DKK million	2024	2023
Income tax expense in income statement	-1,699	-1,494
Tax on other comprehensive income and exchange rate adjustments	32	-1
Adjustments regarding deferred taxes	-310	96
Movement in income tax receivable/payable	239	-433
Income tax paid in the year	**-1,738**	**-1,832**
- of which relates to prior years	-183	-751
- of which relates to current year	-1,555	-1,081
Income tax paid in the year	**-1,738**	**-1,832**

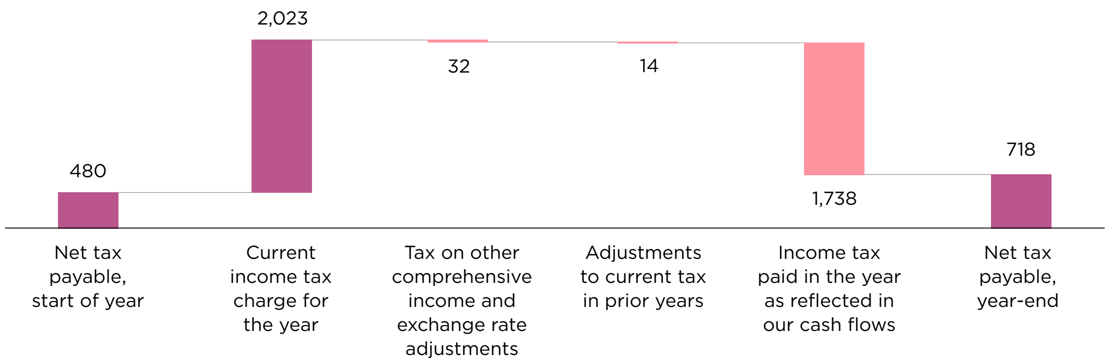
At the beginning of the year, net income tax payable by Pandora amounted to DKK 480 million (2023: DKK 913 million). The net income tax payable increased to DKK 718 million during the year, as shown in the bridge "Movement in net tax payable" on the next page. The increase mainly relates to the higher current tax charge for 2024.

The difference between income tax expense in the income statement and income tax paid is explained in the bridge "From income tax expense to tax paid" on the next page.

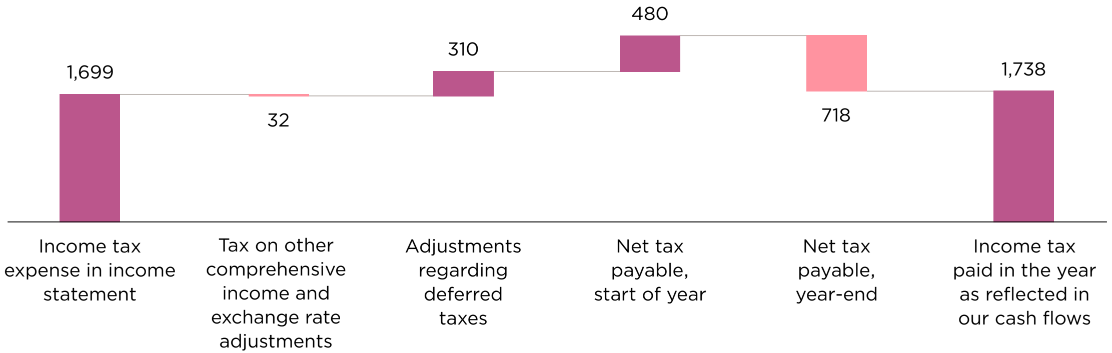
NOTE 2.4

TAXATION (CONTINUED)

MOVEMENT IN NET TAX PAYABLE
DKK million



FROM INCOME TAX EXPENSE TO TAX PAID
DKK million



SECTION 3

INVESTED CAPITAL AND WORKING CAPITAL ITEMS

The notes in this section describe the assets that form the basis for the activities of Pandora and the related liabilities. Financial risks are described in *note 4.4 Financial risks.*

In 2024, net working capital ended at -1.7% of revenue (2023: 1.8%). The reduction was driven by broad-based improvements across the working capital, from strong inventory management to optimisation of trade balances.

NET WORKING CAPITAL/ REVENUE

-1.7%

2023: 1.8%

WORKING CAPITAL DKK million	Notes	2024	2023
Inventories	3.5	4,426	4,166
Trade receivables	3.6	1,217	1,342
Trade payables	3.9	-3,894	-3,211
Operating working capital		**1,749**	**2,297**
Other receivables[1]		874	904
Current provisions	3.7, 3.8	-889	-744
Commodity derivatives, net	4.5	-39	-16
Contract liabilities	3.8	-237	-185
Other payables	4.4	-2,006	-1,745
Net working capital		**-549**	**510**

[1] Including right-of-return assets.

CAPITAL EXPENDITURE/ REVENUE

6.1%

2023: 5.8%

INVESTED CAPITAL DKK million	Notes	2024	2023
Intangible assets	3.1	8,232	7,801
Property, plant and equipment	3.2	3,475	2,746
Right-of-use assets	3.3	4,997	3,779
Other non-current financial assets		298	215
Non-current provisions	3.7	-494	-408
Net working capital		-549	510
Deferred tax, net	2.4	1,428	1,096
Currency derivatives, net	4.5	49	-25
Income tax receivables/ payables, net		-718	-480
Other liabilities		-203	-108
Invested capital		**16,515**	**15,126**

NOTE 3.1
INTANGIBLE ASSETS

INTANGIBLE ASSETS DKK million	Goodwill	Brand	Distribution	Other intangible assets[1]	Total
2024					
Cost at 1 January	4,914	1,057	1,610	2,678	10,259
Acquisition of subsidiaries and activities	98	-	-	-	98
Additions	-	-	-	499	499
Disposals	-	-	-	-171	-171
Exchange rate adjustments	114	-	4	35	153
Cost at 31 December	**5,126**	**1,057**	**1,614**	**3,041**	**10,838**
Amortisation and impairment losses at 1 January	-	-	572	1,887	2,459
Amortisation for the year	-	-	4	276	280
Disposals	-	-	-	-166	-166
Exchange rate adjustments	-	-	4	29	33
Amortisation and impairment losses at 31 December	**-**	**-**	**580**	**2,027**	**2,606**
Carrying amount at 31 December	**5,126**	**1,057**	**1,034**	**1,015**	**8,232**
2023					
Cost at 1 January	4,822	1,057	1,613	2,434	9,925
Acquisition of subsidiaries and activities	143	-	-	-	143
Additions	-	-	-	448	448
Disposals	-	-	-	-183	-183
Exchange rate adjustments	-50	-	-2	-21	-73
Cost at 31 December	**4,914**	**1,057**	**1,610**	**2,678**	**10,259**
Amortisation and impairment losses at 1 January	-	-	566	1,791	2,357
Amortisation for the year	-	-	8	294	302
Disposals	-	-	-	-181	-181
Exchange rate adjustments	-	-	-2	-17	-19
Amortisation and impairment losses at 31 December	**-**	**-**	**572**	**1,887**	**2,459**
Carrying amount at 31 December	**4,914**	**1,057**	**1,039**	**790**	**7,801**

[1] Other intangible assets include assets that are not yet in use of DKK 556 million (2023: DKK 339 million).

DKK million	2024	2023
Amortisation and impairment losses have been recognised in the income statement as follows:		
Cost of sales	14	21
Sales, distribution and marketing expenses	144	128
Administrative expenses	122	153
Total	**280**	**302**

GOODWILL
Additions in 2024 relate to acquisitions of activities. *Note 3.4 Business combinations* includes an overview of acquired goodwill for the year.

BRAND
The “Pandora” brand is the only brand of the Group that is capitalised in the consolidated financial statements. It comprises a group of complementary intangible assets relating to the brand, domain name, products, image and customer experience of products sold under the Pandora brand. The brand was acquired as part of the Pandora core business in 2008.

DISTRIBUTION
Distribution includes distribution network and distribution rights acquired. The distribution network covers Pandora’s relations with its distributors. The main part of the distribution network was acquired with the Pandora core business in 2008. Distribution rights mainly relate to the distribution rights for Pandora products in North America. These were acquired from the American distributor in 2008, and the carrying amount at 31 December 2024 was DKK 1.0 billion (2023: DKK 1.0 billion).

OTHER INTANGIBLE ASSETS
Other intangible assets mainly comprise software.

NOTE 3.1

INTANGIBLE ASSETS (CONTINUED)

ACCOUNTING POLICIES

GOODWILL

Goodwill is initially recognised at the amount by which the purchase price for a business combination exceeds the recognised value of the identifiable assets and liabilities acquired. Goodwill comprises future growth expectations, buyer-specific synergies, the workforce in place and know-how. After initial recognition, goodwill is measured at cost less accumulated impairment losses. Goodwill is not amortised, but is tested for impairment annually or if an impairment indication arises. Impairment losses charged in previous years cannot be reversed.

BRAND

Brand is initially recognised at cost based on the “Relief from Royalty” method, which is considered to have an indefinite useful life and is tested for impairment annually.

DISTRIBUTION

The distribution network is initially recognised at fair value based on an estimation of the costs the entity avoids by owning the intangible assets and therefore does not need to rebuild the network (the cost approach).

The distribution network is amortised over an expected useful life of 15 years.

The distribution rights for Pandora products in the North American market are measured based on a residual model, since the distribution agreement underlying the distribution rights is non-terminable. Consequently, the distribution rights are considered to have an indefinite useful life.

Other acquired distribution rights are initially recognised at cost based on the “Multi-period Excess Earnings” model and amortised over their expected useful lives.

OTHER INTANGIBLE ASSETS

Software is initially recognised at cost and amortised over 2-10 years. Software obtained through a Software-as-a-Service (SaaS) arrangement is capitalised to the extent that the IAS 38 criteria are met, and amortised over the contract period. Costs directly attributable to prepare the software for its intended use, such as costs related to implementation and configuration, is capitalised together with the software. Any cost not directly attributable to the assets recorded is expensed as incurred.

Amortisation is allocated to segments on a pro rata basis based on the standard cost per segment. Intangible assets that are not yet in use are tested for impairment annually or if an impairment indication arises.

IMPAIRMENT

At each reporting date, Pandora assesses whether there is any indication that an asset may be impaired.

If any such indication exists, or when annual impairment testing of an asset is required, Pandora estimates the recoverable amount of the asset.

The recoverable amount of an asset is the higher of the fair value of the asset or cash-generating unit (CGU) less costs to sell and its value in use. The recoverable amount is determined for the smallest group of assets that is independent from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is written down to its recoverable amount.

In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used.

The most significant factors when assessing the potential need for impairment are:

- decreasing revenue;
- increasing production costs;
- decreasing brand value;
- changes to the product mix.

The indicators above should be viewed in the context of Pandora’s relatively high margins and low asset base.

The brand is applied and supported globally in all of the Group’s entities. The brand is maintained and preserved through common strategy and product development at Group level and marketing in the individual sales entities. The brand is consequently tested for impairment at Group level.

Like the brand described above, goodwill is reported and managed internally at Group level. Due to the constraint in IAS 36, goodwill is allocated to the two operating segments for impairment testing purposes. It is management’s opinion that this best reflects Pandora’s value creation.

The intangible assets not yet in use, which are classified as corporate assets, are reported and managed at Group level and allocated to the two operating segments for impairment testing purposes.

NOTE 3.1
INTANGIBLE ASSETS (CONTINUED)

METHOD FOR IMPAIRMENT TESTING
In the impairment test, the recoverable amount is compared with the carrying amount. The recoverable amount is based on a calculation of the value in use using cash flow estimates based on the budget for 2025 and a forecast for the two subsequent years. The long-term growth rate in the terminal period has been set so that it equals the expected long-term rate of inflation.

ALLOCATION OF INTANGIBLE ASSETS TO CGUs

DKK million	Goodwill	Brand	Distribution
2024			
Core	3,748	766	749
Fuel with more	1,377	291	285
Total	**5,126**	**1,057**	**1,034**
2023			
Core	3,580	766	751
Fuel with more	1,334	291	288
Total	**4,914**	**1,057**	**1,039**

DISCOUNT RATES AND GROWTH RATES IN TERMINAL PERIOD (%)	Discount rate before tax	Growth rate in terminal period
2024		
Core	12.9%	2%
Fuel with more	12.9%	2%
Group	**12.9%**	**2%**
2023		
Core	13.1%	2%
Fuel with more	13.1%	2%
Group	**13.1%**	**2%**

All intangible assets are tested for impairment if there is any indication of impairment. Intangible assets with indefinite useful lives and assets not yet in use are tested at least annually.

ASSUMPTIONS
The calculations of the recoverable amounts of CGUs or groups of CGUs are based on the following key assumptions.

Discount rates reflect the current market assessment of the risks specific to each CGU or group of CGUs. The Group discount rates have been estimated based on a weighted average cost of capital for the industry. The rates have also been adjusted to reflect the market assessment of any risk specific to each group of CGUs.

The cash flows used in the impairment test are based on the budget for next year, prepared and approved by management, and a forecast for the two subsequent years.

High inflation rates were still observed in 2024, affecting the estimates for the upcoming years. Pandora expects the long-term inflation rate to stabilise, and the 2% growth rate applied is thus an estimate of the expected average inflation in the terminal period. As such, no real growth has been applied to the terminal period when calculating the recoverable amounts.

The cash flows of each group of CGUs is based on historical experience and expectations concerning:
- revenue development taking into account development in network (stores, retail/wholesale share), product mix and market share;
- cost of sales based on raw materials consumption affected by mix of materials (man-made stones, silver and gold), salaries and average lagged hedge commodity prices at the time the budget is prepared;
- development in operating expenses;
- currency rates that are based on actual rates at the time the budget is prepared;
- interest rates;
- increasing climate risk and geographical exposure;
- the transition to a circular economy and to net zero impact, including investments required, change in consumer behaviour and impact on the useful economic life of the assets.

For more information, see *note 1.3 Management's judgements and estimates under IFRS Accounting Standards*.

Net working capital in the budget for next year, relative to the revenue of each group of CGUs, is based on historical experience and is maintained for the remainder of the expected useful economic lives. Net working capital thus increases on a linear basis as the level of activity increases.

The impairment test of the brand at Group level is based on the "Relief from Royalty" method.

The impairment tests did not identify any need for impairment losses to be recognised. Based on sensitivity analysis, it is management's opinion that no probable change in any key assumptions would cause the carrying amounts of the two operating segments or at Group level to exceed the recoverable amounts.

Even with a significant reduction in growth rate and an increase in discount rate, management has not identified any likely impairment.

NOTE 3.2

PROPERTY, PLANT AND EQUIPMENT

PROPERTY, PLANT AND EQUIPMENT DKK million	Land and buildings	Plant and equipment	Assets under construction[1]	Total
2024				
Cost at 1 January	1,286	4,661	263	6,210
Acquisition of subsidiaries and activities	-	25	-	25
Additions	15	174	1,252	1,441
Disposals	-11	-789	-	-800
Transfers	16	1,109	-1,124	-
Exchange rate adjustments	85	93	5	184
Cost at 31 December	**1,389**	**5,274**	**396**	**7,059**
Depreciation and impairment losses at 1 January	511	2,953	-	3,464
Depreciation for the year	80	650	-	730
Disposals	-10	-694	-	-704
Exchange rate adjustments	38	55	-	93
Depreciation and impairment losses at 31 December	**620**	**2,964**	**-**	**3,584**
Carrying amount at 31 December	**769**	**2,310**	**396**	**3,475**
2023				
Cost at 1 January	1,302	3,937	289	5,529
Acquisition of subsidiaries and activities	-	31	-	31
Additions	15	179	968	1,161
Disposals	-10	-398	-	-408
Transfers	15	976	-992	-
Exchange rate adjustments	-37	-64	-2	-103
Cost at 31 December	**1,286**	**4,661**	**263**	**6,210**
Depreciation and impairment losses at 1 January	449	2,854	-	3,303
Depreciation for the year	84	529	-	614
Disposals	-9	-388	-	-397
Exchange rate adjustments	-13	-43	-	-56
Depreciation and impairment losses at 31 December	**511**	**2,953**	**-**	**3,464**
Carrying amount at 31 December	**774**	**1,708**	**263**	**2,746**

[1] The additions mainly relate to the crafting facilities, where Pandora has capital commitments of DKK 269 million related to construction, and to the network expansion.

DKK million	2024	2023
Depreciation has been recognised in the income statement as follows:		
Cost of sales	122	144
Sales, distribution and marketing expenses	565	427
Administrative expenses	43	43
Total	**730**	**614**

ACCOUNTING POLICIES

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses. Depreciation is calculated on a straight-line basis over the estimated useful life according to the list below.

Asset	Useful life
Land	Indefinite
Buildings	20-50 years
Leasehold improvements	Lease term
Plant and equipment	3-5 years
Other fixtures and fittings	5-7 years

NOTE 3.3
LEASES

Pandora leases stores, offices, office equipment and cars.

Amounts recognised in the balance sheet:

RIGHT-OF-USE ASSETS

DKK million	2024	2023
Property	4,974	3,765
Other	23	14
Total right-of-use assets	**4,997**	**3,779**

Additions of right-of-use assets amounted to DKK 2,492 million in 2024 (2023: DKK 2,129 million).

LEASE LIABILITIES

DKK million	2024	2023
Non-current	3,794	2,765
Current	1,379	1,116
Total lease liabilities	**5,173**	**3,880**

Lease liabilities are recognised in loans and borrowings.

Amounts recognised in the income statement:

RECOGNISED DEPRECIATION ON RIGHT-OF-USE ASSETS CHARGED TO THE INCOME STATEMENT

DKK million	2024	2023
Property	1,329	1,149
Other	14	14
Total depreciation on right-of-use assets for the period	**1,343**	**1,163**

Depreciation mainly relates to leased stores and is presented in the sales, distribution and marketing expenses.

Costs recognised in the period for short-term and low-value leases were DKK 88 million (2023: DKK 67 million). Expenses are recognised on a straight-line basis.

OTHER ITEMS RELATING TO LEASES

DKK million	2024	2023
Interest expenses	381	270
Total interest for the period	**381**	**270**

TOTAL CASH FLOWS RELATING TO LEASES

DKK million	2024	2023
Fixed lease payments	1,162	1,107
Interest payments	381	270
Variable leases linked to revenue	588	521
Short-term and low-value leases	88	67
Total cash flows relating to leases	**2,219**	**1,965**

Many of the Group's property leases contain terms on variable lease payments that are linked to store sales performance according to normal market practice. In 2024, around 26% (2023: 27%) of the lease payments were recognised as variable rent in the income statement. Pandora has estimated that a 1% increase in annual physical owned and operated store revenue would result in a 0.5% (2023: 0.5%) increase in total lease payments. The average standard store lease term ranges from four to six years with an option to extend for an additional four to six years in approximately 14% (2023: 18%) of current leases, typically with one or more termination options. Approximately 21% of current leases are up for renegotiation in 2025. The estimated value of lease options that Pandora is not reasonably certain of executing is around DKK 0.4 billion (2023: DKK 0.4 billion).

ACCOUNTING ESTIMATES

When assessing the lifetime of leases, Pandora considers the non-cancellable lease term and options to extend or terminate the lease where Pandora is reasonably certain to extend or not to terminate. Leases in Pandora mainly comprise stores and office buildings. The lease term for stores has been assessed to be up to 10 years, depending on factors such as location, revenue and earnings. For office buildings, the lease term is usually 5 to 15 years.

NOTE 3.3
LEASES (CONTINUED)

ACCOUNTING POLICIES

Pandora applies a single recognition and measurement approach to all leases, except for short-term leases and low-value leases.

Pandora recognises right-of-use assets at the commencement date of the lease when the asset is available for use. Right-of-use assets are measured at cost less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date, key money, less any lease incentives received. Key money is measured at cost and amortised over the term of the contract. Right-of-use assets are depreciated on a straight-line basis over the shorter of the asset's useful life and the lease term. At each reporting date, Pandora assesses whether there is any indication that a right-of-use asset may be impaired. If any such indication exists, Pandora carries out impairment testing for the relevant CGU.

Pandora recognises lease liabilities at the commencement date of the lease, measured at the present value of lease payments to be made over the lease term. Lease payments include fixed payments less any lease incentives receivable. Some leases are exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. Payments relating to services are not included in lease liabilities. Some property leases contain variable payment terms that are linked to sales generated from a store. Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs and are not included in the lease liability.

In calculating the present value of lease payments, Pandora uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, for example a change in the lease term or a change in the lease payments. Lease payments are classified in financial activities in the statement of cash flows.

Pandora applies the short-term lease recognition exemption to its short-term leases. Payments related to short-term leases and leases of low-value assets continue to be recognised on a straight-line basis as an expense in the income statement. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise some IT equipment and other office equipment.

NOTE 3.4
BUSINESS COMBINATIONS

ACQUISITIONS IN 2024

In 2024, Pandora took over 36 concept stores (12 concept stores in the US, 4 concept stores in Italy, 15 concept stores in Canada and 5 concept stores in Brazil) in 10 business combinations. Net assets acquired mainly consisted of store properties, inventories and related liabilities. The total purchase price for the acquisitions was DKK 183 million. Based on the purchase price allocations, goodwill was DKK 98 million. Goodwill from the acquisitions was mainly related to the synergies from converting the stores from wholesale and distribution to Pandora-owned retail. Among the goodwill acquired, DKK 93 million was deductible for income tax purposes.

Cost relating to the acquisitions was immaterial and has been recognised as operating expenses in the income statement.

Excluding the temporary drag on gross margin from inventory buybacks, incremental contribution to Group revenue and net profit from acquisitions for the period 1 January – 31 December 2024 was DKK 124 million and DKK 28 million, respectively. On a pro forma basis, if the acquisitions had been effective from 1 January 2024, the incremental contribution to Group revenue and net profit for the period 1 January – 31 December 2024 would have been approximately DKK 146 million and DKK 31 million, respectively[1].

[1] The incremental contribution to Group revenue and net profit is determined as the net of acquired retail revenue less the reduction in wholesale revenue. Excluding the temporary drag on the margin from inventory buybacks, the contribution to the Group revenue and net profit from acquisitions for the period 1 January - 31 December 2024 calculated according to IFRS 3 was DKK 309 million and DKK 125 million, respectively. On a proforma basis, if the acquisitions had been effective from 1 January 2024, the IFRS 3 contribution to Group revenue and net profit for the period 1 January - 31 December 2024, excluding the temporary drag on the margin from inventory buybacks, would have been approximately DKK 331 million and DKK 127 million, respectively.

NOTE 3.4
BUSINESS COMBINATIONS (CONTINUED)

ACQUISITIONS IN 2023
In 2023, Pandora took over 54 concept stores. Net assets acquired mainly consisted of store properties, inventories and related liabilities. The total purchase price for the acquisitions was DKK 356 million. Based on the purchase price allocations, goodwill was DKK 143 million. Goodwill from the acquisitions was mainly related to the synergies from converting the stores from wholesale and distribution to Pandora-owned retail. Among the goodwill acquired, DKK 93 million was deductible for income tax purposes.

BUSINESS COMBINATIONS AFTER THE REPORTING PERIOD
No business combinations of significance to Pandora took place after the reporting period.

ACQUISITIONS

DKK million	2024	2023
Property, plant and equipment and right-of-use assets	85	144
Other non-current assets	1	-
Inventories	85	194
Other current assets	1	3
Assets acquired	**172**	**341**
Non-current liabilities	41	75
Payables	4	4
Other current liabilities	43	49
Liabilities assumed	**88**	**128**
Total identifiable net assets acquired	**84**	**213**
Goodwill arising on acquisitions	98	143
Purchase consideration	**183**	**356**
Cash movements on acquisitions:		
Consideration transferred regarding previous years[1]	19	14
Deferred payment[2]	-8	-21
Net cash flows on acquisitions	**194**	**349**

[1] The consideration of DKK 19 million transferred during 2024 relates mainly to the acquisition in Colombia in 2023. The consideration of DKK 14 million transferred during 2023 relates to the acquisitions in Portugal and Italy in 2022.
[2] The deferred payment of DKK 8 million in 2024 relates mainly to the acquisitions in the US and Italy. In 2023, the deferred payment of DKK 21 million relates mainly to the acquisition in Colombia.

ACCOUNTING POLICIES

Business combinations are accounted for in accordance with the IFRS 3 acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the acquirer measures the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed. Subsequent to initial recognition, goodwill is measured at cost less any accumulated impairment losses.

As goodwill is reported and managed internally at Group level, goodwill acquired should also be allocated to the Group. However, goodwill acquired is allocated to the CGUs in the two operating segments for impairment testing purposes due to the constraint in IAS 36.

NOTE 3.5
INVENTORIES

INVENTORIES DKK million	2024	2023
Raw materials and consumables	751	615
Work in progress	141	141
Finished goods	3,376	3,216
Point-of-sale materials	159	194
Total inventories at 31 December	**4,426**	**4,166**
Inventory write-downs at 1 January	750	735
Write-downs during the year	243	200
Utilised in the year	-155	-185
Inventory write-downs at 31 December	**838**	**750**

WRITE-DOWNS
Inventory write-downs primarily relate to finished goods and are recognised in cost of sales, DKK 212 million (2023: DKK 170 million), and operating expenses, DKK 31 million (2023: DKK 30 million). Write-downs include mainly the cost of remelting obsolete jewellery.

PRODUCTION OVERHEADS
Production overheads are calculated using a standard cost method, which is reviewed regularly to ensure relevant assumptions concerning capacity utilisation, lead times and other relevant factors.

NET REALISABLE VALUE
Net realisable value is based on the estimated selling price less estimated costs of completion and distribution. Alternatively, for inventories that are not expected to be sold, net realisable value is based on the recycle value of the reusable raw materials (primarily silver, gold and lab-grown diamonds).

ACCOUNTING POLICIES

Inventories are valued at the lower of cost and net realisable value. Costs are accounted for on a first-in, first-out basis (FIFO). Besides raw materials, costs include labour and a proportion of production overheads based on normal operating capacity, but excluding borrowing costs.

Point-of-sale materials comprise purchase costs regarding equipment, displays and packaging materials etc. and are also accounted for on a FIFO basis.

SIGNIFICANT ACCOUNTING ESTIMATES

Estimates relating to write-downs are impacted by forecasting accuracy in the number of obsolete products that will need to be remelted. The impact from remelt is also influenced by fluctuations in the market prices of silver and gold. Further, significant management estimates are required with regards to the calculations of internal gain on inventory when goods are sold from production entities to sales entities.

NOTE 3.6
TRADE RECEIVABLES

TRADE RECEIVABLES DKK million	2024	2023
Receivables related to third-party distribution and wholesale	711	705
Receivables related to retail revenue sales	506	637
Total trade receivables at 31 December	**1,217**	**1,342**
Ageing of trade receivables at 31 December		
Not past due	**972**	**1,056**
Up to 30 days	174	233
Between 30 and 60 days	45	27
Between 60 and 90 days	12	14
Over 90 days	14	12
Total past due, not impaired	**245**	**286**
Total trade receivables at 31 December	**1,217**	**1,342**
Development in impairment losses on trade receivables		
Impairment at 1 January	94	83
Additions	27	20
Utilised	-17	-2
Unused amounts reversed	-9	-10
Exchange rate adjustments	1	4
Impairment at 31 December	**95**	**94**

Trade receivables are amounts due from the sale of goods to wholesalers and distributors, or due from landlords, malls or e-commerce providers responsible for the collection of cash related to retail sales on behalf of Pandora.

NOTE 3.6

TRADE RECEIVABLES (CONTINUED)

Management continues to assess credit risk in order to ensure credit risk never exceeds the recognised write-down on trade receivables. For a further description of credit risk, see *note 4.4 Financial risks*.

In view of the low historical loss rates on receivables, adjusting these rates to reflect current and forward-looking information on macroeconomic factors such as GDP and unemployment rates affecting the ability of customers to settle receivables will not increase the risk of losses significantly.

ACCOUNTING POLICIES

Trade receivables are initially recognised at the amount of consideration that is unconditional and consequently recognised at fair value. The Group holds trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. Pandora applies the simplified approach to measure expected credit losses, using a lifetime expected loss allowance.

NOTE 3.7

PROVISIONS

PROVISIONS

DKK million	2024	2023
Provisions at 1 January	431	384
Additions in the year	185	140
Utilised in the year	-75	-53
Unused provisions reversed	-11	-36
Exchange rate adjustments	12	-4
Provisions at 31 December	**543**	**431**
Provisions are recognised in the balance sheet as follows:		
Current	49	23
Non-current	494	408
Provisions at 31 December	**543**	**431**

Provisions are liabilities of uncertain timing or amount and consist of defined benefit pension plans of DKK 145 million (2023: DKK 104 million), obligations to restore leased property of DKK 207 million (2023: DKK 159 million) and other legal and constructive obligations of DKK 191 million (2023: DKK 168 million). See *note 5.1 Contingent assets and liabilities* for estimates relating to litigation.

ACCOUNTING POLICIES

Provisions are recognised when Pandora has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to any provision is recognised in the income statement net of any reimbursement.

NOTE 3.8

CONTRACT ASSETS AND LIABILITIES

CONTRACT ASSETS AND LIABILITIES

DKK million	2024	2023
Contract assets		
Right-of-return assets	91	55
Total contract assets	**91**	**55**
Contract liabilities		
Prepayments from customers	27	14
Coupons, gift cards etc.	143	142
Loyalty programme	67	29
Refund and warranty liability	840	721
Total contract liabilities	**1,077**	**906**

SIGNIFICANT ACCOUNTING ESTIMATES

In most markets, Pandora has provided return and warranty rights to customers. The handling of warranty claims leads to replacements instead of repairs. The recognised refund liability relating to return and warranty rights is assessed to a large extent on the basis of historical return patterns.

NOTE 3.8

CONTRACT ASSETS AND LIABILITIES (CONTINUED)

REFUND AND WARRANTY LIABILITY

DKK million	Refund	Warranty	Total
2024			
Liability at 1 January	376	345	721
Performance obligations for which consideration has been received	1,317	498	1,814
Revenue recognised, included in the contract liability	-1,097	-387	-1,484
Contract liabilities reversed	-186	-35	-221
Exchange rate adjustments	8	2	10
Refund and warranty liability at 31 December	**418**	**422**	**840**
2023			
Liability at 1 January	339	288	628
Performance obligations for which consideration has been received	1,093	431	1,525
Revenue recognised, included in the contract liability	-946	-336	-1,281
Contract liabilities reversed	-106	-35	-141
Exchange rate adjustments	-5	-4	-9
Refund and warranty liability at 31 December	**376**	**345**	**721**

ACCOUNTING POLICIES

Pandora recognises a refund and warranty liability related to return rights provided to customers in most markets. A corresponding right-of-return asset is also recognised as part of contract assets. The value of the right-of-return asset is determined by how many of the returned products are expected to be sold. Remaining products are written down to remelt value together with returns covered by warranties.

The refund liability for estimated sales returns is recognised when there is historical experience or when a reasonably accurate estimate of expected future returns can otherwise be made. The income effect recognised is the gross margin of the expected returns and the potential effect of writing down parts of the returned goods to remelt value. Changes to the right-of-return asset and refund liability are recognised gross in the income statement as both revenue and cost of sales.

Refund liability to cover warranty claims is based on expected replacements provided for products still covered by warranty at the end of the period. The liability is recognised gross in the income statement as both a reduction in revenue and in cost of goods sold. This is due to the handling of warranty claims which lead to replacements instead of repairs.

Revenue related to the gift cards and coupons is deferred up to the time the gift cards and coupons are used. The stand-alone selling price of the gift cards and coupons is the monetary value of the cards and coupons. In estimating the redemption rate, Pandora considers breakage, which represents the portion of the gift cards and coupons value issued that will never be redeemed.

As a common practice in Pandora, no costs to obtain contracts with customers were capitalised in 2024 or previous years.

NOTE 3.9

TRADE PAYABLES

The Group generally accepts that vendors sell off their receivables arising from the sale of goods and services to the Group to a third party. Pandora has established a supply chain financing programme where vendors can sell off their receivables from Pandora on attractive terms, based on invoices approved by Pandora, but at the bank's sole discretion. The programme does not extend payment terms beyond the original terms agreed. The payment terms for trade payables within the supply chain financing programme range from 90–110 days, while the payment terms for trade payables outside the programme average around 60 days. This is expected, as the programme is generally more attractive to suppliers with longer payment terms.

Pandora is not directly or indirectly a party to these agreements. The amounts payable to suppliers included in the supply chain financing programme are classified as trade payables in the balance sheet as well as in the statement of cash flows (working capital within cash flows from operations) and amounted to DKK 362 million at 31 December 2024 (2023: DKK 82 million). Suppliers have received payment from the bank for all the liabilities under the supplier finance arrangement.

SECTION 4

CAPITAL STRUCTURE AND NET FINANCIALS

This section includes notes related to Pandora's capital structure and net financials, including financial risks in *note 4.4 Financial risks*.

As a consequence of its operations, investments and financing, Pandora is exposed to a number of financial risks that are monitored and managed by Pandora's Group Treasury department. Pandora uses a number of derivative financial instruments to hedge its exposures to fluctuations in commodity prices, interest rates and currencies. Derivative financial instruments are described in *note 4.5 Derivative financial instruments*.

Pandora's Capital Structure Policy is to maintain a leverage ratio (NIBD to EBITDA ratio) between 0.5x and 1.5x at year-end (including leases in accordance with IFRS 16). At 31 December 2024, the ratio was 1.1x (2023: 1.1x). The cash conversion was 85% in 2024 compared to 78% in 2023.

DKK 7.1 billion

Unutilised committed facilities of DKK 7.1 billion underpin Pandora's strong liquidity position.

NET INTEREST-BEARING DEBT

DKK million	2024	2023
Loans and borrowings, non-current[1]	7,831	6,973
Lease liabilities, non-current	3,794	2,765
Loans and borrowings, current	397	313
Lease liabilities, current	1,379	1,116
Cash	-2,394	-1,397
Net interest-bearing debt	**11,008**	**9,770**

[1] Includes the bond of EUR 500 million issued in May 2024 and the bond of EUR 500 million issued in March 2023.

NOTE 4.1
SHARE CAPITAL

At the Annual General Meeting of Pandora A/S on 14 March 2024, the shareholders resolved to cancel 7,000,000 treasury shares. At 31 December 2024, the share capital comprised 82,000,000 shares with a par value of DKK 1. No shares have special rights. Pandora has an equity ratio of 20% and high returns to the shareholders.

In 2024, Pandora executed a new share buyback programme under which Pandora bought back own shares of DKK 4.0 billion. In 2024, Pandora purchased 3,704,669 treasury shares, corresponding to a total purchase price of DKK 4.0 billion (DKK 0.4 billion related to the share buyback programme from 2023, and DKK 3.6 billion related to the share buyback programme in 2024). At 31 December 2024, Pandora had yet to repurchase own shares at a total purchase price of DKK 0.4 billion as part of the share buyback programme. Own shares of DKK 0.4 billion have been repurchased after 31 December 2024.

TREASURY SHARES
All treasury shares are owned by Pandora A/S. Treasury shares include hedges for share-based incentive plans granted to Executive Management and other employees.

SHARE CAPITAL	Number of shares	Nominal value (DKK)
2024		
Balance at 1 January	89,000,000	89,000,000
Cancellation of shares	-7,000,000	-7,000,000
Balance at 31 December	**82,000,000**	**82,000,000**
2023		
Balance at 1 January	95,500,000	95,500,000
Cancellation of shares	-6,500,000	-6,500,000
Balance at 31 December	**89,000,000**	**89,000,000**

TREASURY SHARES	Number of shares	Nominal value (DKK)	Purchase price	% of shares
2024				
Balance at 1 January	6,790,028	6,790,028	4,352,925,278	7.6%
Used to settle share-based incentive plans	-312,238	-312,238	-208,797,080	-0.4%
Purchase of treasury shares	3,704,669	3,704,669	4,035,810,450	4.3%
Cancellation of treasury shares	-7,000,000	-7,000,000	-4,952,027,957	-7.9%
Balance at 31 December	**3,182,459**	**3,182,459**	**3,227,910,692**	**3.9%**
2023				
Balance at 1 January	6,104,531	6,104,531	3,319,975,573	6.4%
Used to settle share-based incentive plans	-508,195	-508,195	-277,749,702	-0.5%
Purchase of treasury shares	7,693,692	7,693,692	4,997,666,138	8.3%
Cancellation of treasury shares	-6,500,000	-6,500,000	-3,686,966,729	-6.8%
Balance at 31 December	**6,790,028**	**6,790,028**	**4,352,925,278**	**7.6%**

NOTE 4.2

EARNINGS PER SHARE AND DIVIDEND

EARNINGS PER SHARE

DKK million	2024	2023
Profit attributable to equity holders	**5,227**	**4,740**
Weighted average number of ordinary shares	80,603,566	85,408,547
Effect of performance shares[1]	311,857	671,905
Weighted average number of ordinary shares adjusted for the effect of dilution	**80,915,422**	**86,080,451**
Basic earnings per share, DKK	64.8	55.5
Diluted earnings per share, DKK	64.6	55.1

[1] 301,037 performance shares were not included in diluted EPS, but could potentially dilute EPS in the future.

There have been no transactions between the reporting date and the date of completion of the Annual Report involving shares that would have significantly changed the number of shares or potential shares in Pandora A/S.

DIVIDEND

The Board of Directors will propose at the Annual General Meeting that a dividend of DKK 20 per share (2023: DKK 18), corresponding to DKK 1.6 billion, be distributed for 2024. No dividend is paid on treasury shares.

In 2024, a dividend of DKK 1.5 billion in total was paid. Dividend paid had no effect on the Group's tax expense for the year.

For further shareholder information on dividend payments, see page 38.

DISTRIBUTABLE RESERVES

Cash distribution to the shareholders is, by law, limited to the amount of the free reserves of the Parent Company.

As at 31 December 2024, free reserves in the Parent Company amounted to DKK 13.5 billion. When calculating the amount available for distribution of dividend and share buyback, treasury shares are deducted from distributable reserves.

ACCOUNTING POLICIES

Dividend proposed is recognised as a liability at the date of the adoption at the Annual General Meeting (declaration date). Extraordinary dividend is recognised as a liability at the declaration date.

NOTE 4.3
LIABILITIES FROM FINANCING ACTIVITIES

TOTAL LIABILITIES FROM FINANCING ACTIVITIES DKK million	Financial liabilities at 1 January	Cash flows, net	New leases etc.	Other[1]	Foreign exchange adjustments	Financial liabilities at 31 December
2024						
Non-current borrowings[2]	6,973	1,067	-	-209	-	7,831
Non-current lease liabilities	2,765	-	1,942	-989	76	3,794
Current borrowings	313	-122	-	204	2	397
Current lease liabilities	1,116	-1,162	554	847	24	1,379
Total liabilities from financing activities	**11,165**	**-217**	**2,496**	**-146**	**103**	**13,401**
2023						
Non-current borrowings	1,017	5,927	-	29	-	6,973
Non-current lease liabilities	2,113	-	1,560	-886	-23	2,765
Current borrowings	3,508	-3,321	-	128	-2	313
Current lease liabilities	950	-1,107	520	769	-16	1,116
Total liabilities from financing activities	**7,588**	**1,499**	**2,080**	**40**	**-41**	**11,165**

[1] Includes the effect of the reclassification of the non-current portion of interest-bearing loans and borrowings to the current portion due to the passage of time. Also includes the effect of accrued but not yet paid interest on interest-bearing loans and borrowings, upfront prepayment of lease liabilities and the effect of the lease modification and reassessment. The Group classifies interest paid as cash flows from operating activities.
[2] Includes the bond of EUR 500 million issued in May 2024 and the bond of EUR 500 million issued in March 2023.

ACCOUNTING POLICIES

On initial recognition, interest-bearing debt and borrowings are measured at fair value less transaction costs. Subsequent to initial recognition, interest-bearing loans and borrowings are measured at amortised cost using the effective interest rate method.

Gains and losses are recognised in the income statement when the liabilities are derecognised and through the effective interest rate method. Amortised cost is calculated by taking into account any discount or premium at inception, as well as fees and other costs.

NOTE 4.4
FINANCIAL RISKS

As a consequence of its operations, investments and financing, Pandora is exposed to financial risks that are monitored and managed by Pandora’s Group Treasury department.

The financial risks faced by Pandora can be categorised into the following subgroups: commodity price risk, foreign currency risk, interest rate risk, credit risk and liquidity risk. Pandora adopts a proactive approach to managing these risks, utilising various financial instruments to hedge against market fluctuations and mitigate adverse impacts on Pandora's financial performance and results.

The table on the next page illustrates the sensitivity on 2024 revenue, EBIT and EBIT margin from exchange rates and commodity price movements. In addition, the sensitivity of financial assets and liabilities as at 31 December from currency and commodity price movements is illustrated on the next page.

COMMODITY PRICE RISK

Commodity price risk is the risk of increasing raw material prices resulting in higher production costs. The most important raw materials are silver and gold, which are priced in USD.

It is Pandora’s policy to ensure stable, predictable raw material prices. Based on a rolling 12-month production plan, the general policy is for Group Treasury to hedge at least 70% of the Group’s expected consumption of silver and gold. During the first half of 2024 the silver price increased by more than 40%. In response, a strategic decision was made to temporarily pause further hedging efforts to assess whether the price surge was temporary or likely to persist. The hedging has been resumed in Q4 2024. As of the end of 2024, Pandora had hedged 70% of commodity exposures for the next 12 months of production.

NOTE 4.4
FINANCIAL RISKS (CONTINUED)

Consumption is hedged from 1 to 12 months forward with a hedge ratio target that decreases with time to maturity, as illustrated below.

Commodity hedging of silver and gold is updated monthly or in connection with revised 12-month rolling production plans. Actual production may deviate from the 12-month rolling production plan. In case of deviations, the realised commodity hedge ratio may deviate from the estimated hedge ratio. The effective portion of the realised gain or loss from commodity hedging is recognised in Group inventories and subsequently in cost of sales while the ineffective portion is recognised in financial items.

For the fair value of hedging instruments, see *note 4.5 Derivative financial instruments*.

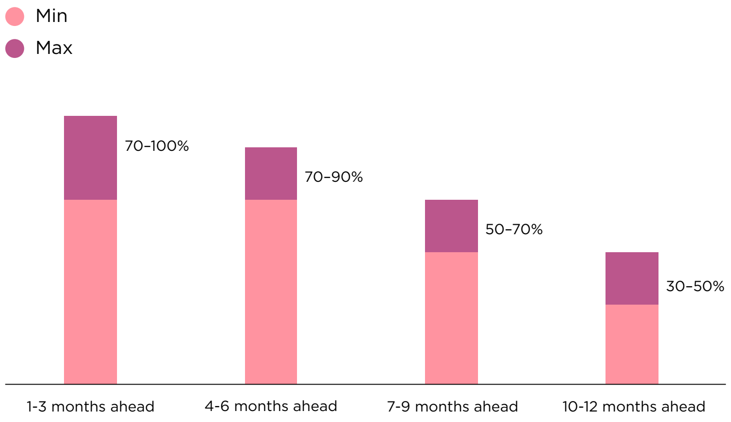
FOREIGN CURRENCY RISK
Pandora's presentation currency is DKK, but the majority of Pandora's activities and investments are denominated in other currencies. Consequently, exchange rate fluctuations may have a substantial impact on Pandora's cash flows, profit (loss) and/or financial position in DKK.

The majority of Pandora's revenue is denominated in USD, EUR, GBP, AUD, MXN, CAD and PLN. The functional currency of subsidiaries is generally the local currency, and a substantial portion of Pandora's costs relates to raw materials purchased in USD. In addition, Pandora incurs a significant part of its costs denominated in THB. Changes in the exchange rate of the above currencies versus DKK will result in changes to the translated value of future EBIT and cash flows.

Pandora finances the majority of its subsidiaries' cash requirements via intercompany loans denominated in the local currency of the individual subsidiary. Changes in exchange rate of these currencies against DKK will in general result in a foreign exchange gain or loss.

Exchange rate fluctuations may lead to a decrease in revenue and an increase in costs and thus declining margins. In addition, exchange rate fluctuations affect the translated value of the profits or losses of foreign subsidiaries and the translation of foreign currency assets and liabilities.

COMMODITY HEDGE RATIO TARGET (%)



SENSITIVITY ANALYSIS ON EXCHANGE RATES AND COMMODITY PRICES[1] DKK million	Change in exchange rate and commodity prices	2024 Revenue	2024 EBIT	2024 EBIT margin impact	2023 Revenue	2023 EBIT	2023 EBIT margin impact
USD	+10%	1,030	379	0.4%	894	339	0.4%
CAD	+10%	100	48	0.1%	81	41	0.1%
AUD	+10%	157	101	0.2%	154	104	0.2%
GBP	+10%	394	240	0.4%	383	238	0.5%
EUR	+1%	89	52	0.1%	77	45	0.1%
TRY	+10%	65	38	0.1%	47	31	0.1%
MXN	+10%	129	71	0.1%	124	69	0.1%
PLN	+10%	92	72	0.2%	76	59	0.1%
THB	+10%	-	-227	-0.7%	-	-231	-0.8%
SILVER and GOLD	+10%	-	-224	-0.7%	-	-210	-0.7%

[1] Revenue and EBIT would have been impacted by the above amounts if exchange rates and commodity prices in 2024 had been higher than the realised exchange rates and commodity prices. The impact would have been the opposite if exchange rates and commodity prices had been decreasing by similar percentages. The analysis is based on the transaction currency. The analysis excludes the effects of hedging and time lag of inventory.

NOTE 4.4

FINANCIAL RISKS (CONTINUED)

It is Pandora's policy to hedge foreign currency exposures related to the risk of declining net cash flows resulting from exchange rate fluctuations. Pandora does not hedge balance sheet items or ownership interests in foreign subsidiaries.

For 2024, up to 70% (2023: 70%) of the cash flows from currencies with a risk above policy threshold were hedged based on a rolling 12-month forecast. In 2024, this included USD, THB, GBP, AUD and MXN. Cash flows are hedged from 1 to 12 months forward with a hedge ratio that decreases with time to maturity. Foreign currency hedging is updated monthly or in connection with revised 12-month rolling cash forecasts. The realised profit (loss) from exchange rate hedging is taken to financial items.

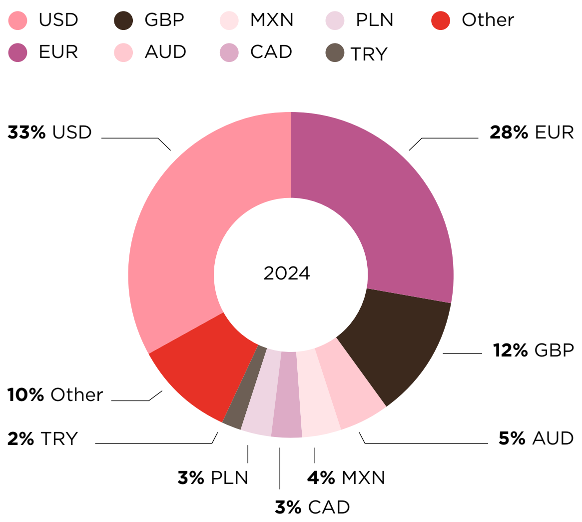
The table below illustrates the currency revaluation impact on net profit and changes in equity resulting from a change in the Group's primary foreign currencies after the effect of hedge accounting.

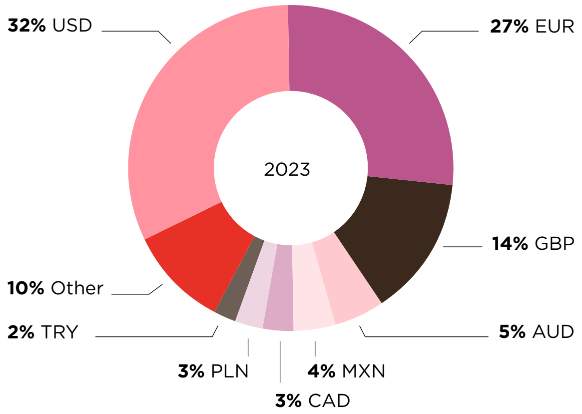
CURRENCY AND COMMODITY EXPOSURE FROM FINANCIAL ASSETS AND LIABILITIES[1]

DKK million	Change in exchange rate	31 December 2024 Profit (loss) before tax	31 December 2024 Equity	31 December 2023 Profit (loss) before tax	31 December 2023 Equity
USD	+10%	-286	-471	32	-61
CAD	+10%	-4	-4	15	6
AUD	+10%	6	-26	20	-15
GBP	+10%	105	32	-63	-97
EUR	+1%	-71	-71	-68	-68
TRY	+10%	12	12	2	2
MXN	+10%	26	5	60	34
PLN	+10%	10	31	12	12
THB	+10%	-56	207	-36	168
SILVER and GOLD	+10%	-	227	-	190

[1] The movements in the income statement arise from monetary items (cash, borrowings, receivables and payables) where the functional currency of the entity differs from the currency that the monetary items are denominated in. The currency movements in equity arise from monetary items and hedging instruments where the functional currency of the entity differs from the currency that the hedging instruments or monetary items are denominated in. The commodity movements in equity arise from the change in the hedging reserve. The impact would have been the opposite if exchange rates had been decreasing by similar percentages. The analysis is based on the transaction currency.

REVENUE BREAKDOWN BY CURRENCY (%)





NOTE 4.4
FINANCIAL RISKS (CONTINUED)

CREDIT RISK
Credit risk is primarily related to trade receivables, cash and unrealised gains on financial contracts. The maximum credit risk related to financial assets corresponds to the carrying amounts recognised in the consolidated balance sheet.

It is Pandora's policy for subsidiaries to be responsible for credit evaluation and credit risk on their trade receivables. Credit limits above certain policy thresholds must be approved by Group Treasury and/or the Chief Financial Officer.

Note 3.6 Trade receivables includes an overview of the credit risk related to trade receivables. Rating of trade receivables does not differ materially either by type of customer or geographic location. The risk of further impairment is considered to be limited.

Credit risk related to Pandora's other financial assets mainly includes cash and unrealised gains on financial contracts. The credit risk is related to default of the counterparty with a maximum exposure corresponding to the carrying amount of the assets. Group Treasury is responsible for managing these credit risks.

LIQUIDITY RISK
Pandora's cash conversion is high, and Pandora maintains an adequate level of cash and unutilised credit facilities to meet financial obligations when due. This combined with strong, investment-grade credit ratings means that Pandora's liquidity risk and refinancing risk are considered to be low.

Pandora has one revolving credit facility of EUR 950 million and one term loan of EUR 73 million committed until April 2028 and May 2030, respectively. Further, Pandora has two outstanding EUR 500 million bonds issued under its Euro Medium Term Note programme maturing in 2028 and 2030, respectively.

Pandora uses two banks for its supply chain financing programme and has ample headroom under both programmes. Pandora's strong credit profile gives management confidence that alternative solutions could be found in case one or both of the current providers withdraw.

Pandora maintains credit ratings of BBB by S&P Global Ratings and a Baa2 rating from Moody's Investor Service. Pandora has uncommitted credit facilities to ensure efficient and flexible local liquidity management. The credit facilities are managed by Group Treasury.

INTEREST RATE RISK
Interest rate risk is the risk of interest rate fluctuations resulting in changed interest payments and market value of net borrowings. At the reporting date, only the revolving credit facilities were based on floating interest rates.

In 2024, Pandora entered into cross-currency interest rate swaps related to the EUR bonds maturing in 2028 and 2030, respectively. Interest payments are swapped from fixed EUR into a fixed interest rate in DKK.

All else being equal, it is estimated that a general increase in interest rates by 1.0 percentage point would lead to a DKK 29 million decrease in profit before tax and equity, excluding tax effect (2023: DKK 37 million decrease).

OUTSTANDING COMMITTED LOAN FACILITIES **DKK million**	Available facilities	Maturity date	Drawn amount	Avg. effective interest rate incl. hedging	Available liquidity
Revolving credit facilities[1]	7,087	April 2028	-	-	7,087
Term loan maturing in 2030[1]	547	May 2030	547	2.8%	-
Bond maturing in 2028[1]	3,730	April 2028	3,730	4.3%	-
Bond maturing in 2030[1]	3,730	May 2030	3,730	3.7%	-
Total outstanding committed loan facilities at 31 December	**15,094**		**8,007**		**7,087**

[1] Sustainability-linked facilities with an interest rate tied to the achievement of specific sustainability targets. The facilities have no covenants affecting loan maturity, except for the revolving credit facilities and the term loan, which are subject to a net debt to EBITDA ratio covenant of 2.5x.

NOTE 4.4
FINANCIAL RISKS (CONTINUED)

CONTRACTUAL MATURITIES OF FINANCIAL LIABILITIES

The table to the right breaks the Group's financial liabilities down into relevant maturity groupings based on contractual maturities for:

- all non-derivative financial liabilities;
- net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows.

Based on the Group's expectations for the future operation and the Group's current cash resources, no significant liquidity risks have been identified.

FINANCIAL LIABILITIES FALL DUE AS FOLLOWS

DKK million	Within 1 year	Within 1-5 years	After more than 5 years	Total
2024				
Non-derivatives				
Loans and borrowings	204	430	50	685
Bond	312	4,812	3,875	8,999
Lease liabilities	1,535	3,773	1,530	6,838
Trade payables	3,894	-	-	3,894
Other payables	171	167	9	347
Derivatives				
Derivative financial instruments	152	-	-	152
Total financial liabilities at 31 December	**6,269**	**9,182**	**5,464**	**20,916**
2023				
Non-derivatives				
Loans and borrowings	343	3,049	153	3,545
Bond	168	4,397	-	4,565
Lease liabilities	1,248	2,818	1,142	5,209
Trade payables	3,211	-	-	3,211
Other payables	137	92	-	229
Derivatives				
Derivative financial instruments	128	-	-	128
Total financial liabilities at 31 December	**5,234**	**10,357**	**1,295**	**16,886**

NOTE 4.5
DERIVATIVE FINANCIAL INSTRUMENTS

Pandora uses a number of derivative financial instruments to hedge its exposure to fluctuations in commodity prices, interest rates and exchange rates.

Derivative financial instruments include silver and gold forward contracts, foreign exchange forward contracts and cross-currency interest rate swaps.

In 2024, Pandora entered into cross-currency interest rate swaps related to the fixed rate bonds maturing in 2028 and 2030, respectively. The swap has a notional amount of EUR 1.0 billion (2023: Nil) whereby Pandora receives a fixed rate of interest of 4.2% in EUR and pays interest at a fixed rate equal to 4.0% in DKK.

It is Pandora's policy to hedge at least 70% of the Group's expected silver and gold consumption based on a rolling 12-month production plan. The table to the right illustrates the timing of the hedges related to the purchase of silver and gold for production, excluding the time lag effect from inventory to cost of sales (when the product is sold). The time lag from use in production to impact on cost of sales is usually 2 to 7 months.

In response to the increase in silver and gold prices during Q2 2024, a strategic decision was taken to temporarily pause any further hedging. The hedging has been resumed in Q4 2024. As of the end of 2024, Pandora had hedged 70% of commodity exposures for the next 12 months of production.

DERIVATIVE FINANCIAL INSTRUMENTS **DKK million**	Assets	Liabilities	Carrying amount	Hedge reserve, net of tax
2024				
Commodities	49	-88	-39	-30
Foreign exchange	106	-64	42	33
Interest rate	7	-	7	5
Total derivative financial instruments	**162**	**-152**	**10**	**8**
2023				
Commodities	55	-71	-16	-13
Foreign exchange	32	-57	-25	-20
Total derivative financial instruments	**87**	**-128**	**-41**	**-33**

HEDGED AND REALISED PURCHASE PRICES AT USE OF THE SILVER AND GOLD FOR PRODUCTION (USD/OZ)	Realised in 2024[1]	Hedged Q1 2025	Hedged Q2 2025	Hedged Q3 2025	Hedged Q4 2025
Silver price	26.96	28.01	31.30	31.03	31.24
Gold price	2,403	2,462	2,636	2,708	2,733
Commodity hedge ratio, %	**Realised**	**70-100%**	**70-90%**	**50-70%**	**30-50%**

[1] Realised hedges are initially recognised in Group inventories and subsequently in cost of sales when the products are sold.

CLASSIFICATION ACCORDING TO THE FAIR VALUE HIERARCHY

The fair value at 31 December 2024 of Pandora's derivative financial instruments was measured in accordance with level 2 in the fair value hierarchy (IFRS 13). Level 2 is based on non-quoted prices, observable either directly (as prices) or indirectly (derived from prices). Pandora uses input from third-party valuation specialists to quote prices for unrealised derivative financial instruments. The value of unrealised silver and gold instruments is tested against the prices observable at the London Bullion Market Association (LBMA). The value of unrealised foreign exchange and interest instruments is tested against observable foreign exchange and interest forward rates.

The value of financial instruments recognised in other comprehensive income is recycled from equity at the time the instrument is settled, within 12 months. The settlement period of the interest rate financial instruments is significantly longer and follows the maturity of the bonds.

DERIVATIVE FINANCIAL INSTRUMENTS THAT QUALIFY FOR CASH FLOW HEDGE ACCOUNTING

The hedges are expected to be highly effective due to the nature of the economic relation between the exposure and the hedge. Hedge ineffectiveness for interest rate swaps is assessed using the same principles as for hedges of foreign currency. Hedge ineffectiveness was negligible for 2024.

The effective portion of the unrealised gain or loss on all hedging instruments is recognised directly as other comprehensive income in

NOTE 4.5
DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

ACCOUNTING POLICIES

Derivative financial instruments are initially recognised at fair value at the date on which a contract is entered into and are subsequently measured at fair value. For derivative financial instruments not traded in an active market, the fair value is determined using appropriate valuation methods. Such methods may include comparison with recent arm's length market transactions, reference to the current fair value of another instrument that is substantially the same, or discounted cash flow analysis.

Pandora has designated certain derivative financial instruments as cash flow hedges as defined under IFRS 9. Hedge accounting is classified as a cash flow hedge when the hedges of a particular risk are associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions.

Pandora designates and documents all hedging relationships between commodity contracts and purchase transactions relating to silver and gold. The effective portion of the unrealised gain or loss on all hedging instruments is recognised directly as other comprehensive income in the equity hedging reserve. The ineffective portion is recognised in net financials. The effective portion of the realised gain or loss from commodity hedging is recognised in Group inventories and subsequently in cost of sales. The realised profit (loss) from exchange rate hedging is taken to financial items.

the equity hedging reserve. The ineffective portion is recognised in net financials.

The effective portion of the realised gain or loss on a commodity hedging transaction is recognised in Group inventories and subsequently in cost of sales whereas the ineffective portion is realised in net financials. The impact in net financials was a gain of DKK 26 million (2023: gain of DKK 9 million). The realised gain or loss on all foreign exchange contracts is recognised in net financials.

For information about risk management strategy, see *note 4.4 Financial risks*.

NOTE 4.6
NET FINANCIALS

FINANCE INCOME

DKK million	2024	2023
Reclassified from equity hedge reserves	46	36
Total finance income from derivative financial instruments	**46**	**36**
Finance income from loans and receivables measured at amortised cost:		
Foreign exchange gains	163	175
Interest income, bank	32	20
Interest income, loans and receivables	7	20
Total finance income from loans and receivables	**202**	**215**
Total finance income	**248**	**251**

FINANCE COSTS

DKK million	2024	2023
Reclassified from equity hedge reserves	158	131
Total finance costs from derivative financial instruments	**158**	**131**
Finance costs from financial liabilities measured at amortised cost:		
Foreign exchange losses	221	209
Interest on loans and borrowings	420	374
Interest on lease liabilities	381	270
Other finance costs	117	72
Total finance costs from loans and borrowings	**1,139**	**925**
Total finance costs	**1,297**	**1,056**

ACCOUNTING POLICIES

Finance income and costs comprise interest income and expenses, realised and unrealised gains and losses on payables/receivables and transactions in foreign currencies.

For all financial instruments measured at amortised cost, interest income or expenses are recognised using the effective interest rate, which is the rate that discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability.

SECTION 5

OTHER DISCLOSURES

NOTE 5.1
CONTINGENT ASSETS AND LIABILITIES

LITIGATION

Pandora is from time to time party to various legal proceedings with current business partners, authorities and other third parties, related to copyright, marketing conduct and pricing. None of these proceedings is expected to have a material effect on Pandora's financial position or future earnings.

SIGNIFICANT ACCOUNTING ESTIMATES

The factors taken into account when estimating a potential liability in connection with litigation include the nature of the litigation or claim. Other factors taken into account are the development of the case, the judgements and recommendations of legal or other advisers, experience from similar cases and management's decision on how the Group will react to the litigation or claim.

CONTRACTUAL OBLIGATIONS

Pandora has entered into a number of long-term purchase, sales and supply contracts in the course of the Group's ordinary business. Contractual obligations amounted to DKK 1,092 million at 31 December 2024 (2023: DKK 810 million) and relate mainly to commercial collaborations, IT contracts and construction of the crafting facility in Vietnam.

Apart from the liabilities already recognised in the balance sheet, no significant financial losses are expected to be incurred as a result of these contracts.

CONTINGENT ASSETS

The Group is involved in a few legal disputes, including those related to the insurance compensation for Pandora's European Distribution Center, located in Hamburg, Germany, that was affected by a fire in October 2022, a receivable due from the former Russian distributor, and other recourse claims. Based on legal advice, management considers it probable that some level of compensation will be received from some or all these matters. As the potential inflow of economic benefits cannot be reliably estimated, no asset has been recognised in the Financial Statements at 31 December 2024.

NOTE 5.2
RELATED PARTIES

RELATED PARTIES WITH SIGNIFICANT INTERESTS

At 31 December 2024, treasury shares accounted for 3.9% of the share capital (2023: 7.6%). For further information, see *note 4.1 Share capital*.

Other related parties of Pandora include the Board of Directors, Executive Leadership Team and their close family members. Related parties also include companies in which the aforementioned persons have control or significant interests.

TRANSACTIONS WITH RELATED PARTIES

As part of the share buyback carried out in 2024, Pandora purchased own shares from shareholders. The shares were purchased at the volume-weighted average purchase price for the shares purchased under the share buyback programme in the market on the relevant day of trading.

Pandora did not enter into any significant transactions with members of the Board of Directors or the Executive Leadership Team, except for compensation and benefits received as a result of their membership of the Board of Directors, employment with Pandora or shareholdings in Pandora. For further information, see *note 2.2 Staff costs* and *note 2.3 Share-based payments*.

NOTE 5.3

FEES TO INDEPENDENT AUDITOR

FEES TO INDEPENDENT AUDITOR DKK million	2024	2023
Fee for statutory audit	14	12
Other assurance engagements	3	2
Total audit-related services	**17**	**14**
Tax consultancy	0	0
Other services	1	0
Total non-audit services	**1**	**0**
Total fees to independent auditor	**18**	**14**

The costs in the table above are recognised in the income statement as administrative expenses.

Pandora has implemented a policy regarding non-audit services provided by the auditor appointed at the Annual General Meeting. The policy states which services are allowed or prohibited.

In addition to statutory audit, EY Godkendt Revisionspartnerselskab, the Group auditors appointed at the Annual General Meeting, provided other assurance engagements, primarily consisting of a limited assurance report on the sustainability disclosures, a reasonable assurance report on the Remuneration Report, comfort letter work as well as audit of turnover certificates. All non-audit services have been approved according to the policy for non-audit services and within the 70% fee cap restrictions.

NOTE 5.4

EVENTS OCCURRING AFTER THE REPORTING PERIOD

No subsequent events have occurred after the balance sheet date that required adjustment to or disclosure in the consolidated financial statements.

NOTE 5.5

COMPANIES IN THE PANDORA GROUP

The table below shows information about the Group entities at 31 December 2024.

Company	Ownership	Registered office	Date of consolidation
OWNED BY PANDORA A/S			
Pandora Jewelry Argentina SRL	100%	Argentina	27 September 2017
AD Astra Holdings Pty Ltd.	100%	Australia	1 July 2009
Pandora Österreich GmbH	100%	Austria	23 May 2012
Pandora Jewellery Belgium NV	100%	Belgium	13 April 2017
Pandora do Brasil Participações Ltda.	100%	Brazil	24 October 2013
Pandora Jewelry Ltd.	100%	Canada	7 March 2008
Pandora Jewelry Chile SpA	100%	Chile	7 May 2017
Pandora Jewelry Colombia S.A.S	100%	Colombia	17 January 2019
Pandora Int. ApS	100%	Denmark	1 October 2009
Pan Me A/S	100%	Denmark	16 January 2015
Pandora Jewelry Taiwan A/S	100%	Denmark	18 May 2018
Pandora Production Holding A/S	100%	Denmark	3 May 2022
Pandora Jewellery UK Limited	100%	England	1 December 2008
Pandora UK Hub Limited	100%	England	1 April 2024
Pandora Jewelry Finland Oy	100%	Finland	1 January 2012
Pandora France SAS	100%	France	25 February 2011
Pandora Jewelry GmbH	100%	Germany	5 January 2010
Pandora EMEA Distribution Center GmbH	100%	Germany	5 December 2011
Pandora Greece Single Member S.A.	100%	Greece	1 October 2023
Pandora Jewelry Asia-Pacific Limited	100%	Hong Kong	1 November 2009
Pan Jewelry Limited	100%	Ireland	10 January 2018
Pandora Italia SRL	100%	Italy	23 May 2012
Pandora Jewelry Japan Ltd.	100%	Japan	29 October 2014
Pandora Jewelry Macau Company Ltd.	100%	Macau	1 January 2016
Pandora Jewelry Mexico, S.A. de C.V.	100%	Mexico	8 March 2017
Pandora Jewelry Mexico Servicios, S.A. de C.V.	100%	Mexico	8 March 2017
Pandora Jewelry B.V.	100%	Netherlands	20 September 2010
Pandora Jewelry Panama S.A.	100%	Panama	5 July 2016
Pandora Jewelry Panama Retail, S.A.	100%	Panama	14 April 2021
Pandora Jewelry Peru S.A.C	100%	Peru	10 July 2018
Pandora Jewelry CEE Sp. z.o.o.	100%	Poland	1 March 2009
Pandora Jewelry Shared Services Sp. z.o.o.	100%	Poland	7 February 2012
Pandora Portugal, Unipessoal LDA	100%	Portugal	4 April 2022
Pandora Jewelry Singapore Pte. Ltd.	100%	Singapore	1 January 2016

Company	Ownership	Registered office	Date of consolidation
OWNED BY PANDORA A/S			
Pandora Jewelry Slovakia s.r.o.	100%	Slovakia	6 September 2016
Pandora Jewellery South Africa Pty Ltd.	100%	South Africa	31 January 2017
Pandora Jewellery Spain S.L	100%	Spain	28 September 2017
Pandora Sweden AB	100%	Sweden	4 November 2013
Pandora Schweiz AG	100%	Switzerland	6 December 2011
Pandora Services Co. Ltd.	100%	Thailand	15 October 2010
Pandora Jewelry Mücevherat Anonim Şirketi	100%	Turkey	4 November 2013
Pandora Jewelry Inc.	100%	United States	1 July 2008
Pandora Jewelry Latam LLC	100%	United States	20 October 2021

Company	Ownership	Registered office	Date of consolidation
OWNED BY OTHER COMPANIES IN THE PANDORA GROUP			
Pandora Jewelry Pty Ltd.	100%	Australia	1 July 2009
Pandora Retail Pty Ltd.	100%	Australia	1 July 2009
Pandora do Brasil Comércio e Importação Ltda.	100%	Brazil	24 October 2013
Pyrrha Importação e Comércio Atacadista Ltda.	100%	Brazil	3 October 2023
Pandora Franchise Canada Ltd.	100%	Canada	19 January 2011
Pandora Retail Canada Ltd.	100%	Canada	4 February 2014
Pandora Jewelry (Shanghai) Company Ltd.	100%	China	4 February 2015
Pandora Jewelry Design (Beijing) Company Ltd.	100%	China	1 March 2016
Pandora Jewelry CR s.r.o.	100%	Czech Republic	2 December 2009
Pandora Jewelry Hong Kong Company Ltd.	100%	Hong Kong	4 February 2015
Pandora Jewelry Hungary Ltd.	100%	Hungary	2 June 2010
Pandora Norge AS	100%	Norway	17 August 2010
Pandora Jewelry Romania SRL	100%	Romania	18 August 2011
Pandora Production Co. Ltd.	100%	Thailand	7 March 2008
Panmeas Jewellery LLC	100%	United Arab Emirates	16 January 2015
Pandora Jewelry LLC	100%	United States	7 March 2008
Pandora Franchising LLC	100%	United States	1 November 2009
Pandora Ventures LLC	100%	United States	10 May 2012
Pandora ECOMM LLC	100%	United States	21 August 2014
Pandora Production Vietnam Company Limited	100%	Vietnam	31 March 2023

The Pandora Group has six dormant companies, which have been omitted from the table.

NOTE 5.6
FINANCIAL DEFINITIONS

Key figures and financial ratios stated in the consolidated financial statements have been calculated in accordance with the CFA Society Denmark guidelines.

Revenue growth, %	(Current year's revenue - last year's revenue) / last year's revenue
Revenue growth, local currency, %	(Current year's revenue at last year's exchange rates – last year's revenue) / last year's revenue
Gross margin, %	Gross profit / revenue
Effective tax rate, %	Income tax expense / profit before tax
Equity ratio, %	Equity / total assets
Total payout ratio, %	(Dividends paid for the year + value of share buyback) / net profit
EPS, basic	Net profit / average number of shares outstanding
EPS, diluted	Net profit / average number of shares outstanding, including the dilutive effect of share options "in the money"

Forward-looking statements
This Annual Report contains forward-looking statements, including, but not limited to, guidance, expectations, strategies, objectives and statements regarding future events or prospects with respect to the Company's future financial and operating results. Forward-looking statements include, without limitation, any statement that may predict, forecast, indicate or imply future results, performance or achievements, and may contain words such as "expect", "estimate", "intend", "will be", "will continue", "will result", "could", "may", "might" or any variations of such words or other words with similar meanings. Forward-looking statements are subject to risks and uncertainties that could cause the Company's actual results to differ materially from the results discussed in such forward-looking statements. Prospective information is based on management's then current expectations or forecasts. Such information is subject to the risk that such expectations or forecasts, or the assumptions underlying such expectations or forecasts, may change. The Company assumes no obligation to update any such forward-looking statements to reflect actual results, changes in assumptions or changes in other factors affecting such forward-looking statements. Some important risk factors that could cause the Company's actual results to differ materially from those expressed in its forward-looking statements include, but are not limited to: economic and geopolitical uncertainty (including interest rates and exchange rates), financial and regulatory developments, general changes in market trends and end-consumer preferences, demand for the Company's products, competition, the availability and pricing of materials used by the Company, production and distribution-related issues, IT failures, litigation, pandemics and other unforeseen factors. The nature of the Company's business means that risk factors and uncertainties may arise, and it may not be possible for management to predict all such risk factors, nor to assess the impact of all such risk factors on the Company's business or the extent to which any individual risk factor, or combination of factors, may cause results to differ materially from those contained in any forward-looking statement. Accordingly, forward-looking statements should not be relied on as a prediction of actual results.

Pandora presents the following alternative performance measures not defined according to IFRS Accounting Standards (non-GAAP measures) in the Annual Report:

Like-for-like, %	Like-for-like growth includes sell-out from all concept stores (including partner-owned), owned and operated Shop in Shops and Pandora Online. Partner-owned other points of sale are not included in like-for-like. The KPI includes stores which have been operating for +12 months
Organic growth, %	Revenue growth in local currency relative to the same period in the comparative year adjusted for the acquisition/ divestment of distributors and franchisee stores (the effect of converting wholesale to retail revenue and vice versa)
EBITDA	Profit before interest, tax, depreciation and amortisation
EBITDA margin, %	EBITDA / revenue
EBIT	Profit before interest and tax
EBIT margin, %	EBIT / revenue
Return on invested capital (ROIC), %	Last 12 months' EBIT / last 12 months' invested capital including goodwill
Free cash flows incl. lease payments	Cash flows from operating activities, excluding financial items and cash flows from investing activities excluding acquisitions of subsidiaries and activities and including the repayment of lease commitments
Capital expenditure (CAPEX)	Purchase of intangible assets and property, plant and equipment for the year, excluding acquisitions of subsidiaries
Days sales outstanding (DSO)	Last three months of wholesale and third-party distribution revenue relative to trade receivables from these channels and not adjusted for VAT
Net interest-bearing debt (NIBD)	Loans, borrowings, capitalised leases and other liabilities relating to obligations to acquire non-controlling interests (current and non-current) less cash
NIBD to EBITDA	NIBD / EBITDA (rolling 12 months)
Cash conversion incl. lease payments, %	Free cash flows incl. lease payments / EBIT

Furthermore, a breakdown of "Operating working capital", "Net working capital" and "Invested capital" is given on the Financial Statements section 3 divider.

PARENT COMPANY

Notes for the Parent Company

The notes are grouped into five sections related to key figures. The notes contain the relevant financial information as well as a description of accounting policies, judgements and estimates applied for the topics of the individual notes. For some notes, reference is made to notes in the consolidated financial statements.

PANDORA A/S PERFORMANCE REVIEW

The Parent Company operates as the principal of Pandora, and all inventories are consequently traded from the crafting facilities in Thailand to wholesalers and sales subsidiaries through the Parent Company. Similarly, all inventories are returned from subsidiaries through the Parent Company for the purpose of remelting any excess inventory. Gross profit is therefore impacted by realised losses from remelting activities, unrealised losses from inventory write-downs and fluctuations in silver and gold market prices.

Apart from the sale of jewellery, the Parent Company maintains and develops Group functions, including administration, distribution, business development, retail set-up, product development and risk management, which all determine the activity level in the Parent Company. The risk management activities carried out by the Parent Company include hedging the Group's risk relating to commodity prices, exchange and interest rates.

REVENUE
DKK billion

16.4

2023: 14.5

NET PROFIT
DKK billion

5.4

2023: 4.7

Revenue was DKK 16.4 billion (2023: DKK 14.5 billion), while net profit was DKK 5.4 billion (2023: DKK 4.7 billion). The increase in net profit was mainly related to increasing activity. Pandora A/S received dividends from subsidiaries of DKK 1.7 billion in 2024 compared to DKK 1.5 billion in 2023. At the end of 2024, equity amounted to DKK 14.2 billion (2023: DKK 14.0 billion). The increase was impacted by profit for the year offset by share buyback of DKK 4.0 billion and paid dividend of DKK 18 per share, corresponding to DKK 1.5 billion (2023: DKK 1.4 billion). Free cash flows including lease payments increased to DKK 6.5 billion (2023: DKK 4.8 billion), mainly driven by changes in intercompany balances.

OTHER EVENTS AND IMPACTS IN 2024

- In 2024, Pandora initiated a new share buyback programme of DKK 4.0 billion. In 2024, Pandora purchased 3,704,669 own shares, corresponding to a total purchase price of DKK 4.0 billion (DKK 0.4 billion related to the share buyback programme from 2023, and DKK 3.6 billion related to the share buyback programme in 2024).

- In May 2024, Pandora A/S successfully placed an aggregate principal amount of EUR 500 million in senior unsecured sustainability-linked notes due in 2030 under its Euro Medium Term Note programme. The bond is sustainability-linked and carries a penalty for Pandora if the sustainability targets in the bond are not met. The net proceeds from the transaction were used by Pandora A/S for planned refinancing and general corporate purposes. In addition, Pandora entered into EUR 1.0 billion cross-currency interest rate swaps, swapping from fixed EUR interest rates to fixed DKK interest rate. For more details, see *note 4.4 Financial risks* to the consolidated financial statements.

- In 2024, Pandora A/S restructured its intragroup funding structure and increased its investments in subsidiaries through a combination of capital contribution and debt conversions, amounting to DKK 1.3 billion in Pandora Jewelry Inc., United States, DKK 0.5 billion in Pandora Jewelry Ltd., Canada, DKK 0.5 billion in Pandora Jewelry Mexico, S.A. de C.V. and DKK 0.5 billion in Pandora do Brasil Participações Ltda. For more details, see *note 3.3 Investments in subsidiaries and business combinations*.

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER

INCOME STATEMENT

DKK million	Notes	2024	2023
Revenue	2.1	16,442	14,454
Cost of sales		-6,443	-6,097
Gross profit		**9,999**	**8,357**
Sales, distribution and marketing expenses	2.2, 3.1	-2,891	-2,441
Administrative expenses	2.2, 3.1	-1,541	-1,478
Operating profit		**5,568**	**4,439**
Dividends from subsidiaries	3.3	1,749	1,485
Finance income	4.5	461	774
Finance costs	4.5	-929	-1,000
Profit before tax		**6,849**	**5,698**
Income tax expense	2.4	-1,434	-983
Net profit for the year		**5,415**	**4,715**

STATEMENT OF COMPREHENSIVE INCOME

DKK million	Notes	2024	2023
Net profit for the year		**5,415**	**4,715**
Other comprehensive income:			
Items that have been or may be reclassified to profit/loss for the year			
Commodity hedging instruments:			
- Realised in cost of sales		2	3
- Realised in net financials		-26	1
- Fair value adjustments		42	-15
Interest rate hedging instruments:			
- Fair value adjustments		7	-
Foreign exchange rate hedging instruments:			
- Realised in net financials		137	103
- Fair value adjustments		-70	-151
Tax on other comprehensive income	2.4	-20	13
Other comprehensive income, net of tax		**71**	**-46**
Total comprehensive income for the year		**5,486**	**4,668**

BALANCE SHEET
AT 31 DECEMBER

ASSETS

DKK million	Notes	2024	2023
Intangible assets	3.1	4,159	3,918
Property, plant and equipment		27	28
Right-of-use assets	3.2	99	78
Investments in subsidiaries	3.3	18,575	15,530
Loans to subsidiaries	5.2	724	1,331
Other financial assets		20	21
Total non-current assets		**23,604**	**20,905**
Inventories	3.4	953	824
Trade receivables		1	1
Receivables from subsidiaries	5.2	5,409	5,290
Contract assets	3.5	636	546
Derivative financial instruments	4.3, 4.4	162	87
Income tax receivable		-	27
Other receivables		196	305
Cash		1,288	274
Total current assets		**8,646**	**7,355**
Total assets		**32,249**	**28,259**

EQUITY AND LIABILITIES

DKK million	Notes	2024	2023
Share capital	4.1	82	89
Treasury shares		-3,228	-4,353
Reserves		587	382
Dividend proposed		1,576	1,480
Retained earnings		15,162	16,407
Total equity		**14,179**	**14,005**
Provisions		58	54
Loans and borrowings	4.2, 4.3	7,892	7,023
Deferred tax liabilities	2.4	82	139
Other payables		152	80
Total non-current liabilities		**8,184**	**7,297**
Refund liabilities	3.5	2,704	2,144
Loans and borrowings	4.2, 4.3	361	294
Derivative financial instruments	4.3, 4.4	152	128
Payables to subsidiaries	4.3, 5.2	4,872	2,979
Trade payables	3.6, 4.3	798	759
Income tax payable		456	135
Other payables	4.3	542	519
Total current liabilities		**9,886**	**6,958**
Total liabilities		**18,070**	**14,255**
Total equity and liabilities		**32,249**	**28,259**

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER

DKK million	Notes	Share capital	Treasury shares	Hedging reserve	Other reserves[1]	Dividend proposed	Retained earnings	Total equity
2024		89	-4,353	-34	415	1,480	16,407	14,005
Equity at 1 January								
Net profit for the year		-	-	-	-	-	5,415	5,415
Other comprehensive income, net of tax		-	-	71	-	-	-	71
Total comprehensive income for the year		**-**	**-**	**71**	**-**	**-**	**5,415**	**5,486**
Transfers		-	-	-	134	-	-134	-
Share-based payments	2.3	-	209	-	-	-	-13	195
Purchase of treasury shares	4.1	-	-4,036	-	-	-	-	-4,036
Cancellation of treasury shares	4.1	-7	4,952	-	-	-	-4,945	-
Dividend paid		-	-	-	-	-1,471	-	-1,471
Dividend proposed		-	-	-	-	1,568	-1,568	-
Equity at 31 December		**82**	**-3,228**	**38**	**550**	**1,576**	**15,162**	**14,179**
2023								
Equity at 1 January		96	-3,320	13	316	1,430	17,051	15,586
Net profit for the year		-	-	-	-	-	4,715	4,715
Other comprehensive income, net of tax		-	-	-46	-	-	-	-46
Total comprehensive income for the year		**-**	**-**	**-46**	**-**	**-**	**4,715**	**4,668**
Transfers		-	-	-	100	-	-100	-
Share-based payments	2.3	-	278	-	-	-	-117	161
Purchase of treasury shares	4.1	-	-4,998	-	-	-	-	-4,998
Cancellation of treasury shares	4.1	-7	3,687	-	-	-	-3,680	-
Dividend paid		-	-	-	-	-1,412	-	-1,412
Dividend proposed		-	-	-	-	1,462	-1,462	-
Equity at 31 December		**89**	**-4,353**	**-34**	**415**	**1,480**	**16,407**	**14,005**

[1] Other reserves include non-distributable reserves under Danish legislation relating to the capitalisation of internal development projects.

The Board of Directors will propose at the Annual General Meeting that a dividend of DKK 20 per share, corresponding to DKK 1.6 billion (2023: DKK 18 per share, corresponding to DKK 1.5 billion), be distributed for 2024.

In 2024, Pandora continued the share buyback programmes, which resulted in repurchases of 3,704,669 treasury shares, corresponding to DKK 4.0 billion (2023: 7,693,692 treasury shares, corresponding to DKK 5.0 billion).

For further shareholder information on dividend payments, see page 38.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER

DKK million	Notes	2024	2023
Operating profit		5,568	4,439
Depreciation and amortisation		288	267
Share-based payments	2.3	129	78
Change in inventories		-129	198
Change in intercompany receivables/payables[1]		1,268	-2,005
Change in receivables		33	-166
Change in payables and other liabilities		514	231
Other non-cash adjustments[1]		41	144
Finance income received		237	390
Finance costs paid		-575	-413
Income tax paid		-1,132	-1,382
Cash flows from operating activities, net		**6,240**	**1,781**
Acquisitions of subsidiaries and activities, net of cash acquired	3.3	-494	-720
Purchase of intangible assets		-322	-354
Purchase of property, plant and equipment		-25	-11
Change in financial assets		1	-5
Proceeds from sale of property, plant and equipment		1	-
Dividends received[2]		761	321
Change in interest-bearing loans to/from subsidiaries		-450	3,073
Cash flows from investing activities, net		**-528**	**2,304**
Dividend paid		-1,471	-1,412
Purchase of treasury shares		-4,013	-5,022
Proceeds from loans and borrowings	4.2	3,674	5,925
Repayment of loans and borrowings	4.2	-2,706	-3,307
Repayment of lease commitments	4.2	-34	-27
Cash flows from financing activities, net		**-4,550**	**-3,844**
Net increase/decrease in cash		**1,163**	**242**

DKK million	Notes	2024	2023
Cash and cash equivalents at 1 January		107	-135
Net increase/decrease in cash		1,163	242
Cash and cash equivalents at 31 December		**1,270**	**107**
Cash balances		1,288	274
Overdrafts		-18	-167
Cash and cash equivalents at 31 December		**1,270**	**107**
Cash flows from operating activities, net		6,240	1,781
- Finance income received		-237	-390
- Finance costs paid		575	413
Cash flows from investing activities, net		-528	2,304
- Acquisition of subsidiaries and activities, net of cash acquired		494	720
Repayment of lease commitments		-34	-27
Free cash flows incl. lease payments		**6,511**	**4,801**
Unutilised committed credit facilities[3]		**7,087**	**4,472**

[1] In 2024, Pandora A/S performed a reclassification of DKK 50 million (2023: DKK 86 million) between "Change in intercompany receivables/payables" and "Other non-cash adjustments" for presentation purposes. 2023 figures were restated accordingly. "Other non-cash adjustments" mainly comprise effects from derivative financial instruments.
[2] Non-cash dividends received amounted to DKK 1.0 billion (2023: DKK 1.2 billion).
[3] See *note 4.4 Financial risks* to the consolidated financial statements.

The above cannot be derived directly from the income statement and the balance sheet.

NOTE 1.1
GENERAL ACCOUNTING POLICIES

The Parent Company financial statements show the financial position, results and cash flows of Pandora A/S on a non-consolidated basis for the financial year 1 January to 31 December 2024.

PARENT COMPANY FINANCIAL STATEMENTS

The accounting policies of the Parent Company are unchanged from last year and identical to the accounting policies in Pandora's consolidated financial statements, with the following exceptions:

FOREIGN CURRENCY TRANSLATION

Foreign exchange adjustments of balances accounted for as part of the total net investment in entities that have a functional currency other than DKK are recognised in profit for the year as net financials in the Parent Company financial statements.

DERIVATIVE FINANCIAL INSTRUMENTS

The effective portion of realised and unrealised gains and losses on all commodity hedging instruments is recognised as cost of goods sold, while the ineffective portion is recognised in net financials. Derivative financial instruments are treated as economic hedging if the hedge accounting requirements in IFRS 9 are not met.

DIVIDENDS FROM SUBSIDIARIES

Dividends from investments in subsidiaries are recognised in the financial year in which they are declared.

INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries are measured at cost. Impairment testing is carried out if there is any indication of impairment, as described in Pandora's consolidated financial statements. The carrying amount is written down to the recoverable amount whenever the carrying amount exceeds the recoverable amount. If the Parent Company has a legal or constructive obligation to cover a deficit in subsidiaries, a provision for this is recognised.

INTERNAL ACQUISITION AND DISPOSAL OF SUBSIDIARY

Pandora A/S accounts for group internal transactions in which an investment in a subsidiary is acquired or disposed of at the fair value of the shares transferred. As of the date of the transfer of the shares, the investment in the subsidiary is acquired or disposed of at fair value. Gain or loss on the disposals is recognised in the income statement.

NOTE 1.2
NEW ACCOUNTING POLICIES AND DISCLOSURES

The description in *note 1.2 New accounting policies and disclosures* to the consolidated financial statements regarding new standards issued effective for the Annual Report 2024 fully covers the Parent Company as well.

NOTE 1.3
MANAGEMENT'S JUDGEMENTS AND ESTIMATES UNDER IFRS ACCOUNTING STANDARDS

SIGNIFICANT ACCOUNTING ESTIMATES

In the process of preparing the Parent Company financial statements, a number of accounting estimates and judgements have been made that affect assets and liabilities at the reporting date and income and expenses for the reporting period. Management regularly reassesses these estimates and judgements, partly on the basis of historical experience and a number of other factors in the given circumstances, see *note 1.3 Management's judgements and estimates under IFRS Accounting Standards* to the consolidated financial statements.

Estimates that are material to the Parent Company's financial statements are made on determination of impairment of subsidiaries, see *note 3.3 Investments in subsidiaries and business combinations*, on return and warranty provision, see *note 2.1 Revenue from contracts with customers* and on inventory, see *note 3.4 Inventories*. All the remaining judgements and estimates are similar to *note 1.3 Management's judgements and estimates under IFRS Accounting Standards* to the consolidated financial statements as the Parent Company is the principal to its subsidiaries.

NOTE 2.1
REVENUE FROM CONTRACTS WITH CUSTOMERS

REVENUE BY SALES CHANNEL

DKK million	2024	2023
Distributors	16,442	14,454
Total revenue	**16,442**	**14,454**

Revenue mainly comprises sales of jewellery to subsidiaries carrying out the distribution. All sales are thus intra-group sales. Contracts are generally five-year distribution contracts.

REVENUE BY SEGMENTS

DKK million	2024	2023
Core	**11,956**	**11,261**
- Moments	10,270	9,444
- Collabs	1,174	1,345
- ME	512	472
Fuel with more	**4,486**	**3,193**
- Timeless	3,409	2,320
- Signature	356	534
- PANDORA ESSENCE[1]	548	5
- Pandora Lab-Grown Diamonds	173	335
Total revenue	**16,442**	**14,454**
Goods transferred at a point in time	16,442	14,455
Total revenue	**16,442**	**14,454**

[1] PANDORA ESSENCE was launched in 2024 following a pilot in the Netherlands in 2023.

ACCOUNTING POLICIES

Revenue is recognised when control of the products has been transferred to the subsidiaries. Change of control of the products occurs when they have been delivered to the subsidiary and no further obligation exists that can affect the transfer of control. The Parent Company provides return rights to subsidiaries, which cover products received in subsidiaries for both returns and warranty, based on historical return rates and current return liabilities in subsidiaries.

SIGNIFICANT ACCOUNTING ESTIMATES

Recognition and measurement of revenue is based on estimates relating to expected sales returns allowed to the subsidiaries. These estimates can have a material impact on the timing and measurement of recognised revenue as well as the level of the refund liability. Reductions in revenue from expected sales returns are calculated based on historical return patterns and on a case-by-case basis for commercial and other reasons.

NOTE 2.2
STAFF COSTS

STAFF COSTS

DKK million	2024	2023
Wages and salaries	1,076	1,059
Pensions	83	77
Share-based payments	129	78
Social security costs	22	26
Other staff costs	156	153
Total staff costs	**1,466**	**1,393**
Staff costs have been recognised in the income statement as follows:		
Sales, distribution and marketing expenses	694	663
Administrative expenses	771	730
Total staff costs	**1,466**	**1,393**
Average number of full-time employees during the year	1,091	1,011

Key management personnel at Pandora A/S represents the same individuals as key management personnel of the Pandora Group. For information regarding remuneration of key management personnel of Pandora A/S, see *note 2.2 Staff costs* to the consolidated financial statements.

NOTE 2.3
SHARE-BASED PAYMENTS

The performance share programmes described in *note 2.3 Share-based payments* to the consolidated financial statements are issued by Pandora A/S. The value of shares granted to employees in the Parent Company's subsidiaries is recognised in Investments in subsidiaries. As described in *note 2.3 Share-based payments* to the consolidated financial statements, the costs related to share-based payments were DKK 166 million (2023: DKK 105 million), of which DKK 129 million relates to Pandora A/S (2023: DKK 78 million).

NOTE 2.4
TAXATION

INCOME TAX EXPENSE DKK million	2024	2023
Current income tax charge for the year[1]	1,473	959
Change in deferred tax for the year	-64	43
Adjustment to current tax for prior years	8	-12
Adjustment to deferred tax for prior years	17	-7
Total income tax expense	**1,434**	**983**
Deferred tax on other comprehensive income	20	-13
Tax on other comprehensive income	**20**	**-13**

[1] Withholding taxes are included in the current income tax charge for the year.

RECONCILIATION OF EFFECTIVE TAX RATE AND TAX	2024		2023	
	%	DKK million	%	DKK million
Profit before tax		6,849		5,698
Income tax rate in Denmark, 22%	22.0%	1,507	22.0%	1,254
Non-taxable dividend income	-5.6%	-385	-5.7%	-327
Non-deductible expenses and non-taxable income	1.9%	134	1.1%	63
Other adjustments incl. adjustment to tax for prior years	0.4%	25	-0.3%	-19
Withholding taxes	0.6%	43	0.2%	12
Minimum tax	1.6%	110	-	-
Effective income tax rate/income tax expense	**20.9%**	**1,434**	**17.3%**	**983**

DEFERRED TAX DKK million	2024	2023
Deferred tax at 1 January	-139	-163
Recognised in the income statement	47	-36
Recognised in other comprehensive income	-20	13
Recognised in equity, share-based payments	30	47
Deferred tax at 31 December	**-82**	**-139**
Deferred tax liabilities	-82	-139
Deferred tax, net	**-82**	**-139**

BREAKDOWN OF DEFERRED TAX DKK million	2024	2023
Intangible assets	-591	-594
Property, plant and equipment	6	6
Inventories	-2	-4
Provisions	462	359
Other assets and liabilities	43	94
Deferred tax, net	**-82**	**-139**

ACCOUNTING POLICIES

INCOME TAX

Pandora A/S is taxed jointly with its Danish subsidiaries. These subsidiaries are included in the joint taxation from the date they are recognised in the consolidated financial statements and up to the date on which they are no longer consolidated. The jointly taxed Danish companies are taxed under the on-account tax scheme. Pandora A/S is the principal for the Transfer Pricing with all the subsidiaries. Further information is provided in *note 2.4 Taxation* to the consolidated financial statements.

NOTE 3.1
INTANGIBLE ASSETS

INTANGIBLE ASSETS DKK million	Goodwill[1]	Brand[1]	Distribution	Other intangible assets[2]	Total
2024					
Cost at 1 January	1,139	1,044	1,541	1,927	5,650
Additions	-	-	-	491	491
Disposals	-	-	-	-24	-24
Cost at 31 December	**1,139**	**1,044**	**1,541**	**2,394**	**6,117**
Amortisation and impairment losses at 1 January	-	-	492	1,241	1,732
Amortisation for the year	-	-	-	245	245
Disposals	-	-	-	-19	-19
Amortisation and impairment losses at 31 December	**-**	**-**	**492**	**1,467**	**1,959**
Carrying amount at 31 December	**1,139**	**1,044**	**1,049**	**927**	**4,159**
2023					
Cost at 1 January	1,139	1,044	1,541	1,608	5,332
Additions	-	-	-	446	446
Disposals	-	-	-	-128	-128
Cost at 31 December	**1,139**	**1,044**	**1,541**	**1,927**	**5,650**
Amortisation and impairment losses at 1 January	-	-	487	1,140	1,627
Amortisation for the year	-	-	5	228	233
Disposals	-	-	-	-128	-128
Amortisation and impairment losses at 31 December	**-**	**-**	**492**	**1,241**	**1,732**
Carrying amount at 31 December	**1,139**	**1,044**	**1,049**	**686**	**3,918**

[1] The impairment test did not identify any need for impairment losses to be recognised and no probable change in any key assumptions that would cause the carrying amount to exceed the recoverable amounts. Pandora A/S has a risk similar to the Pandora Group as per the Transfer Pricing setup. All the assumptions used for the impairment test are similar to the Group assumptions, see *note 3.1 Intangible assets* to the consolidated financial statements.
[2] Other intangible assets include assets that are not yet in use of DKK 548 million (2023: DKK 335 million) .

DKK million	2024	2023
Amortisation has been recognised in the income statement as follows:		
Sales, distribution and marketing expenses	131	113
Administrative expenses	115	120
Total	**245**	**233**

NOTE 3.2
LEASES

Amounts recognised in the balance sheet:

RIGHT-OF-USE ASSETS DKK million	2024	2023
Property	97	75
Cars	2	3
Total right-of-use assets	**99**	**78**

Additions of right-of-use assets were DKK 51 million in 2024 (2023: DKK 8 million).

LEASE LIABILITIES DKK million	2024	2023
Non-current	60	51
Current	35	29
Total lease liabilities	**96**	**80**

Lease liabilities are recognised in loans and borrowings.

Depreciation on right-of-use assets charged to the income statement for the period was DKK 35 million (2023: DKK 28 million).

Interest expenses for the period was DKK 3 million (2023: DKK 1 million). Total cash outflows relating to leases was DKK 38 million in 2024 (2023: DKK 30 million).

NOTE 3.3
INVESTMENTS IN SUBSIDIARIES AND BUSINESS COMBINATIONS

INVESTMENTS IN SUBSIDIARIES

DKK million	2024	2023
Cost at 1 January	15,832	11,442
Additions[1]	3,008	4,363
Additions relating to share-based payments	37	27
Cost at 31 December	**18,877**	**15,832**
Impairment at 1 January	302	302
Impairment at 31 December	**302**	**302**
Carrying amount at 31 December	**18,575**	**15,530**

[1] In 2024, mainly relating to additional investment into Pandora Jewelry Inc., United States, of DKK 1.3 billion, Pandora Jewelry Ltd., Canada, of DKK 0.5 billion, Pandora Jewelry Mexico, S.A. de C.V. of DKK 0.5 billion and Pandora do Brasil Participações Ltda. of DKK 0.5 billion. In 2023, mainly relating to additional investment into Pandora Jewelry Inc., United States, of DKK 3.7 billion and to the internal purchase of AD Astra Holdings Pty Ldt., Australia, from Pandora Jewellery UK Limited of DKK 0.7 billion.

DIVIDEND RECEIVED
In 2024, Pandora A/S received a total of DKK 1.7 billion in dividends, mainly from subsidiaries in Denmark (DKK 0.7 billion) and the UK (DKK 0.6 billion).

In 2023, Pandora A/S received a total of DKK 1.5 billion in dividends, mainly from subsidiaries in Denmark (DKK 0.7 billion), the UK (DKK 0.3 billion) and the US (DKK 0.1 billion).

ANNUAL IMPAIRMENT TEST
As at 31 December 2024, the cost of investments in subsidiaries was assessed for indications of impairment. For investments with indications, impairment tests were performed. The impairment tests did not identify any impairment charges for 2024 (2023: no charges identified).

The impairment tests are based on a five-year forecast and an applied market-specific discount rate in the range of 10% to 17%. The growth rate applied was an estimate of the expected growth for the market in the terminal period, including the expected average inflation.

TRANSFER OF AD ASTRA HOLDINGS PTY LTD. TO PANDORA A/S IN 2023
In 2023, as part of the strategy to simplify the Group's structure, Pandora made an intra-group restructuring whereby shares of Pandora's Australian holding company AD Astra Holdings Pty Ltd. were transferred from Pandora Jewellery UK Limited to Pandora A/S.

The intra-group transfer was carried out at the fair value of AD Astra Holdings Pty Ltd., which amounted to DKK 0.7 billion using a generally accepted valuation method in the form of a return-based discounted cash flow valuation model. The transaction was settled in cash.

Input and assumptions applied in the discounted cash flow valuation model comprise level 3 inputs only, as there are no quoted prices in active markets for an identical asset or other observable market inputs.

The valuation is based on internal financial forecasts for the period 2024 to 2026 and is affected by the Group's transfer pricing setup, a terminal growth rate of 2% and an applied market-specific discount rate post tax of 9.8%.

NOTE 3.4
INVENTORIES

INVENTORIES

DKK million	2024	2023
Finished goods	832	725
Point-of-sale materials	122	99
Total inventories at 31 December	**953**	**824**
Inventory write-downs at 1 January	256	274
Write-downs during the year	110	177
Utilised in the year	-174	-195
Inventory write-downs at 31 December	**192**	**256**

Estimates relating to write-downs are impacted by forecasting accuracy in the number of obsolete products that will need to be remelted. The impact from remelt is also influenced by fluctuations in the market prices of silver and gold.

Inventory write-downs are recognised in the income statement as cost of sales, DKK 83 million (2023: DKK 157 million), and operating expenses, DKK 27 million (2023: DKK 20 million).

NOTE 3.5
CONTRACT ASSETS AND LIABILITIES

CONTRACT ASSETS AND LIABILITIES DKK million	2024	2023
Contract assets		
Right-of-return assets	636	546
Total contract assets	**636**	**546**
Contract liabilities		
Refund liabilities	2,704	2,144
Total contract liabilities	**2,704**	**2,144**

REFUND LIABILITIES

The Parent Company recognises a refund liability related to return rights provided to subsidiaries. The returns relate to external customers, and the Parent Company is carrying the inventory risk as the retail subsidiaries are limited risk distribution entities. The refund liability in Pandora A/S relates to subsidiaries and reflects the lower margin in the Parent Company. A corresponding right-of-return asset is also recognised as part of contract assets. The value of the right-of-return asset is determined by how many of the returned products are expected to be sold. Remaining products are written down to remelt value.

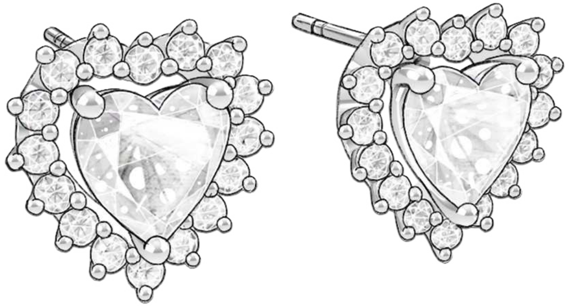
NOTE 3.6
TRADE PAYABLES

Pandora generally accepts that vendors sell off their receivables arising from the sale of goods and services to Pandora to a third party. Pandora A/S has established a supply chain financing programme where vendors can sell off their receivables from Pandora A/S on attractive terms, based on invoices approved by Pandora A/S, but at the bank's sole discretion. The programme does not extend payment terms beyond the original terms agreed. The payment terms for trade payables within the supply chain financing programme range from 90–110 days, while the payment terms for trade payables outside the programme average around 70 days. This is expected, as the programme is generally more attractive to suppliers with longer payment terms.

Pandora A/S is not directly or indirectly a party to these agreements. The amounts payable to suppliers included in the supply chain financing programme are classified as trade payables in the balance sheet as well as in the statement of cash flows (working capital within cash flows from operations) and amounted to DKK 33 million at 31 December 2024 (2023: DKK 28 million). Suppliers have received payment from the bank for all the liabilities under the supplier finance arrangement.

NOTE 4.1
SHARE CAPITAL

See *note 4.1 Share capital* to the consolidated financial statements.



NOTE 4.2
LIABILITIES FROM FINANCING ACTIVITIES

TOTAL LIABILITIES FROM FINANCING ACTIVITIES DKK million	Financial liabilities 1 January	Cash flows, net	New leases	Other[1]	Financial liabilities 31 December
2024					
Non-current borrowings[2]	6,973	1,067	-	-209	7,831
Non-current lease liabilities	51	-	42	-33	60
Current borrowings	266	-99	-	158	325
Current lease liabilities	29	-34	8	32	35
Total liabilities from financing activities	**7,318**	**934**	**51**	**-51**	**8,252**
2023					
Non-current borrowings	1,017	5,927	-	29	6,973
Non-current lease liabilities	74	-	5	-28	51
Current borrowings	3,481	-3,309	-	95	266
Current lease liabilities	26	-27	2	28	29
Total liabilities from financing activities	**4,597**	**2,590**	**8**	**123**	**7,318**

[1] Includes the effect of the reclassification of the non-current portion of interest-bearing loans and borrowings to current portion due to the passage of time. Further, it includes the effect of accrued but not yet paid interest on interest-bearing loans and borrowings and upfront prepayment of lease liabilities. The Parent Company classifies interest paid as cash flows from operating activities.
[2] Includes the bond of EUR 500 million issued in March 2024 and the bond of EUR 500 million issued in May 2023.

NOTE 4.3
FINANCIAL RISKS

As a consequence of its operations, investments and financing, Pandora A/S is exposed to financial risks that are monitored and managed by Pandora's Group Treasury department. The Parent Company's financial risks and the management of these are in all material respects identical to the disclosures made in *note 4.4 Financial risks* to the consolidated financial statements, unless otherwise stated below.

CREDIT RISK
The Parent Company's credit risk includes the risk related to receivables from subsidiaries.

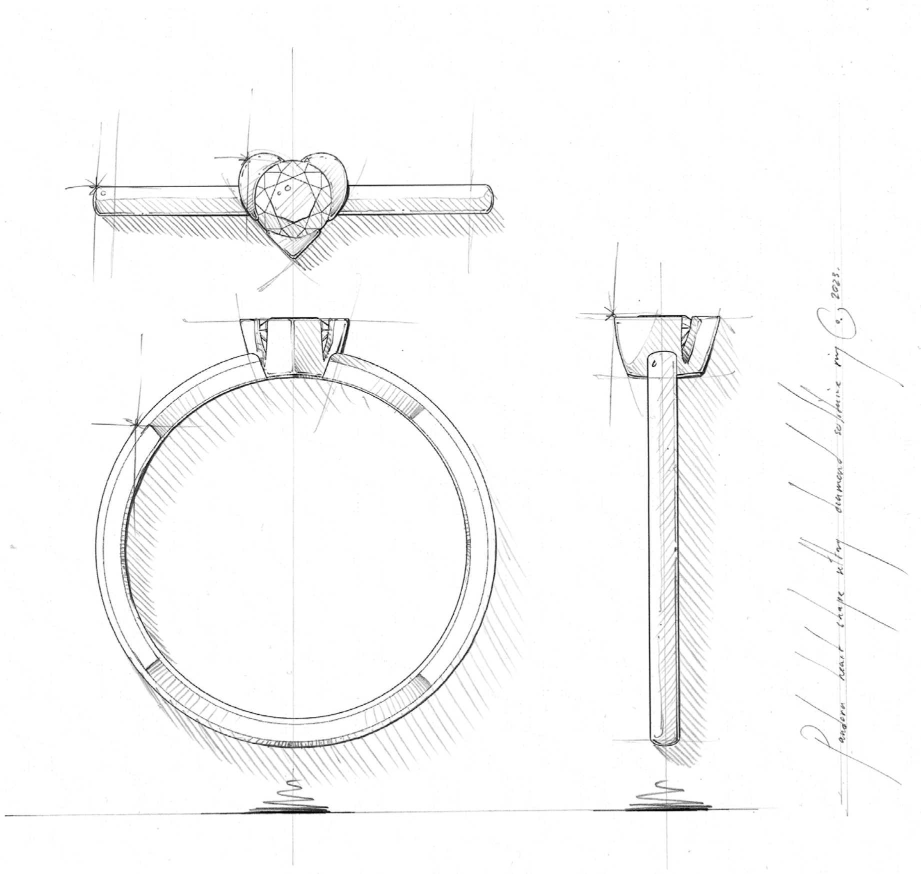
CONTRACTUAL MATURITIES OF FINANCIAL LIABILITIES
The table on the next page provides a breakdown of Pandora A/S' financial liabilities similar to *note 4.4 Financial risks* to the consolidated financial statements.

NOTE 4.3
FINANCIAL RISKS (CONTINUED)

FINANCIAL LIABILITIES FALL DUE AS FOLLOWS DKK million	Within 1 year	Within 1-5 years	After more than 5 years	Total
2024				
Non-derivatives				
Loans and borrowings	132	430	50	613
Bond	312	4,812	3,875	8,999
Lease liabilities	36	65	-	101
Payables to subsidiaries	4,872	-	-	4,872
Trade payables	798	-	-	798
Other payables	27	15	9	51
Derivatives				
Derivative financial instruments	152	-	-	152
Total financial liabilities at 31 December	**6,330**	**5,322**	**3,934**	**15,586**
2023				
Non-derivatives				
Loans and borrowings	294	3,049	153	3,497
Bond	168	4,397	-	4,565
Lease liabilities	29	52	-	81
Payables to subsidiaries	2,979	-	-	2,979
Trade payables	759	-	-	759
Other payables	12	92	-	104
Derivatives				
Derivative financial instruments	128	-	-	128
Total financial liabilities at 31 December	**4,369**	**7,590**	**153**	**12,112**

NOTE 4.4
DERIVATIVE FINANCIAL INSTRUMENTS

All hedging is carried out by the Parent Company's Treasury department. As all instruments are also recorded in the Parent Company, all effects from financial instruments are shown in *note 4.5 Derivative financial instruments* to the consolidated financial statements.



NOTE 4.5
NET FINANCIALS

FINANCE INCOME DKK million	2024	2023
Reclassified from equity hedge reserves	46	36
Total finance income from derivative financial instruments	**46**	**36**
Finance income from loans and receivables measured at amortised cost:		
Interest income from subsidiaries	236	386
Foreign exchange gains	151	344
Interest income, bank	28	8
Total finance income from loans and receivables	**415**	**738**
Total finance income	**461**	**774**

FINANCE COSTS DKK million	2024	2023
Reclassified from equity hedge reserves	158	140
Total finance costs from derivative financial instruments	**158**	**140**
Finance costs from financial liabilities measured at amortised cost:		
Interest costs to subsidiaries	99	23
Foreign exchange losses	200	412
Interest on loans and borrowings	420	374
Interest on lease liabilities	3	1
Other finance costs	50	50
Total finance costs from loans and borrowings	**772**	**860**
Total finance costs	**929**	**1,000**

NOTE 5.1
CONTINGENT ASSETS AND LIABILITIES

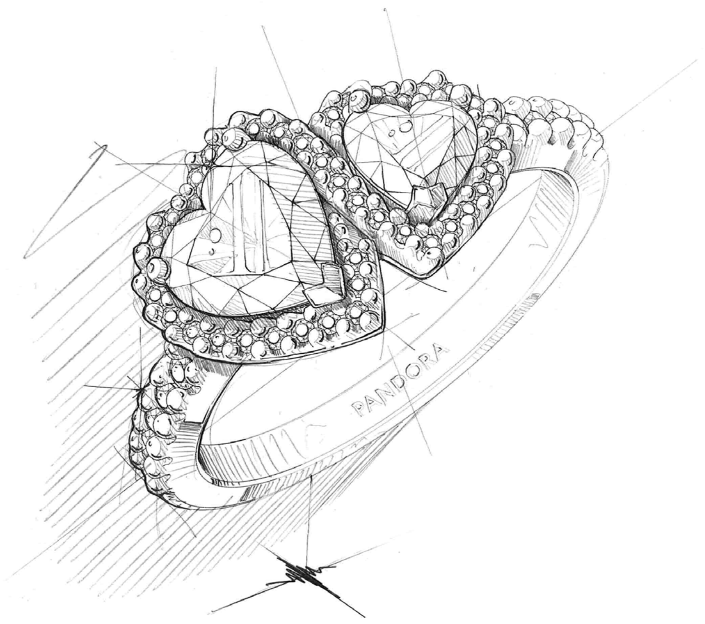
LITIGATION
Pandora is from time to time party to various legal proceedings with current business partners, authorities and other third parties, related to copyright, marketing conduct and pricing. None of these proceedings is expected to have a material effect on Pandora A/S' financial position or future earnings.

CONTRACTUAL OBLIGATIONS
Pandora A/S has entered into a number of long-term purchase, sales and supply contracts in the course of the company's ordinary business. Contractual obligations amounted to DKK 795 million at 31 December 2024 (2023: DKK 808 million) and relate mainly to commercial collaborations and IT contracts. Apart from the liabilities already recognised in the balance sheet, the company does not expect to incur any significant financial losses as a result of these contracts.

OTHER CONTINGENT LIABILITIES
The Parent Company has issued guarantees totalling DKK 368 million at 31 December 2024 in favour of certain subsidiaries related to securing local credit lines and rental agreements (2023: DKK 313 million).

The Parent Company is jointly taxed with its Danish subsidiaries. The company is jointly and severally liable with other jointly taxed Danish companies within the Group for income tax and withholding taxes due on or after 1 July 2012 in the joint taxation.

CONTINGENT ASSETS
See *note 5.1 Contingent assets and liabilities* to the consolidated financial statements.



NOTE 5.2
RELATED PARTIES

TRANSACTIONS ENTERED INTO WITH RELATED PARTIES DKK million	2024	2023
Income statement		
Sales to subsidiaries	16,435	14,450
Purchases from subsidiaries	-6,348	-5,710
Recharges from subsidiaries	-1,140	-853
Dividends from subsidiaries	1,749	1,485
Finance income	236	386
Finance costs	-99	-23
Total income statement	**10,834**	**9,736**
Balance sheet		
Loans to subsidiaries, non-current	724	1,331
Trade receivables from subsidiaries	3,231	2,568
Loans to subsidiaries, current	2,178	2,722
Right-of-return assets	636	546
Payables to subsidiaries	-4,872	-2,979
Refund liabilities	-2,704	-2,144
Total balance sheet	**-807**	**2,043**
Development in impairment losses on trade receivables		
Impairment at 1 January	34	44
Unused amounts reversed	-3	-10
Impairment at 31 December	**31**	**34**

In 2024, Pandora A/S converted intercompany trade receivables and intercompany loans of DKK 2.5 billion into capital (2023: converted an intercompany loan of DKK 3.7 billion into capital and acquired an investment in a subsidiary of DKK 0.7 billion), see *note 3.3 Investments in subsidiaries and business combinations.*

In addition to the related parties disclosed in *note 5.2 Related parties* to the consolidated financial statements, related parties of Pandora A/S include the subsidiaries listed in *note 5.5 Companies in the Pandora Group* to the consolidated financial statements.

NOTE 5.3
FEES TO INDEPENDENT AUDITOR

FEES TO INDEPENDENT AUDITOR DKK million	2024	2023
Fee for statutory audit	4	4
Other assurance engagements	1	1
Total audit-related services	**5**	**5**
Other services	1	0
Total non-audit services	**1**	**0**
Total fees to independent auditor	**6**	**5**

The costs are recognised in the income statement as administrative expenses.

In addition to statutory audit, EY Godkendt Revisionspartnerselskab, the Parent Company auditors, provided other assurance engagements to the Parent Company, primarily consisting of a limited assurance report on the sustainability disclosures, a reasonable assurance report on the Remuneration Report and comfort letter work.

STATEMENTS

MANAGEMENT STATEMENT

STATEMENT BY EXECUTIVE MANAGEMENT AND THE BOARD OF DIRECTORS

The Board of Directors and Executive Management have today discussed and approved the Annual Report of Pandora A/S for 2024.

The Annual Report has been prepared in accordance with IFRS Accounting Standards as adopted by the EU and disclosure requirements for listed companies in Denmark.

It is our opinion that the consolidated financial statements and the Parent Company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2024 and of the results of the Group's and the Parent Company's operations and cash flows for the financial year 1 January to 31 December 2024.

In our opinion, Management Review is prepared in accordance with relevant laws and regulations and gives a fair review of the development in the Group's and the Parent Company's business and financial matters, results of operations, cash flows and financial position as well as a description of the principal risks and uncertainties that the Group and the Parent Company face.

The Sustainability Statements are prepared in accordance with the European Sustainability Reporting Standards (ESRS) as required by section 99a of the Danish Financial Statements Act as well as Article 8 in the EU Taxonomy regulation.

The year 2024 marks the initial implementation of section 99a of the Danish Financial Statements Act regarding compliance with ESRS. As such, more clear guidance and practice are anticipated in various areas in the coming years. Additionally, the Sustainability Statements contain forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Group. Actual outcomes are likely to be different since anticipated events frequently do not occur as expected.

Furthermore, in our opinion, the Annual Report of Pandora A/S for the financial year 1 January to 31 December 2024 with the file name PAND-2024-12-31-en.zip has been prepared, in all material respects, in compliance with the ESEF Regulation.

We recommend that the Annual Report be approved at the Annual General Meeting.

Copenhagen, 5 February 2025

EXECUTIVE MANAGEMENT

Alexander Lacik
Chief Executive Officer

Anders Boyer
Chief Financial Officer

BOARD OF DIRECTORS

Peter A. Ruzicka
Chair

Christian Frigast
Deputy Chair

Lilian Fossum Biner

Birgitta Stymne Göransson

Marianne Kirkegaard

Catherine Spindler

Jan Zijderveld

INDEPENDENT AUDITOR'S LIMITED ASSURANCE REPORT ON THE SUSTAINABILITY STATEMENTS

TO THE SHAREHOLDERS OF PANDORA A/S

LIMITED ASSURANCE CONCLUSION

We have conducted a limited assurance engagement over the Sustainability Statements of Pandora A/S (the Group) included in the Annual Report 2024, pages 46-101 (the Sustainability Statements), for the financial year 1 January - 31 December 2024, including disclosures incorporated by reference listed in the table 'Disclosure requirements by reference' on pages 55-61.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Sustainability Statements are not prepared, in all material respects, in accordance with section 99a of the Danish Financial Statements Act, including:

- Compliance with the European Sustainability Reporting Standards (ESRS), including that the process carried out by management to identify the information reported in the Sustainability Statements (the process) is in accordance with the description set out in the chapters Double materiality assessment, Value chain impacts and Material sustainability matters, within the General information section, pages 50-54; and
- Compliance of the disclosures in the chapter EU Taxonomy within the Environment section, pages 80-85 of the Sustainability Statements with Article 8 of EU Regulation 2020/852 (the Taxonomy Regulation).

BASIS FOR CONCLUSION

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance engagements other than audits or reviews of historical financial information* ("ISAE 3000 (Revised)") and the additional requirements applicable in Denmark.

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. Our responsibilities under this standard are further described in the *Auditor's responsibilities for the assurance engagement* section of our report.

Our independence and quality management

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

EY Godkendt Revisionspartnerselskab applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

OTHER MATTER

The comparative information included in the Sustainability Statements of the Group for the financial year 1 January - 31 December 2023 was not subject to an assurance engagement except for Greenhouse gas emissions (page 68) and Circular jewellery (page 72). Our conclusion is not modified in respect of this matter.

INHERENT LIMITATIONS IN PREPARING THE SUSTAINABILITY STATEMENTS
In reporting forward-looking information in accordance with ESRS, management is required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Group. Actual outcomes are likely to be different since anticipated events frequently do not occur as expected.

MANAGEMENT'S RESPONSIBILITIES FOR THE SUSTAINABILITY STATEMENTS
Management is responsible for designing and implementing a process to identify the information reported in the Sustainability Statements in accordance with the ESRS and for disclosing this process in the chapters Double materiality assessment, Value chain impacts and Material sustainability matters, within the General information section, pages 50-54 of the Sustainability Statements. This responsibility includes:

- Understanding the context in which the Group's activities and business relationships take place and developing an understanding of its affected stakeholders;

- The identification of the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect, the Group's financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium-, or long-term; and

- The assessment of the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and making assumptions that are reasonable in the circumstances.

Management is further responsible for the preparation of the Sustainability Statements, in accordance with section 99a of the Danish Financial Statements Act, including:

- Compliance with the ESRS;

- Preparing the disclosures in the chapter EU Taxonomy within the Environment section, pages 80-85 of the Sustainability Statements, in compliance with Article 8 of the Taxonomy Regulation;

- Designing, implementing and maintaining such internal control that management determines is necessary to enable the preparation of Sustainability Statements that are free from material misstatement, whether due to fraud or error; and

- The selection and application of appropriate sustainability reporting methods and making assumptions and estimates that are reasonable in the circumstances.

AUDITOR'S RESPONSIBILITIES FOR THE ASSURANCE ENGAGEMENT
Our objectives are to plan and perform the assurance engagement to obtain limited assurance about whether the Sustainability Statements are free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the Sustainability Statements as a whole.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised), we exercise professional judgement and maintain professional scepticism throughout the engagement.

Our responsibilities in respect of the process include:

- Obtaining an understanding of the process, but not for the purpose of providing a conclusion on the effectiveness of the process, including the outcome of the process;

- Considering whether the information identified addresses the applicable disclosure requirements of the ESRS, and

- Designing and performing procedures to evaluate whether the process is consistent with the Group's description of its process, as disclosed in the chapters Double materiality assessment, Value chain impacts and Material sustainability matters, within the General information section, pages 50-54.

Our other responsibilities in respect of the Sustainability Statements include:

- Identifying disclosures where material misstatements are likely to arise, whether due to fraud or error; and

- Designing and performing procedures responsive to disclosures in the Sustainability Statements where material misstatements are likely to arise. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

SUMMARY OF THE WORK PERFORMED

A limited assurance engagement involves performing procedures to obtain evidence about the Sustainability Statements.

The nature, timing and extent of procedures selected depend on professional judgement, including the identification of disclosures where material misstatements are likely to arise, whether due to fraud or error, in the Sustainability Statements.

In conducting our limited assurance engagement, with respect to the process, we:

- Obtained an understanding of the process by performing inquiries to understand the sources of the information used by management; and reviewing the Group's internal documentation of its process; and

- Evaluated whether the evidence obtained from our procedures about the process implemented by the Group was consistent with the description of the process set out in the chapters Double materiality assessment, Value chain impacts and Material sustainability matters, within the General information section, pages 50-54.

In conducting our limited assurance engagement, with respect to the Sustainability Statements, we:

- Obtained an understanding of the Group’s reporting processes relevant to the preparation of its Sustainability Statements including the consolidation processes by obtaining an understanding of the Group’s control environment, processes and information systems relevant to the preparation of the Sustainability Statements, but not evaluating the design of particular control activities, obtaining evidence about their implementation or testing their operating effectiveness;

- Evaluated whether material information identified by the process is included in the Sustainability Statements;

- Evaluated whether the structure and the presentation of the Sustainability Statements is in accordance with the ESRS;

- Performed inquiries of relevant personnel and analytical procedures on selected information in the Sustainability Statements;

- Performed substantive assurance procedures on selected information in the Sustainability Statements;

- Evaluated methods, assumptions and data for developing material estimates and forward-looking information and how these methods were applied;

- Obtained an understanding of the process to identify the EU Taxonomy economic activities for turnover, CAPEX and OPEX and the corresponding disclosures in the Sustainability Statements;

- Evaluated the presentation and use of EU Taxonomy templates in accordance with relevant requirements; and

- Reconciled and ensured consistency between the reported EU Taxonomy economic activities and the items reported in the primary Financial Statements including the disclosures provided in related notes.

Copenhagen, 5 February 2025
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Henrik Kronborg Iversen State Authorised Public Accountant mne24687	Jens Thordahl Nøhr State Authorised Public Accountant mne32212

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF PANDORA A/S

Report on the audit of the consolidated financial statements and Parent Company financial statements

OPINION

We have audited the consolidated financial statements and the Parent Company financial statements of Pandora A/S for the financial year 1 January to 31 December 2024, which comprise income statement, statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including material accounting policy information, for the Group and the Parent Company. The consolidated financial statements and the Parent Company financial statements are prepared in accordance with IFRS Accounting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the Parent Company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2024 and of the results of the Group's and the Parent Company's operations and cash flows for the financial year 1 January to 31 December 2024 in accordance with IFRS Accounting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

Our opinion is consistent with our long-form audit report to the Audit Committee and the Board of Directors.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements and the Parent Company financial statements" (hereinafter collectively referred to as "the Financial Statements") section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA code.

To the best of our knowledge, we have not provided any prohibited non-audit services as described in article 5(1) of Regulation (EU) no. 537/2014.

Appointment of auditor

Subsequent to Pandora A/S being listed on Nasdaq OMX Copenhagen, EY was appointed auditors of Pandora A/S on 8 April 2011. We have been reappointed annually at the General Meeting for a total consecutive period of 14 years up to and including the financial year 2024. Subsequent to a tender process, we were re-appointed at the Annual General Meeting on 11 March 2021.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Statements for the financial year 2024. These matters were addressed during our audit of the Financial Statements as a whole and in forming our opinion thereon. We do not provide a separate opinion on these matters.

For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled our responsibilities described in the "Auditor's responsibilities for the audit of the Financial Statements" section, including in relation to the key audit matters below. Accordingly, our audit included the design and performance of procedures to respond to our assessment of the risks of material misstatement of the Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the Financial Statements.

	REVENUE RECOGNITION AND MEASUREMENT OF EXPECTED SALES RETURNS	INVENTORY VALUATION
Description of matter	Revenue is recognised when control of the goods has been transferred to the buyer and it is measured at fair value of the expected consideration to be received, less rebates, discounts, sales taxes, duties and expected sales returns. Revenue recognition and measurement of the related expected sales returns was a matter of most significance in our audit due to the inherent risk in the estimates and judgements which management makes in the normal course of business as to timing of revenue and measurement of expected sales returns. Details on revenue recognition and expected sales returns are provided in notes 2.1 and 3.8 of the consolidated financial statements and in notes 2.1 and 3.5 of the Parent Company financial statements, to which we refer.	The Group carries inventory in the balance sheet at the lower of cost and net realisable value. Significant management judgements are required with regards to valuation of inventories due to the uncertainty associated with the estimate of slow-moving items and expected value of the reusable raw materials, as well as calculations of elimination of internal gain. Given the level of management judgements and estimates, inventory valuation was a matter of most significance in our audit. Additional details on the valuation of inventories are provided in note 3.5 of the consolidated financial statements and in note 3.4 of the Parent Company financial statements, to which we refer.
Consideration of the matter in the audit	Our procedures in relation to revenue recognition and measurement of expected sales returns included considering management's accounting policies for revenue recognition, including those related to measurement of expected sales returns, and assessing compliance of policies with applicable accounting standards. We identified and assessed internal controls related to the timing of revenue recognition and measurement of expected sales returns (refund and warranty). We tested the effectiveness of management's internal controls in relation to calculation of expected sales returns and timing of revenue recognition. On a sample basis, we tested sales transactions taking place at either side of the balance sheet date as well as credit notes issued after the balance sheet date to assess whether those transactions were recognised in the correct period. We assessed the key assumptions applied by management regarding expected sales returns based on our knowledge of the business and by reviewing the supporting documentation prepared by management. As part of our audit we have utilised data analytics, analysing the relationship between revenue, trade receivables and cash receipts. Furthermore, we evaluated the disclosures provided by management in the consolidated financial statements and the Parent Company financial statements to applicable accounting standards.	Our procedures in relation to inventory valuation included assessing the Group's processes related to inventory valuation including on a sample basis testing of direct costs related to raw materials, labour costs and attributable overhead costs incurred in the crafting process, recording of write-downs and understanding of the process for internal gain elimination. We assessed the basis for write-downs and performed analytical procedures to assess slow-moving items. We assessed the key assumptions applied by management regarding items' life-cycle status and expected value of the reusable raw materials based on our knowledge of the business, and on a sample basis tested the supporting documentation. On a sample basis we tested the calculation of elimination of internal gain at Group level. Furthermore, we evaluated the disclosures provided by management in the consolidated financial statements and the Parent Company financial statements to applicable accounting standards.

STATEMENT ON THE MANAGEMENT'S REVIEW
Management is responsible for the Management Review.

Our opinion on the Financial Statements does not cover the Management Review, and we do not as part of our audit express any assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the Management Review and, in doing so, consider whether the Management Review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management Review provides the information required by relevant law and regulations. This does not include the requirements in section 99a related to the Sustainability Statements covered by the separate auditor's limited assurance report hereon.

Based on the work we have performed, we conclude that the Management Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of relevant law and regulations. We did not identify any material misstatement of the Management Review.

MANAGEMENT'S RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS
Management is responsible for the preparation of consolidated financial statements and Parent Company financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act and for such internal control as management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, management is responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Financial Statements unless management either intends to liquidate the Group or the Parent Company or to cease operations, or has no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS
Our objectives are to obtain reasonable assurance as to whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Statements.

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Parent Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the Financial Statements, including the note disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements and the Parent Company financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

REPORT ON COMPLIANCE WITH THE ESEF REGULATION

As part of our audit of the consolidated financial statements and Parent Company financial statements of Pandora A/S we performed procedures to express an opinion on whether the Annual Report of Pandora A/S for the financial year 1 January to 31 December 2024 with the file name PAND-2024-12-31-en.zip is prepared, in all material respects, in compliance with the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) which includes requirements related to the preparation of the Annual Report in XHTML format and iXBRL tagging of the consolidated financial statements, including notes.

Management is responsible for preparing an Annual Report that complies with the ESEF Regulation. This responsibility includes:

- The preparing of the Annual Report in XHTML format;
- The selection and application of appropriate iXBRL tags, including extensions to the ESEF taxonomy and the anchoring thereof to elements in the taxonomy, for all financial information required to be tagged using judgement where necessary;
- Ensuring consistency between iXBRL tagged data and the consolidated financial statements presented in human readable format; and
- For such internal control as management determines necessary to enable the preparation of an Annual Report that is compliant with the ESEF Regulation.

Our responsibility is to obtain reasonable assurance on whether the Annual Report is prepared, in all material respects, in compliance with the ESEF Regulation based on the evidence we have obtained, and to issue a report that includes our opinion. The nature, timing and extent of procedures selected depend on the auditor's judgement, including the assessment of the risks of material departures from the requirements set out in the ESEF Regulation, whether due to fraud or error. The procedures include:

- Testing whether the Annual Report is prepared in XHTML format;
- Obtaining an understanding of the company's iXBRL tagging process and of internal control over the tagging process;
- Evaluating the completeness of the iXBRL tagging of the consolidated financial statements, including notes;
- Evaluating the appropriateness of the company's use of iXBRL elements selected from the ESEF taxonomy and the creation of extension elements where no suitable element in the ESEF taxonomy has been identified;
- Evaluating the use of anchoring of extension elements to elements in the ESEF taxonomy; and
- Reconciling the iXBRL tagged data with the audited consolidated financial statements.

In our opinion, the Annual Report of Pandora A/S for the financial year 1 January to 31 December 2024 with the file name PAND-2024-12-31-en.zip is prepared, in all material respects, in compliance with the ESEF Regulation.

Copenhagen, 5 February 2025
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Henrik Kronborg Iversen	Jens Thordahl Nøhr
State Authorised	State Authorised
Public Accountant	Public Accountant
mne24687	mne32212

PANDORA