

2021 UK
GENDER PAY
GAP REPORT

PANDÖÖRA

PANDORA'S COMMITMENTS

At Pandora, we are fully committed to making our stores and offices the best place to work for people of all backgrounds. An important element of this commitment is the continuous evaluation of how our pay and policies meet the needs of those working with us. This means providing everyone with equal opportunities for progression and ensuring our policies and processes are fair and consistent - particularly when it comes to recruitment and selection, as well as pay and bonus.

We are proud to employ a high number of women across our business, and we're confident women and men are paid equally for doing the equivalent roles within our organisation. Furthermore, in leadership, today, women currently make up 43% of the Board of Directors at Pandora and at management level we have a good gender balance up to Director level. In our stores, due to the nature of Pandora's products and our primary target group attracting a very high proportion of female applicants - over 90% of our workforce are women - an equal gender distribution is not currently realistic. And whilst men make up only 5% of our employees in the UK a majority work in head office, where remuneration is typically higher due to the nature of the roles. This does naturally have a direct impact on our gender pay gap.

We believe that inclusion, diversity and fairness are core tenets of a responsible growing business and, in 2021, we set new targets for gender distribution in senior leadership. This includes commitments globally to achieve one third women in leadership at VP level and up by 2025 and for full gender parity by 2030. We're optimistic about the progress we can make.



Rasmus Brix
Managing Director, Pandora UK&I



WHAT IS THE GENDER PAY GAP?

The Gender Pay Gap measures the difference in average pay between men and women across an organisation. It is influenced by a range of factors, including the demographics of the workforce, and benchmarked against two key factors – Median Pay Gap and Mean Pay Gap.

Gender Pay Gap disclosure is about bringing attention to factors that drive the gap and identifying solutions to close it. It should, however, not be confused with 'equal pay' and 'pay equity' which are both legal requirements to pay men and women equally for performing the same work.

At present, statistically in the UK, men are still more highly represented in senior roles.



Median Pay Gap represents the middle point of a population. If you separately lined up all the women in a company and all the men, the median pay gap is the difference between the hourly pay rate for the middle woman compared to that of the middle man.

Mean Pay Gap is the difference in the average hourly pay for women compared to men, within a company.



PANDORA'S GENDER PAY GAP INDICATORS

	Gender pay gap %	Gender Bonus pay gap %
Median	30.83%	68.05%
Mean	34.88%	57.71%

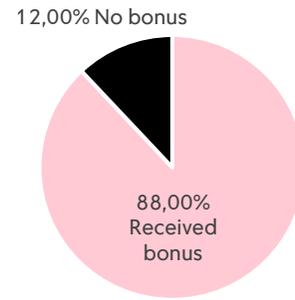
Men make up only 5% of our workforce, however the majority work in head office, where remuneration is typically higher.

Women and men are, however, paid and rewarded equally at Pandora, both in stores and head office, for equivalent roles.

Proportion of UK employees receiving a bonus

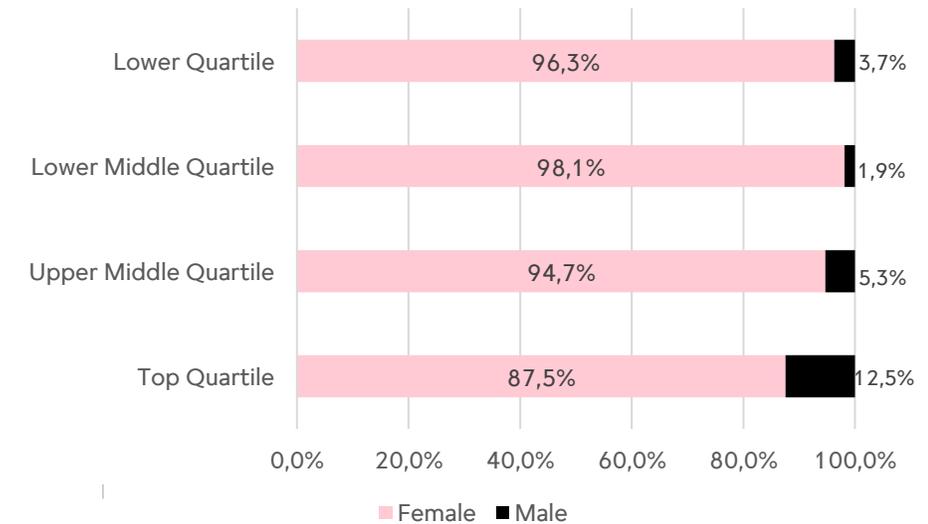


Female



Male

UK employees by quartile pay bands



UNDERSTANDING OUR DATA

Our gender pay gap figures are calculated based on the proportion of male and female employees at Pandora in four pay bands and includes data on the number of employees, employment statuses, pay information, data on bonuses, hourly pay and the data on working hours.

At first glance, our gender pay gap figures suggest the average male has a higher rate of pay, than the average women, however this does not reflect the true situation.

The gender pay gap at Pandora is largely influenced by the distribution of women and men across our UK business.

93% of our employees work in our stores and 89% of these employees are women in lower and middle paid roles. Men make up only 5% of our employees however a majority work in head office, where remuneration is typically higher.

Whilst we treat all applicants equally, as a predominantly female brand we attract more female applicants to work in our stores, primarily driven by their love for our products and brand reputation.



OUR GLOBAL PLANS & COMMITMENT

We will have gender balance in all hiring and promotions into leadership at VP+ in order to achieve 1/3 women in leadership by 2025, and reach full gender parity* no later than 2030.

ESG targets have been added to the Long-Term Incentive Programme for leaders in 2022. We will also have individual Inclusion & Diversity targets for leaders commencing in 2022.

In the UK, and other geographies that allow diversity data registering, all hiring and succession shortlists for Directors and above will have gender balance and a proportionate share of candidates from underrepresented groups.

We are committed to equal rights and opportunities, and we base all hiring, promoting and rewarding on merits and behaviour alone. We continuously monitor our pay structures and opportunities for all staff.



*Gender parity in leadership = equal no. of men and women in leadership positions from VP and up (incl. the Board of Directors) with +/- 5 pp variation, also allowing for people not identifying as female or male.

DECLARATION

We confirm that the information and data reported are accurate and in line with UK government's Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

The PANDORA logo is centered on a pink background. It features the word "PANDORA" in a bold, black, sans-serif font. Above the letter "O" is a small crown icon. The background of the entire page is a repeating pattern of white circular icons, each with a crown on top, set against a light pink background.

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