PANDORA GROUP TAX POLICY

UPDATED AND APPROVED BY BOARD OF DIRECTORS
FEBRUARY 4, 2026

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1 INTRODUCTION

Pandora wishes to lead the transformation of our industry and show that the beautiful, crafted jewellery goes hand in hand with sustainable business practices. Leadership in sustainability is a key element of our business strategy because it will help us future-proof our company. We wish to be resilient and ahead of the curve of changing demands from regulators, consumers, and investors. We wish to lead the way. Since 2024, Pandora has used only recycled silver and gold in the crafting of all new jewellery.

We anchored sustainability firmly in the way we manage Pandora. We have formalised sustainability oversight at Board level reflecting its strategic importance. We continue our commitment to the United Nation's Global Compact.

Our sustainability strategy is reflected in our tax approach, and we aim at paying a fair tax in all markets where we operate. Pandora considers tax to play a key role for societies and an important contribution towards reaching the goals of the global sustainability agenda. Our tax approach directly or indirectly supports a number of UN Sustainable Development Goals (UNSDG) including the promotion of sustained, inclusive, and sustainable economic growth, full and productive employment and decent work for all (UNSDG 8), and the promotion of peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels (UNSDG 16).

Pandora's values expressed in our Code of Conduct are the foundation for our approach to tax management.

Pandora's commitment to ethical business practices means that we conduct business lawfully, appropriately and with honesty and integrity by adhering to applicable laws and regulations, exercising sound judgment, and taking actions to minimize our environmental impact on the planet. Our whistleblower policy makes it possible for all employees, members of the boards, business partners and other stakeholders of Pandora to report any serious and sensitive concerns. Pandora not only welcomes and encourages internals within Pandora to come forward with reports, but also externals as well.

The purpose of our tax policy is to establish a clear and aligned tax approach to all transactional, reporting and compliance aspects of Pandora. The policy applies to all entities in the Pandora Group.

2 TAX APPROACH

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

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 tax 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, including assuming the majority of business risks. Pandora allocates a profit margin, based on benchmark studies, to entities in the Group and the residual profit (or loss) in the value chain remains with Pandora A/S.

Pandora supports the OECD international tax reform work on Base Erosion and Profit Shifting (BEPS), and we support the continuing coherent and coordinated implementation of harmonized international tax rules to avoid double taxation of any income.

3 TAX GOVERNANCE

As we believe tax is a core part of corporate responsibility, the Board of Directors are responsible for the tax policy. The Audit Committee undertakes an annual review of the tax policy to ensure clarity about Pandora's attitude to tax, significant tax strategies and handling of tax issues.

The responsibility for tax risk management lies with the Group CFO and is overseen by the Audit Committee.

The local management and Directors of each legal entity are responsible for ensuring compliance with tax regulations. To execute the daily tax operations Pandora has a specialised tax function that is part of the Group CFO organization and is supported by external tax advisors. The tax function is organised as a global function to ensure we have a consistent and global tax strategy, tax policies and processes. The responsibilities of the tax function include exercising tax governance, providing tax advice, identifying, and managing opportunities and risks, and ensuring tax compliance. Pandora's tax function advises the CFO who has ultimate responsibility for decisions on significant or one-off transactions that may result in an increase in tax risk.

Communication with external stakeholders regarding Pandora's tax affairs is managed in accordance with our corporate communications policies and procedures. Members of our Executive Leadership Team are updated on material tax matters periodically, including through a risk review process that also forms part of our tax governance framework.

4 TAX RISK MANAGEMENT AND TAX PLANNING

With a principal tax model, Pandora by nature has a significant number of intercompany transactions. All intercompany transactions are based on an arm's length standard and therefore priced on a basis consistent with the way unrelated parties would have priced such transactions.

Pandora will only implement structures that are driven by commercial strategy, and we will refrain from unnecessarily complex tax set-ups. This results in a simple and business aligned model which is well understood and based on in-depth analysis of the tax impact.

Where the tax impact is subject to interpretation, we leverage the expertise of external tax advisors when making tax decisions.

Pandora has established a Tax Control Framework (TCF) for corporate income taxes, customs, VAT and other indirect taxes, transfer pricing, tax accounting and withholding taxes. The TCF is established to ensure that processes and controls are in place and that these are effective and being followed in practice. The TCF is a dynamic process which adapts to changes in the regulatory environment and expands and improves as more insight is gained.

5 TAX INCENTIVES

Pandora will consider government sponsored tax incentives where appropriate and in line with our Code of Conduct to support economic development, development of local knowledge, creation of employment and maintaining good corporate citizenship.

Thailand provides tax incentives to foreign companies that invest in Thailand under the so-called Board of Investments (BOI) scheme. Pandora's production facilities are located in Thailand and approximately 12,000 people are employed at Pandora's three facilities in the country. Our investments and business in Thailand are eligible for tax privileges under the BOI. The BOI privileges include temporary reduction to corporate income tax in respect of in-house production, exemption from customs duties on import and other non-tax privileges.

Vietnam also offers incentives including a temporary reduction to corporate income tax that Pandora will become eligible for once our crafting facility in Vietnam has been completed.

In Singapore, for a defined period of time, the Economic Development Board offers refundable tax credit and other non-tax incentives that Pandora became eligible for in 2025 after Singapore was selected as a cluster office for Asia.

6 TAX HAVENS

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 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. Pandora continues to have two companies located in Panama, which is included on the EU list. One of the companies acts as the regional office for Latin America and receives a standard 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%. The profit in Panama is less than 0.1% of Pandora's total profit.

7 TRANSPARENCY

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.

We provide regular information about our approach to tax and taxes paid to our stakeholders, including investors, policy makers, employees, and the general public.

Pandora communicates openly about our tax payments and tax contributions in the societies where we operate. Pandora publishes country-by-country information for all the markets where we are present, and will comply with the [1]EU Directiveand [2]Australian public country-by-country reporting requirements.

To learn more about Pandora's tax transparency, please see our Tax Information and Annual Report.

8 RELATIONSHIP WITH AUTHORITIES

Pandora is committed to maintaining a good and constructive relationship with all relevant tax and other authorities. We are open and transparent and respond to relevant enquiries in a straightforward and timely manner. We balance the necessary respect for confidential business information with our general aspiration to communicate openly with the tax authorities in all countries where we operate.

Pandora seeks dialogue and agreements with authorities to increase predictability and minimise the risk of disputes arising. With respect to tax, Pandora seeks to minimize the potential for double taxation and is open for applying for Advance Pricing Agreements (APAs) when it seems relevant and meaningful.

[1] Directive (EU) 2021/2101
[2] Taxation Administration Act 1953 (Cth). Section 3D, 3DA

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