
PANDORA ETHICS REPORT

2013

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A FOCUS ON INTEGRATION

On our journey towards fulfilling our vision of becoming “The world’s most recognised jewellery brand,” we chart our responsible business practices according to our commitments to our people, our product and our planet. Here, in PANDORA’s fourth annual progress report on corporate social responsibility, we share our efforts to provide a great environment for our PEOPLE, to develop and manufacture our PRODUCT with integrity and, finally, to take actions to minimize our environmental impact on the PLANET.

Following a resetting of our business, 2013 saw the launch of a number of new initiatives. These included the strengthening of our focus on product innovation and the implementation of a new go-to-market strategy, including our first full year of seven product drops instead of the previous two drops per year.

We continued expansion in our core and new markets and some of our emerging markets such as Italy, France and Russia, saw significant progress during the year. The entire organisation, and not least our production facilities, responded fantastically to this growth in demand and increased production from 54 million pieces of jewellery in 2012 to a record-breaking 79 million in 2013, and paved the way for record revenue of DKK 9.0 billion.

The scale, scope and pace of the changes we encountered in 2013 emphasise the importance of integrating responsible business practices into daily operations.

Only by integrating quality, ethics and continuous improvements into our procurement strategy have we been able to considerably upscale our purchase volume without compromising our values. Only by offering a safe working environment, developing job opportunities and competitive compensation and benefits packages have we been able to recruit and successfully integrate 2,000 new colleagues at our crafting facilities in Thailand. And finally, only by developing the skills and retail competences and maximizing the potential of our colleagues in our stores have we been able to deliver an excellent customer experience.

As we continue progressing towards the highest standard of responsible and effective business practices, we warmly welcome any comments or ideas that may assist us along the way.

Allan Leighton
President & Chief Executive Officer





APPROACH

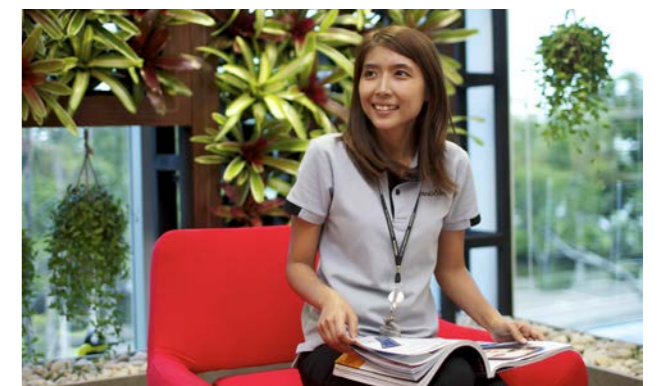
In 2013, we continued our efforts to further develop and implement PANDORA *Ethics*, our Corporate Social Responsibility (CSR) and compliance programme, throughout PANDORA's value chain – from ensuring ethical sourcing and procurement, through safe and healthy jewellery crafting, to the responsible marketing and sale of our jewellery in approximately 10,300 stores around the world.

ETHICAL ASPIRATIONS

During the past decade, PANDORA has developed to become one of the world's leading jewellery brands. We take great pride in this achievement and acknowledge that with this position follows a just expectation from our stakeholders to continually strive to ensure high ethical standards in all our dealings. Our CSR policy guides us in this endeavour:

“PANDORA is committed to advancing responsible business practices, from the sourcing of gemstones, precious metals and other materials to the crafting and marketing of our jewellery. We believe that corporate social responsibility and our aspiration to offer high quality and genuine jewellery go hand in hand. Responsible business practices and social awareness have always been part of PANDORA's DNA, and they are virtues which we strive to honour in our daily operations as well as through initiatives that aim at raising the bar for the jewellery industry.

Furthermore, we believe that our business shall benefit our stakeholders and not least our customers. Therefore, PANDORA has a social commitment to supporting charitable purposes that inspire individuality and improve the lives of women around the world”.



PANDORA ETHICS

In 2013, we continued the rollout of our PANDORA *Ethics* programme, which is designed to implement our ethical aspirations and policies within human rights, working conditions, the environment, business ethics and responsible sourcing. All *Ethics* policies can be found on www.pandoragroup.com/csr.

By the end of 2013, standard PANDORA *Ethics* training has been conducted for our people at all regional offices and specialised training has been provided for relevant departments. Furthermore, PANDORA *Ethics* is now integrated into our introduction programmes for new colleagues and a new PANDORA *Ethics* e-learning module is expected to launch in Q1 2014.

In order to ensure that our responsible business practices remain aligned with our aspirations, commitments and the just expectations of our stakeholders, we expect to conduct a review of the PANDORA *Ethics* programme during 2014. Following this exercise, we will launch a new cycle of training and campaigns in 2014 and 2015.



RESPONSIBLE JEWELLERY COUNCIL

PANDORA is a certified member of the Responsible Jewellery Council (RJC), an organisation dedicated to reinforcing consumer confidence in jewellery by developing, implementing and enforcing responsible business practices across the entire jewellery supply chain – from mine to market. RJC is a full member of the ISEAL Alliance and is thereby recognised by other leading certification organisations as the sustainability leader within its field. In 2012, PANDORA entities around the world were audited by independent consultants in order to achieve group-wide certification under the RJC Code of Practices, which requires compliance with more than 100 sustainability provisions.

As part of RJC's movement from being purely a business initiative towards becoming a multi-stakeholder platform, the Standards Setting Committee has been expanded to include a range of independent sustainability

experts and global NGOs. In 2013, PANDORA was once again elected by RJC's jewellery manufacturing members to represent them in the Standards Setting Committee for the years 2013-2015.

UNITED NATIONS GLOBAL COMPACT

In 2013, PANDORA continued as a member of the United Nations Global Compact and remained active in the Global Compact Nordic Network. PANDORA continues to support the Global Compact, which we recognise to be the most important sustainability initiative across industries.

GOVERNANCE

For PANDORA, the aim of good corporate governance is to maximise long-term value creation and ensure



transparency and accountability in the way we fulfil our obligations towards shareholders, consumers, customers, employees, authorities and other key stakeholders. PANDORA intends to exercise good corporate governance at all times and to assess its practices according to the recommendations issued by the Danish Committee on Corporate Governance. Exactly how we achieve this is further elaborated on our governance site on www.pandoragroup.com.

PANDORA *Ethics* is governed by our internal CSR Steering Committee, headed by our Vice President, Group CSR and is further made up of the heads of Procurement, Manufacturing, HR, and Investor Relations & Communications, with our Chief Financial Officer and Chief Marketing & Merchant Officer representing executive management. Essential 2013 discussions have covered our engagement in the RJC, the progress of PANDORA's Responsible Supplier Programme and the voluntary overtime hours offered to colleagues at our jewellery

crafting facilities. Our progress in advancing responsible business practices is discussed twice annually on PANDORA's Audit Committee under the Board of Directors.

VALUE CHAIN

PANDORA operates with an integrated value chain, controlling all activities from design and choice of materials, through jewellery crafting at our own facilities to the marketing and sale of our jewellery. This setup is unique within our industry and provides PANDORA with effective and secure channels of information, fast responsiveness to market demands, excellent conditions for optimising the use of materials, low compliance costs and a fertile ground for building one corporate culture – and one brand.



PRODUCT

At PANDORA, product is king. Our bracelets, charms, rings, earrings and necklaces form the backbone of PANDORA's business and integrated value chain, allowing us to design, produce and release as many as seven collections per year. In 2013, we topped this off by also introducing a new bracelet concept, the PANDORA ESSENCE COLLECTION. The seven yearly releases provide newness and freshness to our stores and contribute considerably to PANDORA's growth. The future success of our company will continue to rest on our value chain's ability to develop the right products, and to deliver them at the right place, time and price.

PANDORA jewellery is composed of quality materials such as silver, gold, leather, stones, pearls, gemstones and diamonds. These commodities, often debated by influential stakeholder groups, are increasingly targeted by regulation. In addition to continuing our overall commitment to responsible business practices, it is becoming ever more pivotal for PANDORA to constantly strive towards a still more sustainable supply chain.

Besides core jewellery materials, PANDORA purchase a range of products for use in our stores, including fixtures, furniture, in-store decoration, jewellery bags and gift boxes.

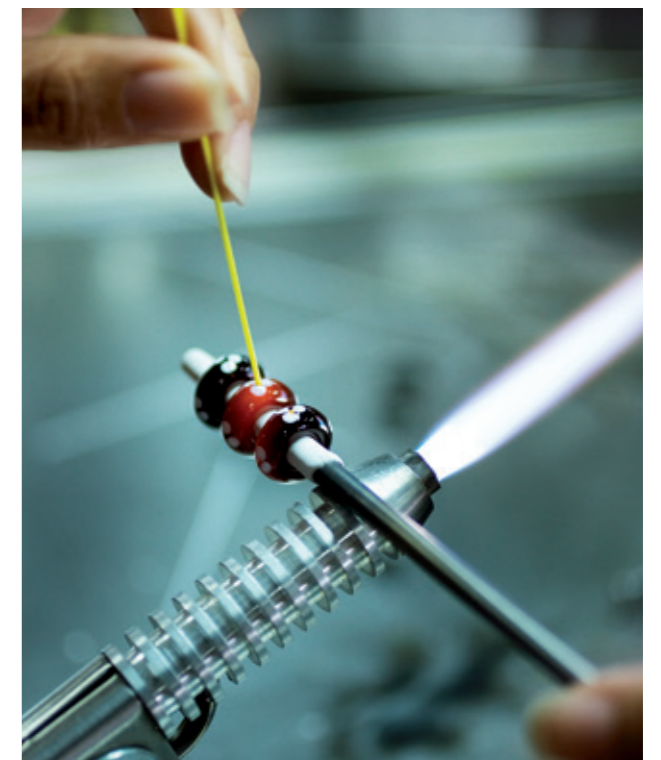
RESPONSIBLE SUPPLIER PROGRAMME

In 2013, we identified CSR compliance as one of the five pillars that will drive the PANDORA Group Procurement strategy. As a result, the existing CSR expert teams in Bangkok and Copenhagen have been supplemented by a dedicated quality and CSR unit embedded into our procurement team in Hong Kong.

At the centre of PANDORA's value chain are our jewellery crafting facilities in Thailand, where approximately 6,000 highly skilled craftspeople produce the vast majority of our products. This setup has allowed

us to operate with a relatively small number of suppliers with whom we have established long-lasting relationships characterised by trust and interdependence. PANDORA acknowledges that the advantages we enjoy from this setup are accompanied by a responsibility to strive to ensure ethical practices among our partners.

We engage with our suppliers through our four-step Responsible Supplier Programme, which we use to screen, train and audit our suppliers as well as to ensure swift action whenever non-compliances with PANDORA's Supplier's Code of Conduct are identified.





To ensure the highest possible return on the time and resources we invest in our Responsible Supplier Programme, we decided in 2013 to further enhance our screening procedures. When evaluating the risks associated with a supplier's country of operation, we consult the Worldwide Governance Indicators (WGI) supported by the World Bank. The WGI focus on six parameters: voice and accountability, political stability and absence of violence, government effectiveness, regulatory quality, rule of law and control of corruption. Suppliers selected for the audit programme can expect to be audited by external consultants every second year. If non-compliances are identified during the audit, PANDORA's in-house experts will cooperate closely with the supplier to restore compliance. In most cases, such cooperation will be followed with additional external verification audits.

In 2013, we achieved our target of auditing all potential high-risk suppliers and initiating corrective actions on relevant findings. Another 2013 achievement was the fulfilment of our internal target stating that more than 75% of the total sourcing volume for our crafting facilities must originate from certified members of the Responsible Jewellery Council (RJC) – or from suppliers who within the last two years have been audited by independent

consultants and measured up against PANDORA's requirements. Suppliers who, following the screening process, might be exempted from audits are obviously low-risk suppliers, highly qualified consultancies, one-off suppliers as well as suppliers from whom we source volumes valued at less than 50,000 USD per year.

The Responsible Supplier Programme is described in greater detail in PANDORA CSR Report 2011. Having governed our relations with our suppliers in 2011- 2013, the programme is scheduled for a review involving external stakeholders in 2014.

RESPONSIBLE GOLD AND SILVER

In 2013, we worked closely with our suppliers of gold grain and specialised gold products to implement PANDORA's Chain-of-Custody Standard, covering all of our gold products. This standard enables us to track and trace all our gold back to reputable global gold refineries. Such refineries must be certified according to either RJC's Chain-of-Custody Standard or appear on London Bullion Market Association's (LBMA's) Gold Good Delivery List, certifying that the refiner has implemented adequate



procedures for conducting human rights due diligence into their supply chain. By Q4 2013, PANDORA's Chain-of-Custody Standard was fully implemented and audits conducted by external experts verified its full compliance with relevant US/OECD regulation on human rights due diligence.

Silver grains delivered to PANDORA Production Thailand (PPT) are sourced from suppliers who appear on LBMA's Silver Good Delivery List and we are currently exploring the feasibility of extending this requirement to our few suppliers of specialised silver products.

STONES, GEMSTONES AND DIAMONDS

Man-made stones, natural gemstones and diamonds are all included in our jewellery, each enjoying different characteristics and advantages.

Diamonds and other gemstones found in nature are true wonders – each one is unique and rare, and their long histories unparalleled. Man-made stones are identical to their natural gemstone counterparts in almost every way, including in the same basic crystal structure and chemical composition as well as other characteristics. Man-made

stones differ from their natural counterparts in that they are fully traceable, more affordable and can be supplied in quantities suitable for large-scale jewellery crafting. Finally, they exhibit fewer colour variations, considerably reducing material waste.

While we have no plans of discontinuing diamonds from our product assortment, man-made stones are taking on an increasingly important role in our collections. In 2013, none of our new collections included diamonds. Nonetheless, to provide our customers with proper assurance that we do our utmost to ensure ethical sourcing of diamonds, all PANDORA invoices explicitly testify that:

"The diamonds herein invoiced have been purchased from legitimate sources not involved in the funding of conflict and in conformance with United Nations resolutions. PANDORA hereby guarantees that these diamonds are conflict free, based on written guarantees provided by the supplier of these diamonds. PANDORA also requires written guarantees from its suppliers that the diamonds invoiced do not originate from the Marange region in Zimbabwe."



PEOPLE

At PANDORA, the importance of our products is equalled only by the importance of our people. While this statement may apply to many companies, at PANDORA we actively strive to attract and retain a highly talented, passionate, diversified and confident pride of people capable of operating and renewing our integrated value chain. This understanding is clearly reflected in our company values: PRIDE, PASSION and PERFORMANCE, which can be further explored on our corporate website: www.pandoragroup.com.

PANDORA constantly works to improve our people performance. In this year's report, we wish to share some information on how we strive to achieve this throughout our company, and then shift focus to our main challenges and achievements at our crafting facilities in Thailand.

DIVERSITY

Employment and promotions at PANDORA must always rest on merits. We are deeply committed to working against any form of discrimination and remain especially committed to ensuring gender diversity in our management positions. While we have an even proportion of male and female employees and managers, this is not yet the case for senior management (Executive Board, General Managers and Vice Presidents). To counter this challenge, PANDORA has initiated a range of initiatives that shall help us improve our performance.

In 2013, women accounted for 25% of the members of the Board of Directors. To ensure gender diversity, PANDORA has made the commitment that by 2015, no gender should account for less than 35% of our board members. Moreover, by no later than 2020, the gender split in senior management positions should be at least 40% for either gender (Executive Board, General Managers



and Vice Presidents). By the end of 2013, 31% of senior management were women, up from 26% in 2012 and 24% in the year prior.

We will strive to ensure that the number of participants in the company's leadership programmes mirror the gender composition in the group's management positions. On January 1, 2013 women accounted for 50% of all Vice Presidents, Directors and Managers and made up 57% of the same groups' enrolment in PANDORA's 2013 Leadership Programmes. Please find more statistics on our group-wide gender, management and age composition in the data annex.

SALESPEOPLE

PANDORA offers extensive training programmes to the 35,000 people engaged in selling PANDORA jewellery in approximately 10,300 stores around the world. Training content spans from PANDORA-specific knowledge, through

jewellery and material understanding to professional sales psychology, skills and techniques – all of which helps to enhance the customer experience in stores and raise the employability of our people.

In 2013, more than 200,000 e-learning training modules were completed on our e-learning portal, up from 105,000 in 2012. Our more than 50 highly skilled in-house trainers provide coaching and face-to-face training sessions, which also served as forums for sales personnel to raise ideas and feedback from sales situations and provide valuable feedback to designers, merchandisers, and other relevant parts of PANDORA's value chain.

In 2013 we began developing a set of e-learning and face-to-face training modules to ensure that our colleagues in stores are always informed and knowledgeable about PANDORA's ethical programmes and initiatives. The overall goal of these tools is to enable us to communicate PANDORA's ethical aspirations and initiatives to our customers and, in turn, to engage them in our company values and business conduct.

CRAFTING FACILITIES IN THAILAND

Our stakeholders often inquire how PANDORA maintains responsible business practices at our crafting facilities, PANDORA Production Thailand (PPT). At PPT, we are committed to ensuring full compliance with Thai regulations and applicable international conventions. We also strive to honour our own commitment to providing sound working conditions, attractive employment terms and a range of social and welfare benefits for our approximately 6,000 Thai colleagues and their families. As stated earlier, our production facilities are covered by our group-wide certification issued by the RJC. In 2013, our core management



systems were once again independently audited and validated as compliant with ISO 9001 (quality), OHSAS 18001 (health and safety) and ISO 14001 (environment).

SAFETY

At PPT, we operate an effective Safety, Health & Environment (SHE) Committee comprised of senior management and 15 employee representatives. The employee representatives are offered modern, on-site facilities and receive comprehensive training, both in-house and externally, enabling them to effectively contribute in their role. In 2013, in addition to regular, on-the-job safety training, our dedicated team of SHE experts delivered tailored training courses to more than 3,500 colleagues and participated in morning talks across departments.

As a result of our on-going focus on improving our safety and health standards, we saw as few as five work-related accidents at PPT in 2013 (resulting in altogether 12 lost working days). With a little fewer than 6,000 people by year-end – of which 2,000 joined during 2013 – we succeeded in maintaining a remarkably low accident rate compared with any industrial sector in any country. Nonetheless, recognising that any accident is one too many, we will continuously work to improve our performance in 2014.

EMPLOYEE DEVELOPMENT AND BENEFITS

Our Employee Welfare Committee operates with three sub-committees responsible for coordinating employee interests within a) Compensation & Benefits, b) Employee Relations and c) Social Activities. As is the case for the SHE Committee, the 15 members of the Employee Welfare Committee also draw on modern facilities and extensive training. Confidence in the committee was demonstrated at the latest election, where 89% of our Thai colleagues exercised their right to elect their representatives by secret ballot voting.

In 2013, we continued our monthly Radar Meetings – a concept we introduced to bring to light any issues, concerns and opportunities existing in our daily operations. All employees can apply to participate and suggest subjects for discussion. In direct response to suggestions raised at Radar Meetings, we implemented a range of changes in 2013, including new uniform rules, improved jewellery crafting tools and an on-site convenience store offering everyday consumables at below market prices.

PPT employees' benefits include free meals, maternity classes, extensive professional and personal development training, annual outings, scholarships, partly employee-managed radio and TV channels, as well as safe bus transport to and from work. By year-end, more than 4,400 colleagues regularly took advantage of the last benefit, which over the course of the year added up to more than 19,000 trips.

Twice per week, our HR Services team sets up consultation centres during lunch breaks to allow employees to ask questions or seek assistance with pay, benefits or employee relations issues at a time and place convenient for the employees. In 2013, the HR Services team dealt with over 6,500 unique visits.

Recognising that access to education can be a challenge in Thailand, we have established an Edutainment Centre, which features an e-learning/Internet room and library. This provides our colleagues with a comfortable environment to relax during breaks and before or after work, and an inspiring space to learn and develop. During 2013, the library had more than 43,300 visits, and more than 10,500 books were borrowed throughout the year.

FINANCIAL LITERACY, SAVINGS CLUB AND COOPERATIVE

Following the launch of our "Happy Money" financial literacy programme in 2011 (which was recognised with the Thai Prime Minister's Award of Achievement), and the "Manage Debt, Change Your Life" programme in 2012, we continued in 2013 to focus on the education and support of our employees' financial literacy. Since the company first facilitated monthly visits from the Government Savings Bank to assist employees who wish to make savings deposits, more than 2,790 employees have utilised this service. 2013 also saw the official creation of an employee-managed, government-registered Cooperative Savings Club. The Cooperative's objectives are to allow for both savings and loans within the cooperative membership, to promote the practice of long-term saving and self-reliance, to reduce (or avoid) debt and to reduce or eliminate problems associated with 'loan shark' debt.

HUMAN AND LABOUR RIGHTS

A key final element in PANDORA's efforts to improve our people performance is our commitment to human rights. Potential human rights issues vary greatly across our value chain depending on whether we are dealing with the suppliers of jewellery materials, with subcontractors, with our in-house jewellery craftspeople, with our sales offices around the world or with the more than 35,000 people engaged in selling our jewellery in approximately 10,300 stores.

PANDORA's Human Rights Policy, published on www.pandoragroup.com/csr, stipulates our commitment to complying with the United Nations Guiding Principles for Businesses and Human Rights, as well as with the core conventions of the International Labour Organisation (ILO). The policy instructs us to advance human rights within our sphere of influence.



Respecting all human and labour rights is essential to PANDORA. It is also an integrated part of the compliance requirements for certified members of the Responsible Jewellery Council (RJC). During PANDORA's successful certification process in 2012, one minor non-compliance with RJC requirements was identified, namely the occasional levels of overtime exceeding 12 hours per week at our crafting facilities in Thailand, PANDORA Production Thailand (PPT). It is important to note that overtime at PPT remains compliant with Thai law, and that it is always voluntary, well compensated and widely requested by our colleagues. To cut down the amount of overtime at PPT, we initiated a range of initiatives in 2013, including investing in production capacity and productivity improvements, introduced shift work and LEAN production techniques and, finally, recruited as many as 2,000 new colleagues. Nonetheless, due to the considerable revenue growth PANDORA experienced in 2013, overtime continued to be a challenge throughout much of the year. Thanks to the above efforts, however, we are again in full compliance with ILO and RJC standards going into 2014.

To advance human rights within our sphere of influence, PANDORA engaged in two new initiatives in 2013 to share our experiences in advancing human rights with our stakeholders – as well as to learn from efforts initiated by our peers. First, we accepted a seat in the Steering Committee of the Danish Business Network for Human Rights – a network comprised of a group of the largest Danish companies, all dedicated to continuously improving their performance within human rights. Second, PANDORA joined the Human Rights Steering Committee of the Responsible Jewellery Council, a group responsible for developing tailored tools and inspiration for advancing respect for human rights throughout the jewellery industry.



PLANET

In 2013, we have continued our efforts to minimize the environmental impact of our activities. We did not, however, introduce ground-breaking new initiatives to lower our consumption of energy and resources.

CRAFTING FACILITIES

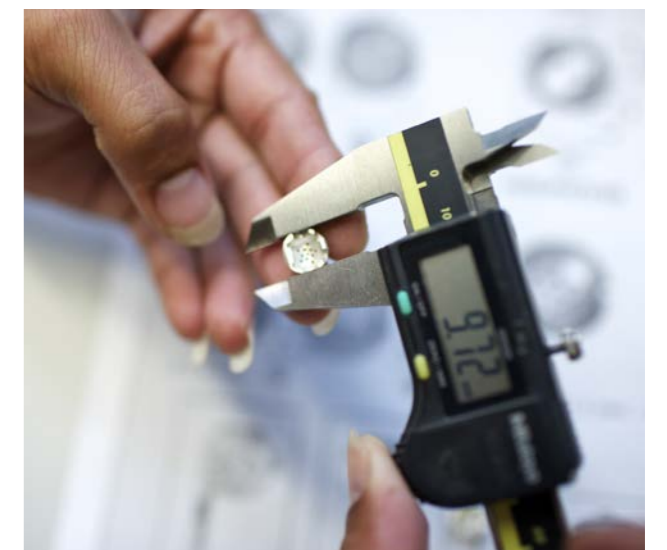
PANDORA experienced a sharp increase in demand and produced as many as 79 million pieces of jewellery in 2013, compared with 54 million in 2012. At the same time, the accelerated pace at which we introduced our collections, which comprised more complex jewellery designs, made it challenging to significantly reduce our energy and resource consumption at our crafting facilities, PANDORA Production Thailand (PPT).

Having achieved the ISO 14001 certification on environmental management in 2012, in 2013 PPT initiated a project to achieve ISO 50001 on energy management. The project remains on-track for certification in Q2 2014. As part of our commitment to continuously minimising the company's environmental footprint, our crafting facilities engaged in a promising partnership with Mahidol University in Bangkok, Thailand in 2013. The project team will conduct a lifecycle assessment of our Thai activities in 2014, and the partnership has already resulted in the recycling of a range of materials used in the crafting processes.

PANDORA raised the output of jewellery pieces produced by 40% from 2012 to 2013. This achievement has been accompanied by an increase in electricity consumption of 37% from 13,917,000 kWh in 2012 to 19,170,000 kWh in 2013. As stated in previous CSR reports, we consider the potential for lowering our electricity consumption of our crafting processes as being modest. First, we utilise modern, energy-efficient equipment in our crafting processes and second, 85% of our buildings are air conditioned to ensure proper working conditions.

Nonetheless, as stipulated in our Environmental Policy, we will work to minimize the environmental impact of our activities, and we expect that the process initiated to achieve the ISO 50001 certification on energy management as well as the partnership with Mahidol University will identify new ways of reducing our energy consumption.

Again as a result of our growth, and not least the complexity of our jewellery designs, our water consumption at PPT increased by 41% from 206,393 M3 in 2012 to 291,572 M3 in 2013. To our disappointment, the percentage of water recycled fell considerably from 12.5% in 2012 to 3% in 2013. The reasons for this change have partly to do with more accurate methods for measuring our consumption and partly with technical challenges that halted the recycling of water during parts of the year. We will work to handle the technical challenges related to water recycling and, with continued focus on our water consumption, expect to improve our performance in 2014.





Last year, we reported a waste generation of 3,558 tonnes from our crafting facilities. Despite the increase in pieces produced, we have been able to reduce our waste generation to 2,954 tonnes in 2013. There are two main reasons for this decrease. The first has to do with the fact that our waste generation at PPT was extraordinarily high in 2012 as we finalised the construction of new facilities. Second, our waste management procedures measurably improved in 2013. Our crafting processes require considerable quantities of rubber for moulds, gypsum for casting and glass for our Murano charms. Working closely with researchers from Mahidol University, we achieved

Waste Type	Landfill (Tonnes)	Total		% Recycled
		Recycle (Tonnes)	Total waste (Tonnes)	
Gypsum	1,040	882	1,921	46%
Silicone rubber	34	14	49	29%
Murano glass	3	3	6	45%

very promising results for these three materials during 2013. Now, 46% of the gypsum that previously ended up as landfill is recycled in the construction sector, 45% of the Murano glass is used for producing glass tiles and 29% of our rubber waste is used as fuel by the cement industry. Having identified these possible recipients of our main waste categories, we expect to further raise recycling rates in the years to come.

Finally, as previously mentioned, we offer our PPT colleagues safe bus transport to and from work, which in 2013 totalled more than 19,000 trips and a staggering 714,000 km. By year-end, more than 4,400 people regularly made use of this offering. Bus companies delivering this service are subject to regular control by government agencies and our in-house SHE teams. Working with external experts, we have estimated the 2013 diesel fuel consumption from this bus services to be 300,000 litres. With 50 passengers per bus, this option is highly energy-efficient compared with other feasible means of transportation.



STORES

PANDORA jewellery is presently sold at approximately 10,300 stores around the world, of which 206 stores are owned and operated by PANDORA. The remaining stores are operated by our retail partners, significantly reducing our ability to measure and control energy consumption at the store level. The PANDORA CSR Report 2011 mentioned that, as part of the development of our new in-store furniture concept, we would also seek to lower energy consumption. This development phase is now concluded and we expect to commence the global rollout of our new store concept from Q2 2014. While the existing concept relies on conventional light bulbs, our new store concept relies to a greater extent on LED lights. According to our in-house estimates, this change will enable us to cut up to 50% of our electricity consumption on average in PANDORA concept stores. This considerable reduction will come from fixtures, furniture and ceilings and will help reduce the need for air conditioning in stores.

MATERIALS

The United Nations Environment Programme (UNEP) estimates that between 90 and 100% of all silver and gold used in jewellery will be recycled after use. No other metals or industries can muster such high recycling rates, and we truly believe that this should be considered when estimating the environmental impact of the jewellery industry. At PANDORA, we have systems in place to remelt our discontinued silver and gold products. Diamonds and valuable gemstones are dismounted and saved for later use.

All PANDORA wood charms are certified by the Forest Stewardship Council (FSC), and we continuously seek to expand our range of paper- and wood-based materials certified according to international standards. Across all markets, all PANDORA paper bags are certified sustainable, and in 2013 we continued our efforts to introduce certified sustainable paper in printed brochures and jewellery boxes across markets.

PEOPLE DATA 2013

Headcount as of 31 December	2011			2012			2013		
	M	F	Total	M	F	Total	M	F	Total
< 18	3	17	20	1	8	9	0	10	10
18-25	547	988	1,535	616	1,320	1,936	1,006	2,009	3,015
26-35	1,519	1,809	3,328	1,546	1,910	3,456	1,980	2,527	4,507
36-45	171	357	528	195	389	584	248	494	742
46+	89	246	335	104	271	375	121	288	409
Total	2,329	3,417	5,746	2,462	3,898	6,360	3,355	5,328	8,683

Management	2011			2012			2013		
	M	F	Total	M	F	Total	M	F	Total
Global Management Team	11	1	12	12	0	12	12	0	12
Vice Presidents	27	11	38	42	19	61	40	23	63
Directors/Managers	93	121	214	132	153	285	155	192	347
Store Managers	6	68	74	19	136	155	13	159	172

Turnover	2011			2012			2013		
	M	F	Total	M	F	Total	M	F	Total
New colleagues	99	420	519	488	1,188	1,676	1,133	2,028	3,161
Resignations/dismissals/retirements	114	280	394	305	680	985	220	539	759

Accidents	2011		2012		2013	
	No. of accidents	12		7		26
Number of lost days	105		37		319	

PLANET DATA 2013

Waste Generation (Tonnes)	2012		2013	
	General waste	1,813		161
Recycled waste	284		1,693	
Industrial waste	1,418		1,084	
Hazardous waste	43		16	
Total	3,558		2,954	

Consumption	2012		2013	
	Electricity (kWh)	13,917,000		19,170,000
Water (M3)	206,393		291,572	

CONCEPT, WRITING AND EDITING PANDORA Group CSR PHOTOGRAPHY Ture Andersen (www.ouro.dk),
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