

PANDORA GLOBAL HUMAN RIGHTS POLICY

VERSION 2.0

PANDORA

Human Rights Policy | V 2.0 | 0

Classification: Pandora Public



DOCUMENT OVERVIEW

DEPARTMENT OWNERSHIP	Corporate Communications and Sustainability
CONTENT ENQUIRIES	sustainability@pandora.net
BOARD OF DIRECTORS APPROVAL	02 December 2021 Pandora Code of Conduct Supplier Code of Conduct
RELATED DOCUMENTS	Responsible Sourcing Policy Transparency in Supply Chains Statement

1 OBJECTIVE

Pandora recognises the importance of human rights and is committed to conducting its business in full compliance with the human rights laws and standards set out in section four of this policy.

This Policy is intended to highlight our commitment to respect human rights and raise awareness of how they affect our company.

2 SCOPE

Our commitment to respect human rights applies to Pandora's own operations and value chain worldwide. We expect our employees, suppliers and other third parties including franchisees to uphold the values and commitments outlined in this Human Rights Policy and assist Pandora in its efforts to respect human rights.

In the event of discrepancies between this English version of the policy and any local translations thereof, the English version shall prevail. Additionally, in the event of discrepancies between this Policy and any local corresponding legislation or addendums, we will comply with all applicable laws while seeking solutions that are in the spirit of respect for human rights and of this policy.

3 ROLES AND RESPONSIBILITIES

While human rights are the responsibility of everyone at Pandora, oversight of the Human Rights Policy rests with our VP, Corporate Communications and Sustainability. Corporate Sustainability and relevant business functional leads and teams implement our human rights commitments.

This Policy is governed by Pandora's Sustainability Board which reviews and addresses emerging human rights risks. The Sustainability Board is chaired by Pandora's Chief Financial Officer and is comprised of eight members, including both members of the Executive Leadership Team and senior cross-functional leaders. Pandora's Board of Directors, which approved this policy, oversees the company's sustainability efforts, including respecting human rights, and receives updates on a biannual basis.

Sustainability risks, including potential human rights risks, are reported to the Global Risk Office which supports the Risk Management Board to report identified key risks to Executive Management, our Audit Committee and the Board of Directors. Our Board of Directors is ultimately responsible for the implementation of effective risk identification, assessment and mitigation.

Employees are required to observe and act in compliance with this Policy and if in doubt, consult with the relevant manager or the Corporate Sustainability team at sustainability@pandora.net.

4 GENERAL COMMITMENTS

We are committed to respecting all human rights recognised in the following international standards:

- Universal Declaration of Human Rights
- International Covenants on Civil and Political Rights and Economic, Social and Cultural Rights

- International Labour Organization’s (ILO) Declaration on the Fundamental Principles and Rights at Work¹
- Convention on the Elimination of All Forms of Discrimination Against Women
- Convention on the Rights of the Child

We commit to aligning with expectations outlined in the United Nations Guiding Principles on Business and Human Rights (UNGPs). Through proactive due diligence, we seek to avoid causing or contributing to adverse human rights impacts through our own activities and avoid complicity in the adverse impacts caused by our suppliers or other third party business relationships. We integrate human rights due diligence across relevant business functions and prioritise appropriate actions to identify, prevent or mitigate those impacts in our operations and value chain.

We are committed to collaborating with judicial or non-judicial mechanisms to provide access to effective remedy in the event that we cause or contribute to an adverse impact. This commitment extends to working with relevant stakeholders to find solutions and not obstructing access to other remedies that reduce adverse human rights impacts, especially for vulnerable groups, including but not limited to, migrant workers, ethnic minorities and women. We expect all parties in scope of this policy to adopt the same commitment to effective remedy.

We do not tolerate nor contribute to threats, intimidation and attacks against human rights defenders in relation to our operations and value chain.

Pandora will continue to look for ways to promote and advance human rights where it has leverage, especially for vulnerable groups.

Every employee is responsible for assisting Pandora in its efforts to comply with human rights laws and standards. Breaches of this Policy will not be tolerated and may lead to disciplinary action.

5 POLICY STATEMENT

5.1 SALIENT HUMAN RIGHTS ISSUES

As part of our ongoing human rights due diligence, a saliency mapping at the corporate level was conducted to identify significant human rights issues across our business through an independent third party. We will continue to conduct human rights due diligence regularly and as triggered by our salient impacts, which may include human rights impact assessments, risk evaluations, rightsholder engagement, and continuous improvement of our management systems. Based on our latest assessment, the following priority issues were identified (see definitions in section 6):

- Access to grievance mechanisms
- Child labour 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, wages and benefits

¹ Includes freedom of association and the effective recognition of the right to collective bargaining; the elimination of all forms of forced or compulsory labour; the effective abolition of child labour; the elimination of discrimination in respect of employment and occupation; and a safe and healthy working environment.

5.2 KEY STAKEHOLDERS

To identify human rights risks and develop mitigation measures, we proactively and regularly engage with our stakeholders, including affected rightsholders and/or their legitimate representatives.

Our key stakeholder groups include employees, franchisees, consumers, suppliers and their workers and local communities.

The following stakeholder groups have been identified:

Table 1. Pandora's Key Stakeholders

<p>Our Employees</p>	<p>We respect the human rights of our employees and develop practices and policies, including our Code of Conduct, that allow them to thrive in the workplace. All employees are required to complete the Code of Conduct training course to ensure their understanding of our commitments.</p> <p>Pandora is committed to maintaining a safe workplace for our employees, and has dedicated Safety, Health and Environment (SHE) programmes to reduce or eliminate workplace hazards. In addition, we strive to help our employees realise their full potential by providing them with meaningful pay, tools, training and support to build their skills and develop professionally.</p> <p>Inclusion and diversity are essential parts of the Pandora brand and our strategy aims to secure an inclusive workplace for all employees as well as gender parity in leadership.</p> <p>We respect our employees' right to freedom of association and to engage in collective bargaining.</p>
<p>Our Franchisees</p>	<p>As franchisees operate under our brand, our responsibility to respect human rights extends to their store workers and onsite contractors. We commit to working with our franchisees to identify areas for improvement and ensure decent working conditions.</p>
<p>Our Consumers</p>	<p>We have a responsibility to respect the human rights of our consumers while shopping in our stores or online. One of the ways we do this is through ensuring consumer privacy and data protection. Appropriate use of consumers' personal information is outlined in our Privacy Policy, which explains the type of information we collect, the purposes for which we collect and use the information, how it is handled, with whom it may be shared and what choices consumers have regarding our use and erasure of their information.</p> <p>Pandora also commits to responsible marketing practices when advertising jewellery to consumers. Our Responsible Marketing Standard sets out the principles and standards that guide our approach to managing and designing global and local marketing campaigns to ensure responsible and inclusive marketing practices. This includes reflecting societal diversity in our consumer engagement as essential parts of our inclusion and diversity strategy.</p>

Our Suppliers

We have a responsibility to respect the human rights of the people who contribute to making our jewellery, including those associated with the mining of metals and minerals, as well as with the recycled metals and manufacturing supply chains.

Our responsibility also extends to the people that contribute to our business in other ways such as packaging suppliers, distribution and logistics centres, onsite contractors and other indirect suppliers. We outline our human rights commitments and expectations for all suppliers in our [Supplier Code of Conduct](#) and ensure implementation through our [Responsible Sourcing Policy](#) which outlines our approach to assessment, monitoring and remediation at supplier and sub-supplier facilities, including zero tolerance issues. This includes a commitment to follow the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.

Our Communities

We have a responsibility to respect the human rights of the people that live in the communities that we impact. We strive to use our presence to enable the advancement and wellbeing of these communities and conduct additional community outreach through our philanthropic efforts.

5.3 IMPLEMENTATION

We recognise that human rights due diligence is a continuous process, and we have policies, processes, training and monitoring systems in place to embed human rights considerations into relevant business decisions.

We will develop and implement training on human rights for Pandora employees, relevant suppliers and other third parties, and we will report our progress on implementing these commitments in our annual Sustainability Report, the United Nations Global Compact Communication on Progress and our Transparency in Supply Chains Statement.

Pandora employees who perceive that this Policy is being violated are expected to raise their concerns with their direct manager. If a concern is not properly addressed by a direct manager, employees can also approach local HR, local Management, Internal Audit, Global Human Resources, Global Legal and Compliance or Corporate Sustainability.

In addition, Pandora has a [Whistleblower Policy](#) and a Whistleblower Hotline, making it possible for all Pandora employees, suppliers, other third parties and external stakeholders to confidentially report any serious or sensitive concerns, including misconduct, unethical behaviour, violations of the Code of Conduct, any underlying policies, or applicable laws, rules or regulations. All reports are subject to careful, thorough and confidential investigation, and any person raising a serious concern in good faith will be protected from reprisals or retaliation. Appropriate remedy is provided when required. This provision does not prohibit or preclude employees from filing whistleblower reports to the appropriate government authorities.

At the supplier level, we support worker committees and unions where complaints and grievances can be expressed, and we check that they are available to workers through our Responsible Sourcing Programme.

6 DEFINITIONS

KEYWORD	DEFINITION
Access to grievance mechanisms	A complaint process that workers can use to raise concerns about negative impacts they may have suffered as a result of certain business practices. Workers should be made aware of effective and accessible grievance mechanisms at their disposal. These mechanisms may be administered by businesses, trade unions or multiple stakeholders working collectively, through trusted, independent third parties or the state.
Child labour and young labour	<p>Child labour deprives children of their childhood, their potential and their dignity which is harmful to their social, physical and mental development. Child labour may deprive children of the opportunity to attend school, oblige them to leave school prematurely, or require them to combine school attendance with demanding work. The minimum age for full time employment is specified by ILO convention 138 to be no less than the age of completion of compulsory schooling and, in any case, no less than 15 years.</p> <p>Young labour is defined as between 15 to 18 years of age. Parental/guardian consent should always be obtained and additional health and safety risk assessments carried out to ensure the workplace is suitable for a young worker and risks are mitigated. Under no circumstances should young workers be hired for positions that require hazardous work, work at night, overtime or work which could jeopardise their health, safety or morals.</p>
Discrimination and equality	Discrimination is when people are treated differently or given unequal opportunities due to their race, ethnicity, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, marital status, pregnancy status, age, or any other characteristic a person or community may hold and that can be discriminated against. Equality means that all persons, institutions and entities, public and private, including the State itself, are accountable to just, fair and equitable laws and are entitled, without any discrimination, to equal protection of the law without distinction.
Employee	Individuals with an employment contract with Pandora, regardless of their role, title or location and includes part-time employees, student assistants or interns.
Freedom of association and collective bargaining	Freedom of association is the right of all workers and employers to establish and join organisations of their choosing without prior authorisation and without interference e.g. unions or worker committees. Collective bargaining is the negotiation between worker organisations and their employer e.g. on working conditions.
Harassment and gendered impacts	Harassment is threatening or engaging in physical or verbal abuse, sexual or other aggravation or other forms of intimidation. Gendered impacts means those results or outcomes which, though deriving from the same action or set of actions, have consequences, whether negative or positive, which are dissimilar across affected groups of men or women in degree and/or characteristics.
Human Rights Defenders	Human rights defenders are defined by the United Nations Office of the High Commissioner for Human Rights (OHCHR) as, people who, individually or with others, act to promote or protect human rights.
Modern slavery and forced labour	Modern slavery is an umbrella term that includes practices such as forced labour, debt bondage, servitude and human trafficking. Forced labour is when people are coerced to work through the use of violence or intimidation. It is involuntary and a threat of penalty exists.
Online advertising	Online advertising includes techniques, such as promotions, sponsorships, media relations as well as direct marketing and digital marketing communications, and should be interpreted broadly to mean any communications produced directly by or on behalf of marketers intended primarily to promote products or to influence consumer behaviour. All marketing communications should respect human dignity and should not incite or condone any form of discrimination.

Privacy	Freedom from unauthorised intrusion. The right to privacy in the Universal Declaration of Human Rights determines that no one shall be subjected to arbitrary interference with their privacy, family, home or correspondence, nor to attacks upon their honour and reputation, and everyone has the right to the protection of the law against such interference or attacks. An important element of the right to privacy, called out as a separate human right in some national and international standards, is the right to protection of personal data. This is particularly pertinent for digital activities.
Third Party	Any individual or entity whom is i) a reseller of Pandora’s products, such as franchisees, distributors, joint venture partners and any other party, ii) a supplier of any products, materials, services or any other type of vendor, or iii) any other individual or entity who has an existing or intends to enter into a contractual agreement with Pandora.
Working hours, wages and benefits	Working hours is the time during which the person employed is at the disposal of the employer. Wages are money that is paid by an employer to an employee in exchange for work. Benefits are employer contributions, in cash or in kind, intended to ensure access to medical care and health services, as well as income security throughout the life cycle, particularly in the event of illness, unemployment, employment injury, maternity, family responsibilities, invalidity, loss of the family breadwinner, as well as during retirement and old age.

7 DOCUMENT VERSION HISTORY

VERSION	DATE	AUTHOR
1.0	March 2019	Group Sustainability
2.0	December 2021	Corporate Sustainability

