



PANDORA

FIRST QUARTER RESULTS 2022

INVESTOR PRESENTATION 04 May 2022

AGENDA OF TODAY

1. EXECUTIVE SUMMARY

2. PHOENIX UPDATE

3. Q1 2022 FINANCIALS

4. FINANCIAL GUIDANCE

5. APPENDIX

DISCLAIMER

This presentation 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 forecast in this report due to a variety of factors. Please find full disclaimer on slide 42.





RECORD REVENUE IN Q1

EXECUTION OF PHOENIX CONTINUES



Sustainable growth

High quality growth driven by all product Platforms



Execution of Phoenix continues

Organisational strengthening pays off in the numbers



Profitable growth

23.0% EBIT margin in Q1 2022 - absolute EBIT up 45% vs Q1 2021



2022 GUIDANCE UPDATE

SUSTAINABLE AND PROFITABLE GROWTH TO CONTINUE IN 2022

**ORGANIC
GROWTH**

4-6%

Previously (3-6%)

**EBIT
MARGIN**

25.0-25.5%

(Unchanged)

For assumptions behind the guidance, please refer to slide 21

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PHOENIX STRATEGY

EXECUTION CONTINUES AT HIGH SPEED



GROWTH PILLARS

INITIATIVES

| | | |
|------------------------|---|--|
| DESIGN | <p>Drive the core (Moments platform)</p> <p>Fuel the brand with more</p> | <ul style="list-style-type: none"> • Pandora Moments delivers strong growth • Pandora ME with solid growth • Pandora Collabs supported by very strong Marvel launch |
| CORE MARKETS | <p>Increase & optimise the network</p> <p>Grow 2X in US & 3X in China vs 2019</p> | <ul style="list-style-type: none"> • US acquisition of 32 concept stores + partnership with Macy's • China remains weak - repositioning of brand postponed |
| BRAND | <p>Most recognisable jewellery brand in the world</p> <p>Drive higher brand penetration</p> | <ul style="list-style-type: none"> • Brand strength intact • Marvel supports brand engagement • Investments in the brand to continue in 2022 |
| PERSONALISATION | <p>Better omni-channel experience</p> <p>New store concept</p> | <ul style="list-style-type: none"> • Solid online performance • Test launch of new store concept shows promising results • Soft launch of new loyalty programme off to a good start |

FOUNDATION



DRIVING THE CORE MOMENTS CONTINUE TO DELIVER

63%*

*Excl. Collabs

Share of business in Q1
2022

17%

Sell-out growth
vs Q1 2021

FUEL WITH MORE

CONTINUE TO SUPPORT NEW PLATFORMS

Growth pillars
DESIGN

PANDORA ME



132%

Sell-out growth vs 2021

PANDORA Brilliance



Getting ready for sequential global roll-out later in 2022



GROWING CORE MARKETS

SOLID GROWTH IN EUROPE

Growth pillars
CORE MARKETS

| Organic growth | vs | vs | Q1 2021 closed stores due to COVID-19* |
|-----------------|------------|------------|--|
| Q1 2022 | 2021 | 2019 | |
| US | 7% | 62% | 9% |
| China** | -18% | -57% | 1% |
| UK | 32% | 34% | 100% |
| Italy | 33% | 31% | 40% |
| Australia | 0% | 0% | 7% |
| France | 35% | 16% | 43% |
| Germany | 43% | 45% | 83% |
| Rest of Pandora | 35% | 6% | 24% |
| Group | 21% | 18% | Around 30% |

*Average closures throughout the quarter – directional only

**In Q1 2022 most stores are located in cities impacted by the pandemic and China's zero-COVID policy – during March an escalation into hard lockdowns further impacted performance negatively

PANDORA

US UPDATE

Growth pillars
CORE MARKETS

CONTINUED GROWTH IN US IN Q1

Q1 2022 IN LINE WITH EXPECTATIONS LAID OUT IN GUIDANCE

- US organic growth was up 7% vs Q1 2021, which equals to 62% vs Q1 2019 or a 3-year CAGR of 17%
- The growth in Q1 2022 was supported by the Marvel collection, which was launched in February and very well received
- The US performance in Q1 is in line with the expectations laid out in the guidance for 2022 and as previously communicated, a slowdown of the US market is expected in 2022
- Data indicates that the overall US jewellery market has grown 11-18% in Q1 2022 and thereby above Pandora US. However, data also suggest that the affordable jewellery market has been growing much slower than the overall jewellery market
- Pandora successfully acquired 32 concept stores on the West Coast of US from its previous franchise partner Ben Bridge

PHOENIX STRATEGY

2X



vs 2019 – long term opportunity

**PANDORA
REVENUE 2019**
DKK 4.7 billion

**PANDORA
REVENUE 2021**
DKK 7.0 billion

CHINA UPDATE

Growth pillars
CORE MARKETS

NEGATIVELY IMPACTED BY COVID-19

CHINA REMAINS CHALLENGED

- Performance in China continue to be unsatisfactory and negatively impacted by COVID-19 and saw -57% organic growth vs 2019
- Most of the stores were kept formally open, but saw a significant decline in traffic among others due to COVID-19 restrictions, which was further fuelled by hard lockdowns in certain cities in March
- In Q1 2022, Pandora has changed Management in China and a new General Manager is in place, Irving Holmes Wong
- Irving Holmes Wong comes to Pandora from a position as Managing Director, Asia-Pacific & General Manager, China at Avon. He has previously held senior management positions at Bacardi-Martini, Revlon and L'Oreal
- Pandora has decided to postpone investments in the repositioning of the brand until market conditions stabilise
- Pandoras continue to see significant opportunities to grow in the strategically important Chinese market

PHOENIX STRATEGY

3X



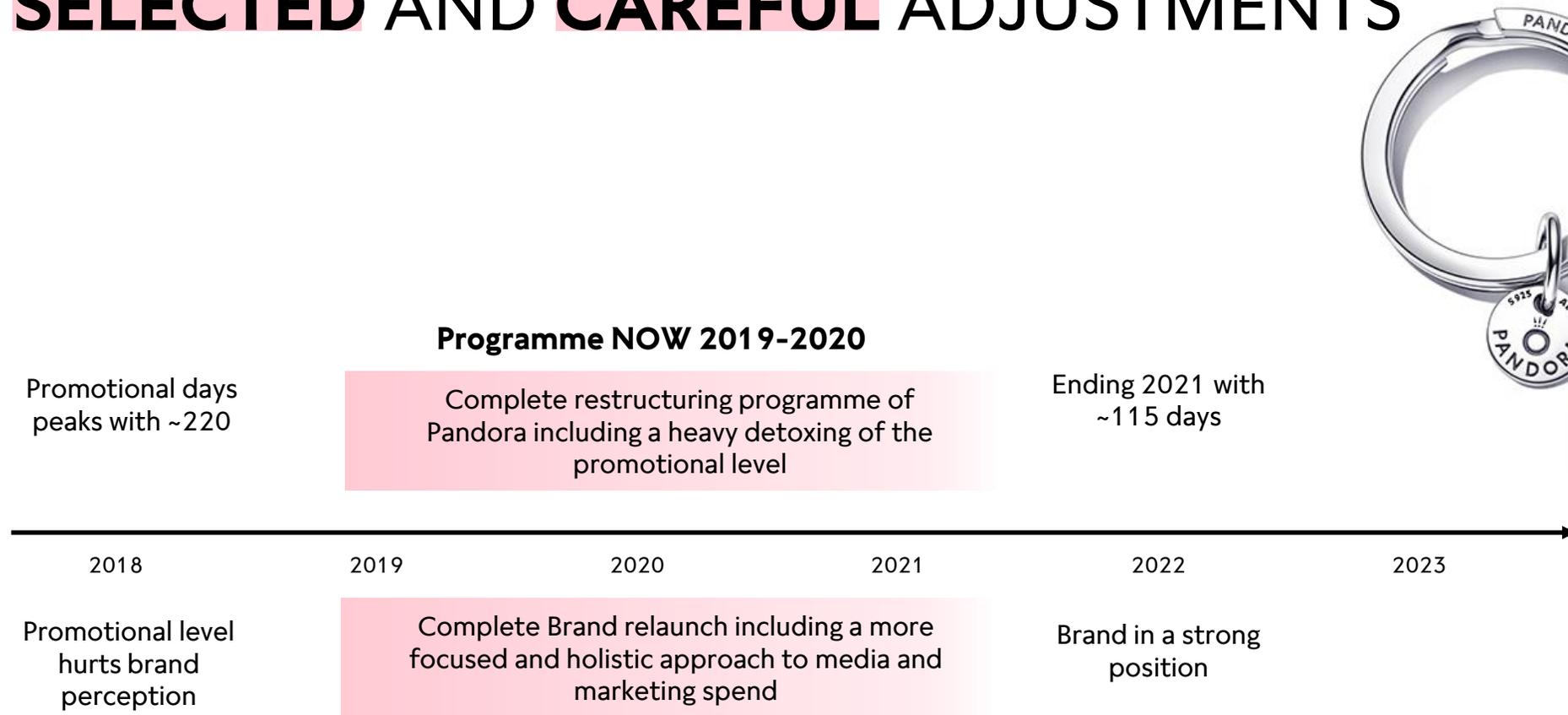
vs 2019 – long term opportunity

**PANDORA
REVENUE 2019**
DKK 2.0 billion

**PANDORA
REVENUE 2021**
DKK 1.1 billion

STRONG BRAND WITH PRICING POWER SELECTED AND CAREFUL ADJUSTMENTS

Growth pillars
CORE MARKETS



STRONG BRAND ENGAGEMENT IN Q1 SUPPORTED THE NEW HEROES

Growth pillars
BRAND

16M 40M

Engagements*

Impressions across
social platforms*

*From 15 February – 21 March



PERSONALISATION IS THE FUTURE

Growth pillars
PERSONALISATION

SOLID ONLINE PERFORMANCE IN Q1 2022

155%

(-17% VS 2021*)

ONLINE REVENUE MORE
THAN DOUBLES VS 2019

*Online performance is down vs Q1 2021 as
30% of stores were temporarily closed last year

50,000

signed up first four weeks**

SOFT LAUNCH OF NEW
LOYALTY PROGRAMME
IN FRANCE

**Pandora France has seen around 50,000
consumers signing up for the loyalty
programme within the first four weeks
(so far only implemented online + in 20 stores)



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KEY FINANCIAL HIGHLIGHTS

RECORD-BREAKING REVENUE AND STRONG EBIT MARGIN

| TOPLINE | Q1 2022 | Q1 2021 |
|-----------------------|------------|------------|
| Revenue, DKK million | 5,689 | 4,500 |
| Organic growth | 21% | 13% |
| Sell-out growth | 17% | 21% |

| FINANCIAL RATIOS | Q1 2022 | Q1 2021 |
|--|--------------|--------------|
| Gross margin | 76.0% | 76.3% |
| EBIT margin | 23.0% | 20.1% |
| Cash conversion incl. lease payments, % | -110% | -65% |
| Net working capital, % of last 12 months revenue | 3.5% | -0.4% |
| CAPEX (% of revenue) | 2.8% | 1.9% |
| NIBD to EBITDA excl. restructuring costs | 0.9 | 0.6 |
| Return on invested capital (ROIC), % | 49% | 29% |
| Earnings per share, basic, DKK | 10.5 | 6.3 |

COMMENTARY

- Performance in Q1 was strong, delivering record high revenue for a first quarter
- Strong EBIT margin ending well above Q1 2021 driven by operating leverage
- The gross margin remains strong despite a net 90bp drag from commodity prices and FX and a temporary drag of 80p from forward integration. Lower discounts, channel mix and leverage offsets this drag
- Net working capital and cash conversion are both impacted by a deliberate increase in inventories in order to mitigate the risk of disruptions in the supply chain. Cash conversion in Q1 is also impacted by higher tax payments following the strong 2021 results
- Significant increase in ROIC and EPS driven by the combination of revenue growth and EBIT margin expansion

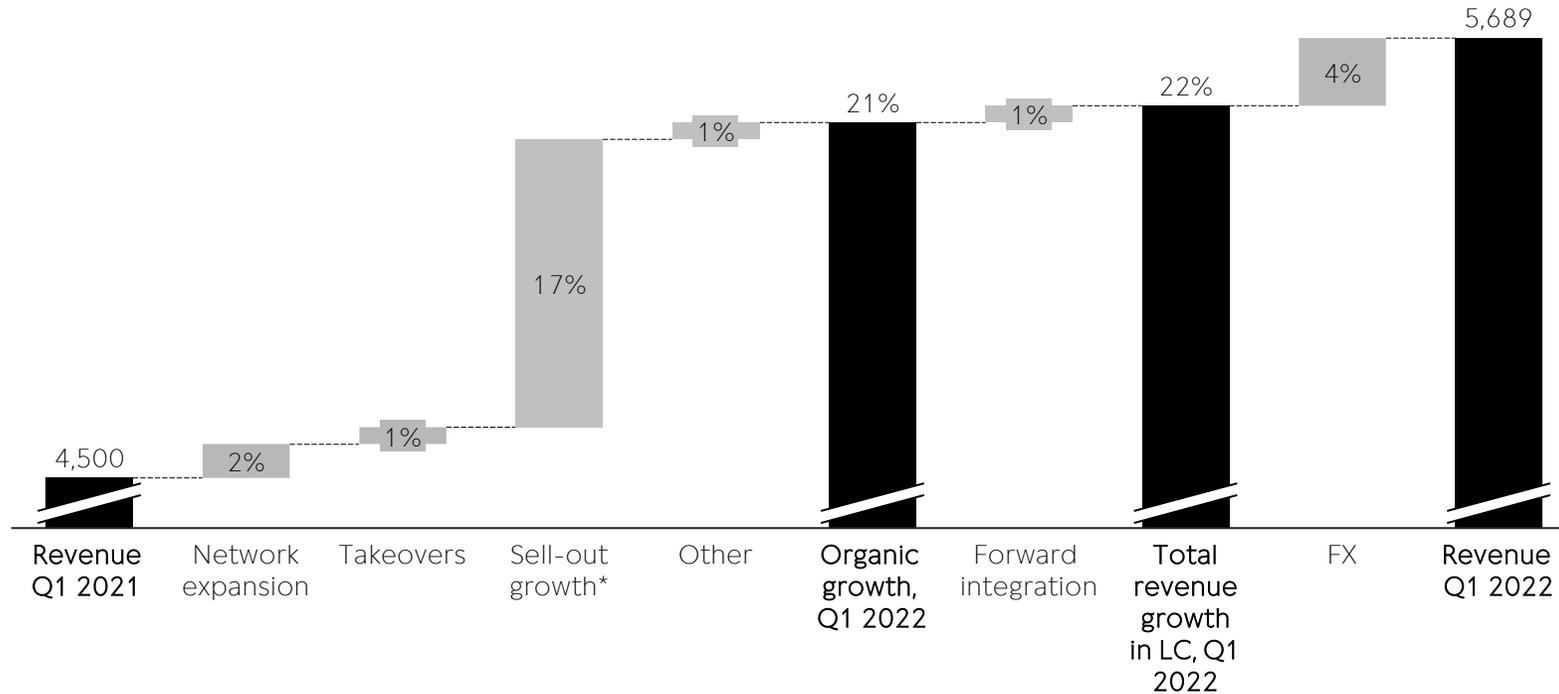
REVENUE PERFORMANCE

GROWTH DRIVEN BY SELL-OUT – NETWORK EXPANSION STARTS CONTRIBUTING

Q1 2022 GROWTH COMPOSITION VS Q1 2021

%-p growth (approximately)

DKK million



*Sell-out growth incl. temporarily closed stores

COMMENTARY

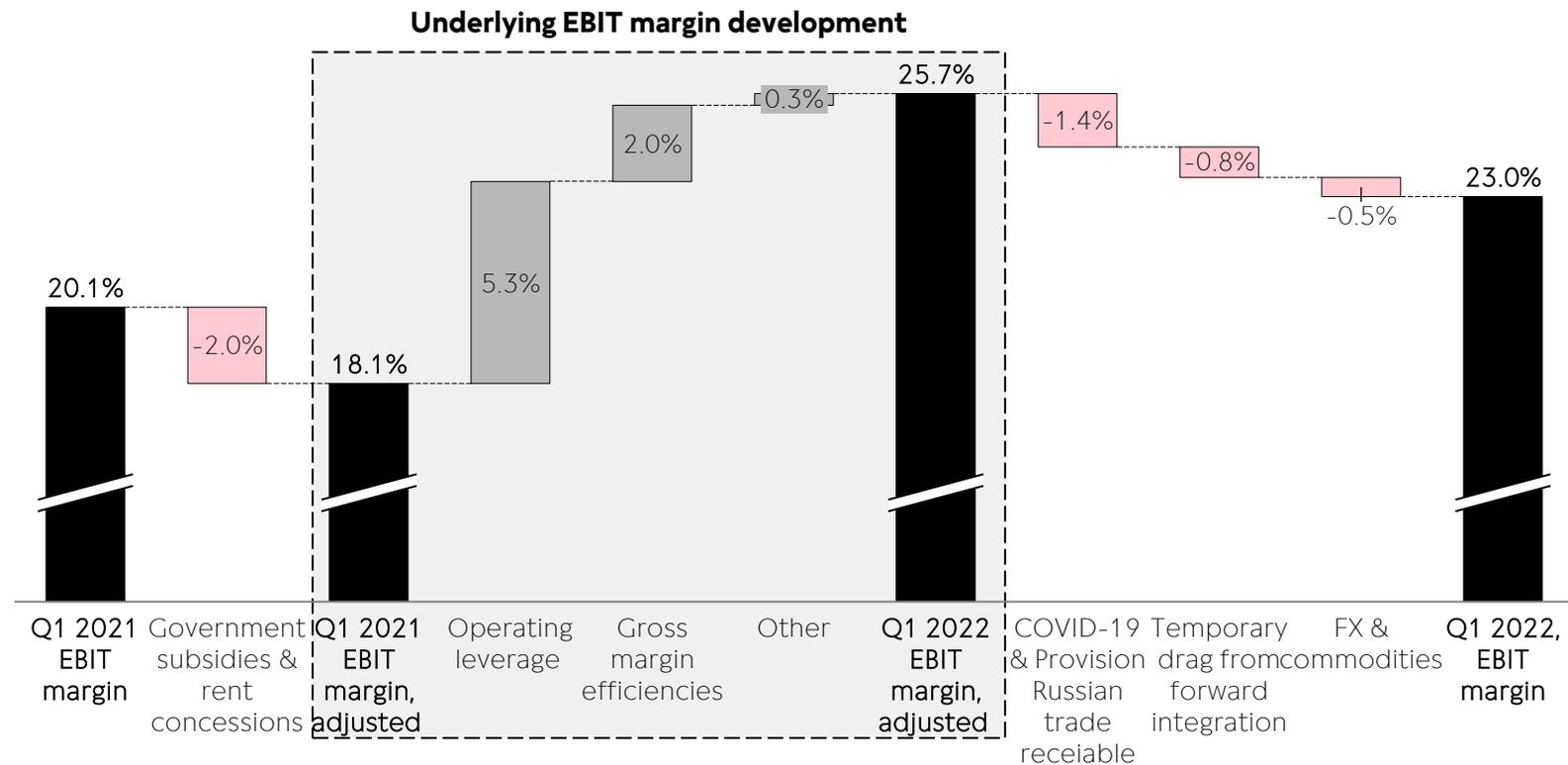
The revenue performance continue to be impacted by COVID-19 and should be interpreted with care

- Organic growth was up 21% in Q1 2022, (18% vs Q1 2019), mainly driven by sell-out growth of 17% vs Q1 2021
- Organic growth was further fuelled by network expansion of 2pp, as new stores are more productive than closed stores
- Furthermore, organic growth saw tailwind from Takeovers of franchise stores where no goodwill was paid, contributing with +1 pp of organic growth
- Forward integration adds 1% of revenue growth in Q1 2022 – in line with the guidance
- Pandora finally saw an FX tailwind of 4%, mainly from a favourable USD development leading to a total revenue growth of 26% in the quarter

SOLID EBIT MARGIN

UNDERLYING EBIT MARGIN DRIVEN BY OPERATING LEVERAGE

%-p development (approximately)



COMMENTARY

- Strong underlying EBIT margin driven by operating leverage, and further supported by tailwinds from gross margin efficiencies
- Government subsidies and rent concessions in relation to COVID-19, elevated the EBIT margin last year by 2.0pp
- Precautionary measures in Thailand due to COVID-19 amounting to approximately DKK 30 million and a DKK 55 million provision for a trade receivable towards the Russian distributor had a negative impact on EBIT margin of 1.4pp
- A temporary drag on gross margin from forward integration flowing through to EBIT, as inventory is bought back at wholesale value
- The EBIT margin was impacted by headwinds from higher silver prices, partially offset by foreign exchange rate movements

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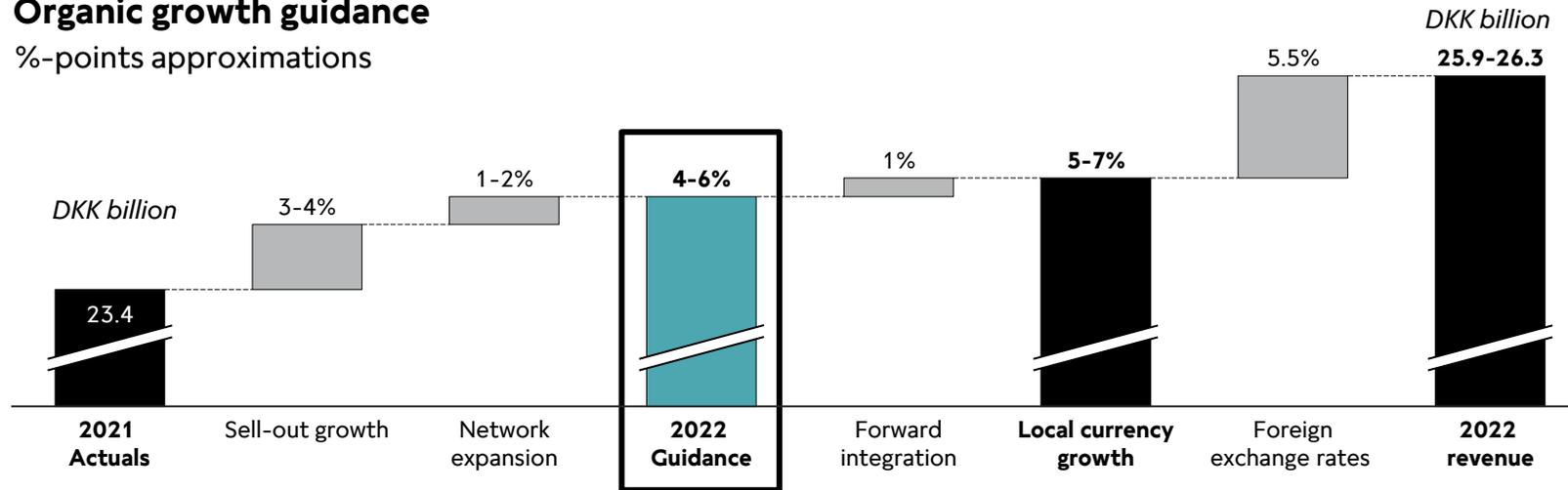


2022 ORGANIC GROWTH GUIDANCE

TARGET UPDATED FROM “3-6%” TO “4-6%” ORGANIC GROWTH IN 2022

Organic growth guidance

%-points approximations



PREVIOUS GUIDANCE

2022 ORGANIC GROWTH ASSUMPTIONS
Directional and Indicative

| | 3% | 6% |
|-----------------------|------------------------------------|------------------------------------|
| COVID-19 | Low single-digit negative impact | No to very limited negative impact |
| Pandora US | Negative mid- to high single-digit | Flat to slightly positive |
| Pandora Rest of world | Positive high single-digit | Positive high single-digit |

NEW GUIDANCE

2022 ORGANIC GROWTH ASSUMPTIONS
Directional and Indicative

| | 4% | 6% |
|-----------------------|------------------------------------|----------------------------------|
| COVID-19 & Inflation | Low single-digit negative impact | Low single-digit negative impact |
| War direct impact | -1% impact | -1% impact |
| Pandora US | Negative mid- to high single-digit | Flat to slightly positive |
| Pandora Rest of world | Low teens | Low teens |

NEW GUIDANCE ASSUMPTIONS

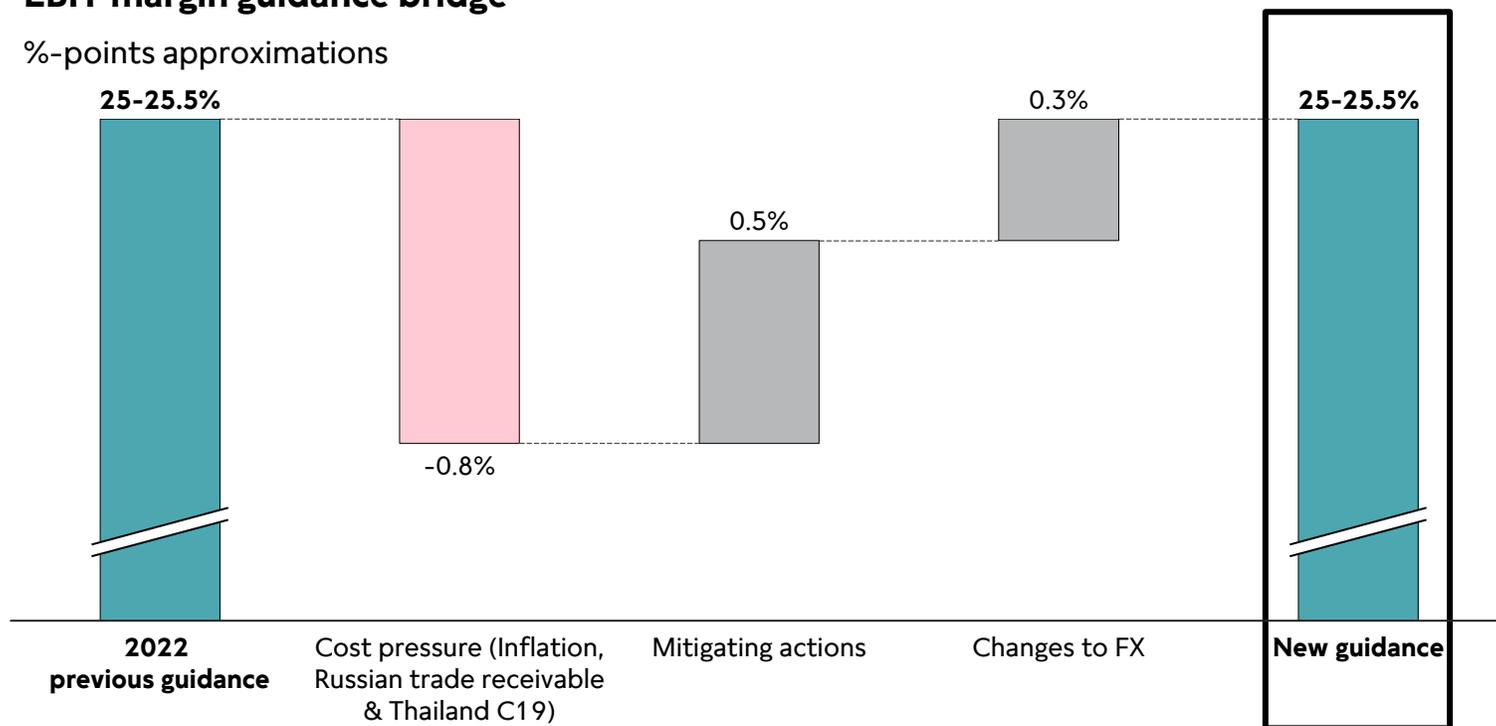
- Based on the strong performance in Q1 and an updated outlook for 2022, Pandora updates the organic growth guidance from 3-6% to 4-6%
- The original guidance, included a negative high single-digit impact in Q1 from COVID-19. This did not materialize, however, new risks have emerged, with inflationary pressures on demand and COVID-19 outbreaks in China
- These new risks are assumed to have a net low single-digit negative impact on 2022
- The guidance assumes 1% lost revenue from Russia, Ukraine and Belarus as a direct consequence of the war
- Pandora Rest of world delivered 27% organic growth in Q1, and the full year guidance has been raised from “positive high single-digit” to “Low teens” growth – corresponding to high single digit growth rest of year

2022 EBIT MARGIN GUIDANCE

PANDORA TARGET AN EBIT MARGIN RANGE OF "25-25.5%"

EBIT margin guidance bridge

%-points approximations



EBIT MARGIN GUIDANCE 2022

- Pandora maintains the EBIT margin guidance, despite inflationary cost pressures across the value chain and one-offs amounting to approximately DKK 200m incremental cost vs the original guidance
- At current levels, Pandora expects to mitigate these additional cost
- At current foreign exchange rates Pandora expects to see a tailwind of around 0.8% (previously "around 0.5%")

Other guidance parameters

- CAPEX for the year is unchanged and expected at around 6% share of revenue
- Concept store network expected to increase by 50 -100 net openings, excluding Russia and Belarus. Other points of sales expected to increase by net 25-50 openings (previously "50-75")
- The effective tax rate is still expected to be 23-24%

INFLATION & COST INCREASE

INFLATIONARY PRESSURE AND OTHER COSTS DRIVE AROUND DKK 200 MILLION COST INCREASE VS ORIGINAL GUIDANCE

| COST INCREASE FULL YEAR (DIRECTIONAL) | Actuals 2021 | Estimated negative impact vs original guidance* |
|---|-------------------------|--|
| DKK million | | |
| Inflationary cost impact | | |
| Energy (gas, oil & electricity) | 95 | 25 |
| Silver & gold | 1,825 | 15 |
| Other raw materials (Iridium, Copper & Palladium) | 120 | 35 |
| Transport cost | 700 | 25 |
| Total inflationary impact | 2,740 | 100 |
| Other cost impacts | | |
| Provision, Russian trade receivable | | 55 |
| Thailand, COVID-19 precautionary measures | | 45 |
| Total other impacts | | 100 |
| Total cost increase | | 200 |

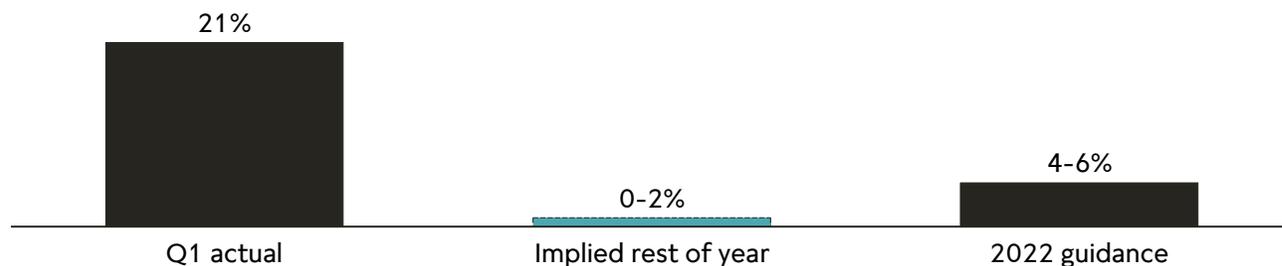
*The estimated impact is directional and Pandoras best assumption

COMMENTARY

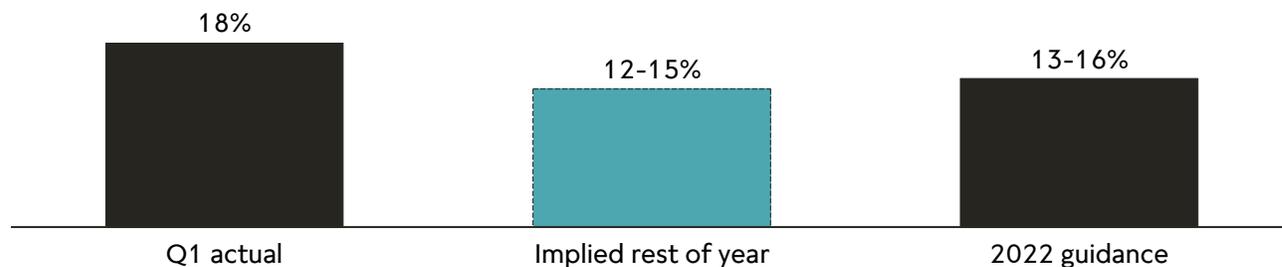
- The combination of escalating inflation, the war and continued COVID-19 impact in Thailand drives additional cost compared to the original guidance
- In total, around DKK 100 million cost increase is estimated and assumed in the updated guidance coming from inflationary pressure across the value chain
- This estimate is subject to uncertainty and change. The estimate do not, for example, include possible extraordinary salary increases to certain groups of employees in certain countries
- Additionally a provision for a trade receivable towards the Russian distributor in Q1 and additional COVID-19 measures in Thailand combined adds around another DKK 100 million headwind
- As stated on the previous slide, Pandora expects to mitigate these additional cost and maintains the EBIT margin guidance

REST OF YEAR – IMPLIED GUIDANCE

Implied organic growth vs 2021



Implied organic growth vs 2019



ORGANIC GROWTH

- The implied rest of year organic growth of 0-2% corresponds to 12-15% vs 2019 compared to 18% in Q1
- The implied deceleration vs 2019 is caused by the increased uncertainty for the rest of year, primarily from inflation and consumer demand, which did not have a material impact on Q1

EBIT MARGIN

- The implied EBIT margin guidance for rest of year is 25.6-26.2% compared to 26.1% in Q2-Q4 2021

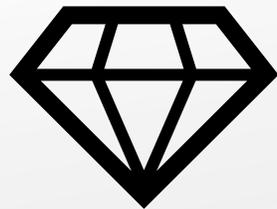


CLOSING REMARKS

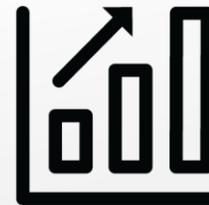
CLOSING REMARKS



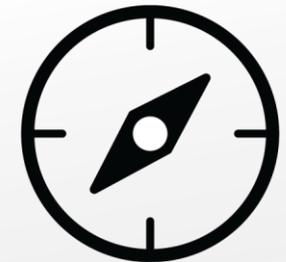
**Execution of Phoenix
continues at high speed**



**Encouraging growth across
all product platforms**



**Organic growth guidance
updated to 4-6%
(previously 3-6%)**



Strong profitable growth

Q&A



APPENDIX

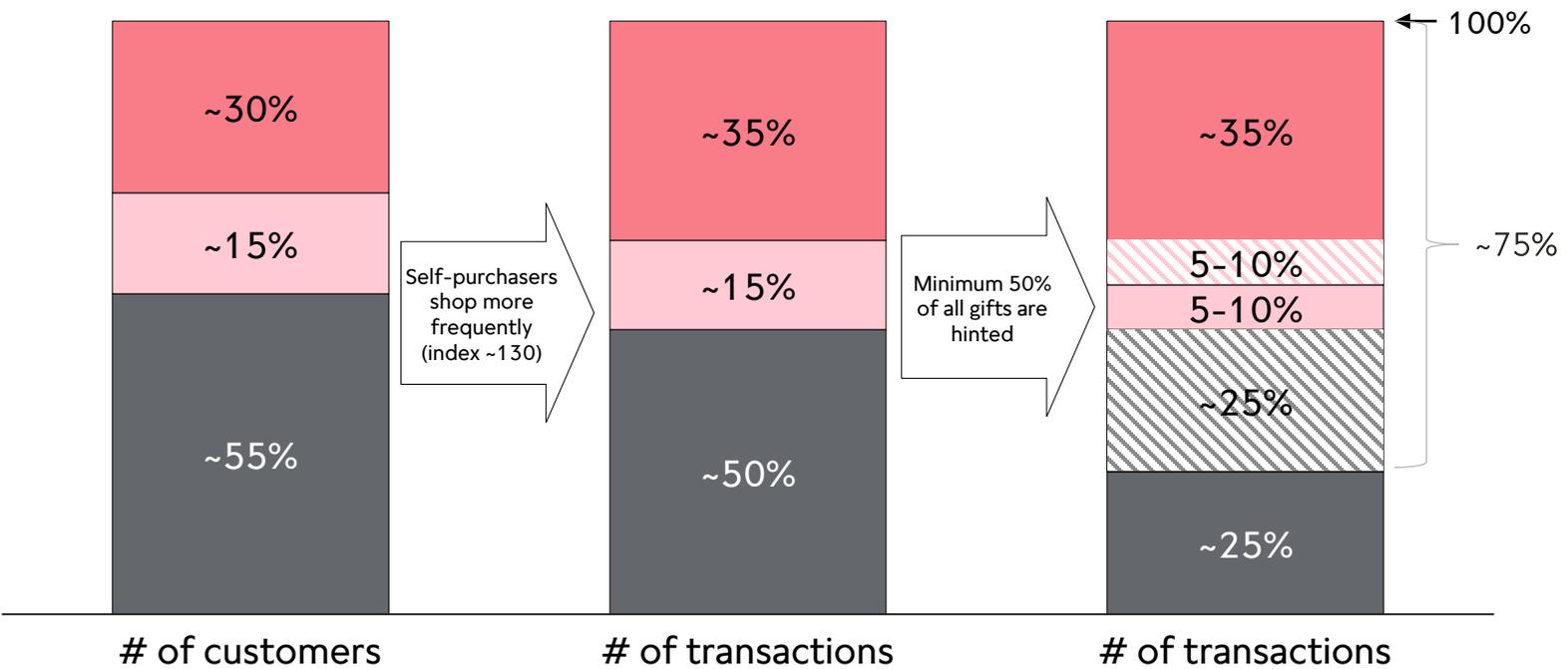


PANDORA CONSUMER

CUSTOMER GROUPS

In %

Self-purchasers Female gifters Male gifters Hinted by end-user



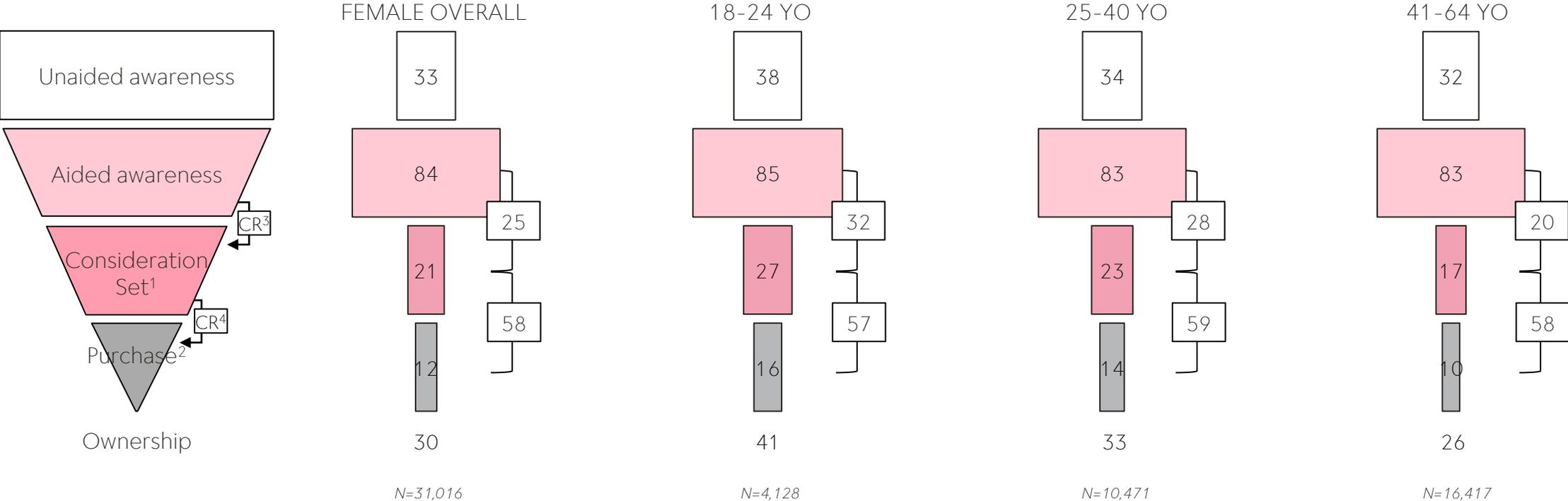
Minimum 75% of all purchases are 'decided' by women

Source: Pandora Brand Tracker 2020; ECP study 2018; Transactional data

PANDORA CONSUMER

PANDORA FEMALE FUNNEL SPLIT BY AGE GROUPS

Base: All women



Source: Brand tracker 2021 (January 2021 to December 2021); IT, AU, ES, UK, CA, US, FR and DE
 (1) Considered: Female self-purchaser or gifter who either considered or purchased the brand in the P12M
 (2) P12M: Female self-purchasers or gifter who purchased the brand in the P12M
 (3) %conversion rate: Considered divided by Aided awareness
 (4) %conversion rate: Purchased P12M divided by Considered

REVENUE DEVELOPMENT BY CHANNEL

QUARTERLY DEVELOPMENT

| DKK million | Q1 2022 | Q1 2021 | Organic growth vs 2021 | Sell-out growth vs 2021 | Share of Revenue |
|---|--------------|--------------|---------------------------|----------------------------|---------------------|
| Pandora owned¹ retail | 3,925 | 2,956 | 25% | 20% | 69% |
| - of which concept stores | 2,445 | 1,381 | 65% | | 43% |
| - of which online stores | 1,219 | 1,417 | -17% | | 21% |
| - of which other points of sale | 261 | 158 | 61% | | 5% |
| Wholesale | 1,567 | 1,365 | 14% | 12% | 28% |
| - of which concept stores | 833 | 689 | 23% | | 15% |
| - of which other points of sale | 734 | 676 | 5% | | 13% |
| Third-party distribution | 198 | 179 | 9% | 12% | 3% |
| Total revenue | 5,689 | 4,500 | 21% | 17% | 100% |

REVENUE DEVELOPMENT BY GLOBAL BUSINESS UNIT

QUARTERLY DEVELOPMENT

| DKK million | Q1 2022 | Q1 2021 | <i>Sell-out growth vs 2021</i> | <i>Share of Revenue</i> |
|--------------------------------------|--------------|--------------|------------------------------------|-----------------------------|
| Moments & Collabs | 4,197 | 3,252 | 20% | 74% |
| - Moments | 3,602 | 2,866 | 17% | 63% |
| - Collabs | 595 | 386 | 41% | 10% |
| Style and Upstream Innovation | 1,492 | 1,249 | 11% | 26% |
| - Timeless | 945 | 826 | 5% | 17% |
| - Signature | 396 | 364 | 5% | 7% |
| - ME | 142 | 58 | 132% | 3% |
| - Brilliance | 9 | - | - | 0% |
| Total revenue | 5,689 | 4,500 | 17% | 100% |

KEY MARKETS REVENUE AND SELL-OUT GROWTH OVERVIEW

QUARTERLY DEVELOPMENT

| DKK million | Q1 2022 | Q1 2021 | Organic growth vs 2021 | Sell-out growth vs 2021 | Share of revenue |
|----------------------------|--------------|--------------|---------------------------|----------------------------|---------------------|
| US | 1,650 | 1,391 | 7% | 0% | 29% |
| China | 254 | 281 | -18% | -31% | 4% |
| UK | 808 | 587 | 32% | 45% | 14% |
| Italy | 586 | 440 | 33% | 35% | 10% |
| Australia | 245 | 243 | 0% | -2% | 4% |
| France | 262 | 194 | 35% | 33% | 5% |
| Germany | 273 | 191 | 43% | 88% | 5% |
| Total top-7 markets | 4,077 | 3,326 | 16% | 13% | 72% |
| Rest of Pandora | 1,612 | 1,174 | 35% | 32% | 28% |
| Total revenue | 5,689 | 4,500 | 21% | 17% | 100% |

STORE NETWORK DEVELOPMENT

STORE NETWORK, OTHER POINTS OF SALE DEVELOPMENT

| | Q1 2022 | Q4 2021 | Q1 2021 | Growth Q1 2022 / Q4 2021 | Growth Q1 2022 / Q1 2021 |
|------------------------------------|--------------|--------------|--------------|--------------------------------|--------------------------------|
| Other points of sale (retail) | 357 | 334 | 253 | 23 | 104 |
| Other points of sale (wholesale) | 3,168 | 3,255 | 3,243 | -87 | -75 |
| Other points of sale (third-party) | 481 | 565 | 554 | -84 | -73 |
| Other points of sale, total | 4,006 | 4,154 | 4,050 | -148 | -44 |

STORE NETWORK, CONCEPT STORE DEVELOPMENT

| | Total concept stores | | | | | O&O concept stores | | |
|----------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|---------------------------------------|---|---|
| | Number of concept stores | Number of concept stores | Number of concept stores | Growth Q1 2022 / Q4 2021 | Growth Q1 2022 / Q1 2021 | Number of concept stores O&O | Growth O&O stores Q1 2021 / Q4 2021 | Growth O&O stores Q1 2022 / Q1 2021 |
| | Q1 2022 | Q4 2021 | Q1 2021 | | | Q1 2022 | / Q4 2021 | / Q1 2021 |
| US | 391 | 388 | 391 | 3 | 0 | 224 | 37 | 45 |
| China | 209 | 214 | 228 | -5 | -19 | 191 | -5 | -25 |
| UK | 208 | 211 | 216 | -3 | -8 | 176 | 6 | 38 |
| Italy | 146 | 146 | 146 | 0 | 0 | 107 | 0 | 0 |
| Australia | 124 | 125 | 123 | -1 | 1 | 43 | 0 | 4 |
| France | 120 | 122 | 120 | -2 | 0 | 78 | 0 | 2 |
| Germany | 133 | 135 | 137 | -2 | -4 | 130 | -2 | -4 |
| Total top 7 markets | 1,331 | 1,341 | 1,361 | -10 | -30 | 949 | 36 | 60 |
| Rest of Pandora | 948 | 1,278 | 1,298 | -177 | -197 | 515 | 5 | 10 |
| All markets | 2,432 | 2,619 | 2,659 | -187 | -227 | 1,464 | 41 | 70 |

CONSOLIDATED INCOME STATEMENT

| DKK million | Q1 2022 | Q1 2021 | FY 2021 |
|--|--------------|--------------|---------------|
| Revenue | 5,689 | 4,500 | 23,394 |
| Cost of sales | -1,365 | -1,065 | -5,590 |
| Gross profit | 4,324 | 3,436 | 17,803 |
| Sales, distribution and marketing expenses | -2,505 | -2,049 | -9,939 |
| Administrative expenses | -509 | -484 | -2,026 |
| Operating profit | 1,310 | 903 | 5,839 |
| Finance income | 88 | 17 | 152 |
| Finance costs | -98 | -109 | -613 |
| Profit before tax | 1,300 | 811 | 5,378 |
| Income tax expense | -306 | -182 | -1,218 |
| Net profit for the period | 995 | 628 | 4,160 |
| Earnings per share, basic, DKK | 10.5 | 6.3 | 42.1 |
| Earnings per share, diluted, DKK | 10.4 | 6.3 | 41.7 |

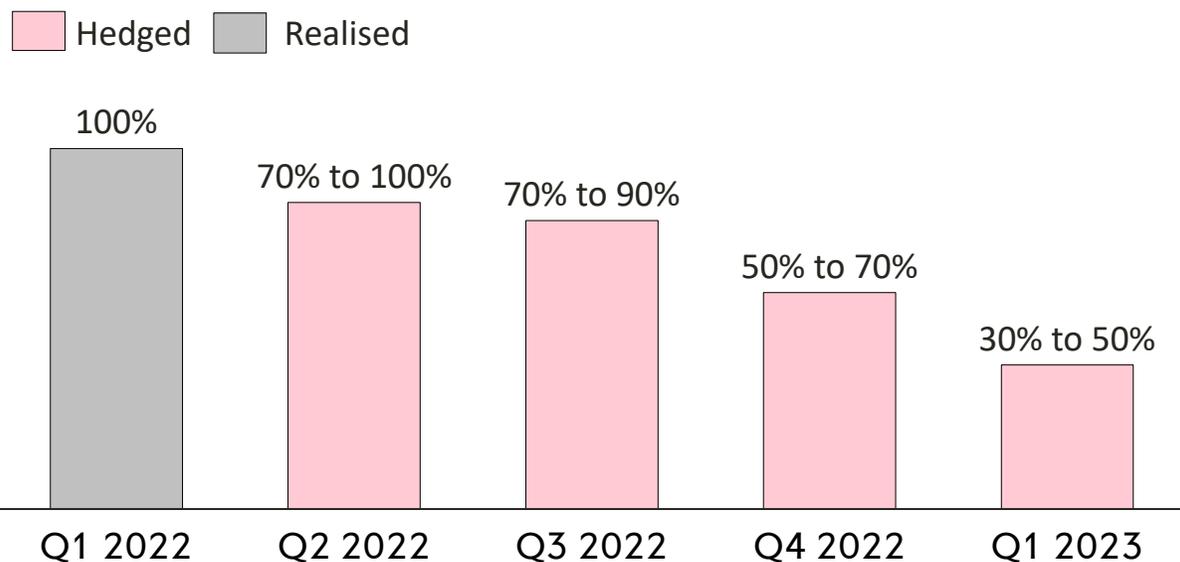
WORKING CAPITAL AND CASH MANAGEMENT

| DKK million | Q1 2022 | Q4 2021 | Q3 2021 | Q2 2021 | Q1 2021 |
|---|------------|---------------|-----------|------------|------------|
| Inventory | 3,534 | 2,991 | 3,197 | 2,557 | 2,373 |
| - Share of revenue (last 12 months) | 14.4% | 12.8% | 14.4% | 11.8% | 12.3% |
| Trade receivables | 790 | 1,009 | 801 | 691 | 602 |
| - Share of revenue (last 12 months) | 3.2% | 4.3% | 3.6% | 3.2% | 3.1% |
| Trade payables | -2,504 | -3,267 | -2,445 | -2,236 | -2,285 |
| - Share of revenue (last 12 months) | -10.2% | -14.0% | -11.0% | -10.3% | -11.8% |
| Other net working capital elements | -950 | -1,913 | -1,503 | -1,069 | -765 |
| - Share of revenue (last 12 months) | -3.9% | -8.2% | -6.7% | -4.9% | -4.0% |
| Net working capital | 871 | -1,181 | 50 | -57 | -76 |
| - Share of revenue (last 12 months) | 3.5% | -5.0% | 0.2% | -0.3% | -0.4% |
| Free cash flow incl. lease payments | -1,442 | 3,941 | 502 | 1,278 | -586 |
| CAPEX | 158 | 215 | 201 | 138 | 88 |
| % of revenue | 2.8% | 2.4% | 4.3% | 2.7% | 1.9% |
| NIBD to EBITDA excl. restructuring costs (last 12 months) | 0.9x | 0.4x | 0.5x | 0.4x | 0.6x |
| Selected KPIs | | | | | |
| Days Sales of Inventory | | | | | |
| - last 6 months of COGS (183 days) | 182 | 164 | 250 | 208 | 144 |
| Days Sales of Outstanding | | | | | |
| - last 3 months of wholesale and third-party distribution revenue (90 days) | 28 | 24 | 33 | 24 | 25 |

HEDGING POLICY AND RAW MATERIALS SHARE OF PRODUCTION COSTS

Commodity hedging policy is to hedge at least an average of 70% of future 12 months use in production

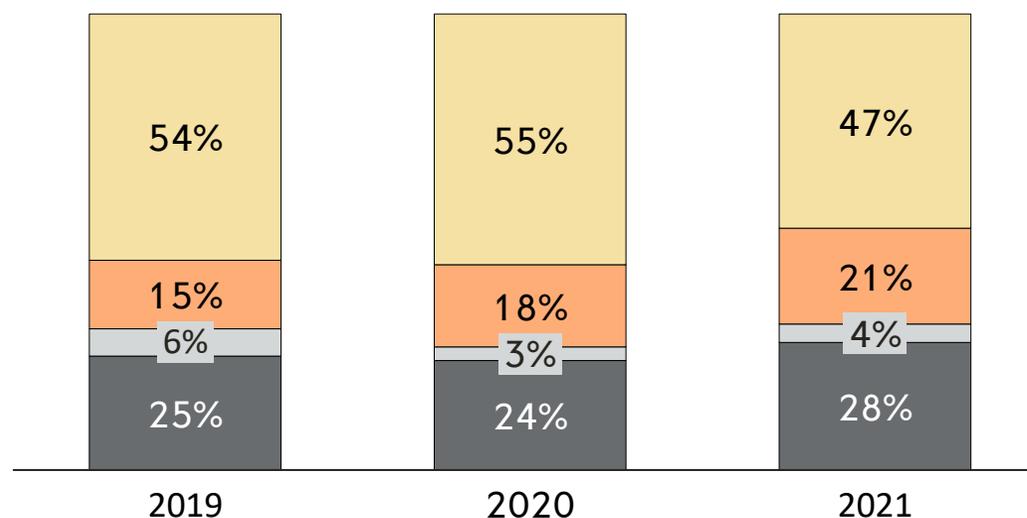
For illustrative purposes



- The impact from commodity price changes is gradual as there exists a 2-7 months time lag from production to sale of the product and effect on the income statement.

Raw material share of cost of goods sold

Other Other raw materials Gold Silver



- Other cost of goods sold consist of labour, cost to third-party set-ups (i.e. plating) and licence, customs, freight cost, remelt and minor provisions
- Plating is mainly done in-house and allocated to 'Other raw materials' in above

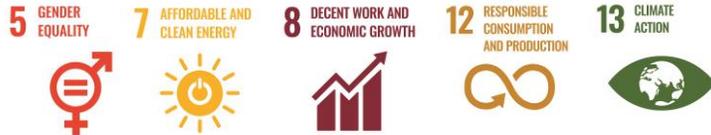
SUSTAINABILITY AT PANDORA

We believe high-quality jewellery, superior business performance and high ethical standards go hand in hand, and we craft our jewellery with respect for resources, environment and people.

Our sustainability strategy is comprised of three priorities, which are simultaneously highly material and potential drivers of future growth for our business, namely: low-carbon business, circular innovation, and an inclusive, diverse and fair culture. We have announced long-term targets for each of these priorities.

We are committed signatories of the United Nations Global Compact since 2011.

Pandora supports the UN Sustainable Development Goals and have concluded that our business aligns most closely with five of the goals.



Frontrunner in ESG Investment Performance

For the sixth consecutive year, we received the top rating of AAA in the MSCI ESG Ratings assessment.



LOW-CARBON BUSINESS

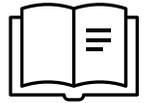
As the world's largest jewellery maker, we are determined to reduce our climate footprint and help set an example for the wider industry.



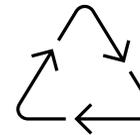
Carbon neutral
in own operations
by 2025 and
net zero across
value chain by 2040



**100% renewable
energy**
at our crafting facilities
achieved annually since
2021



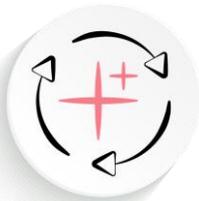
**Science based target
to reduce emissions
50% by 2030**
across own operations
and full value chain



97%
of waste
was recycled at our
crafting facilities in
2021



Our two largest crafting facilities and global office are **Leadership in Energy and Environmental Design (LEED) Certified**.



CIRCULAR INNOVATION

we strive to ensure that our use of raw materials in both the crafting and sales of our jewellery has the lowest impact possible on the environment, people and communities.

100%
man-made stones
used in Pandora
products



54%
recycled gold and silver in 2021.
By 2025, 100% of products will be
made from recycled silver and
gold



100% certified
silver and gold grain suppliers.



Responsible Sourcing Programme

Pandora is committed to ensuring that suppliers comply with high social and environmental standards. We pursue this commitment through our RSP, which we base on three core objectives for our supply chain, namely: Responsible, Transparent and Traceable.



INCLUSIVE, DIVERSE & FAIR CULTURE

We want everyone – from our customers, employees and suppliers to our business partners and franchisees – to find themselves reflected in and respected by the Pandora brand.

43%
of the members of our Board of Directors and **23%** of senior leadership were women at the end of 2021. This was on above and on par with the average for companies in Denmark.

Inclusivity and diversity are essential parts of the Pandora brand and in 2021 we announced new inclusion and diversity strategy and targets. Our strategy aims to secure an inclusive workplace for all employees, gender parity in leadership and reflect societal diversity in our customer engagement.

Partnering with UNICEF to empower young people

Pandora and UNICEF have partnered to support the most vulnerable children, especially girls, around the world to lead healthier and safer lives and fulfil their potential. Through sale of Jewellery and other initiatives, Pandora will raise funds for UNICEF's important work.

PANDORA for 

6.2MUSD
donated to UNICEF since 2019

KEY ESG RATINGS | PANDORA PERFORMANCE

RATING

PERFORMANCE



Methodology note, low score = good

12/100 – Pandora ranked 10th (out of 177 companies) in Textiles & Apparel sector



Methodology note, AAA = top score

Top “AAA” rating – 6th straight year



Methodology note, A = top score

C rating – Top 20% of Industry, B rating is highest industry score



Methodology note, 100 = top score

43/100



Methodology note, 100 = top score

71/100 – Pandora ranked 17th (out of 118 companies) in Textiles & Apparel sector



Methodology note, A = top score

C rating – European average

INVESTOR RELATIONS CONTACT DETAILS

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Share information

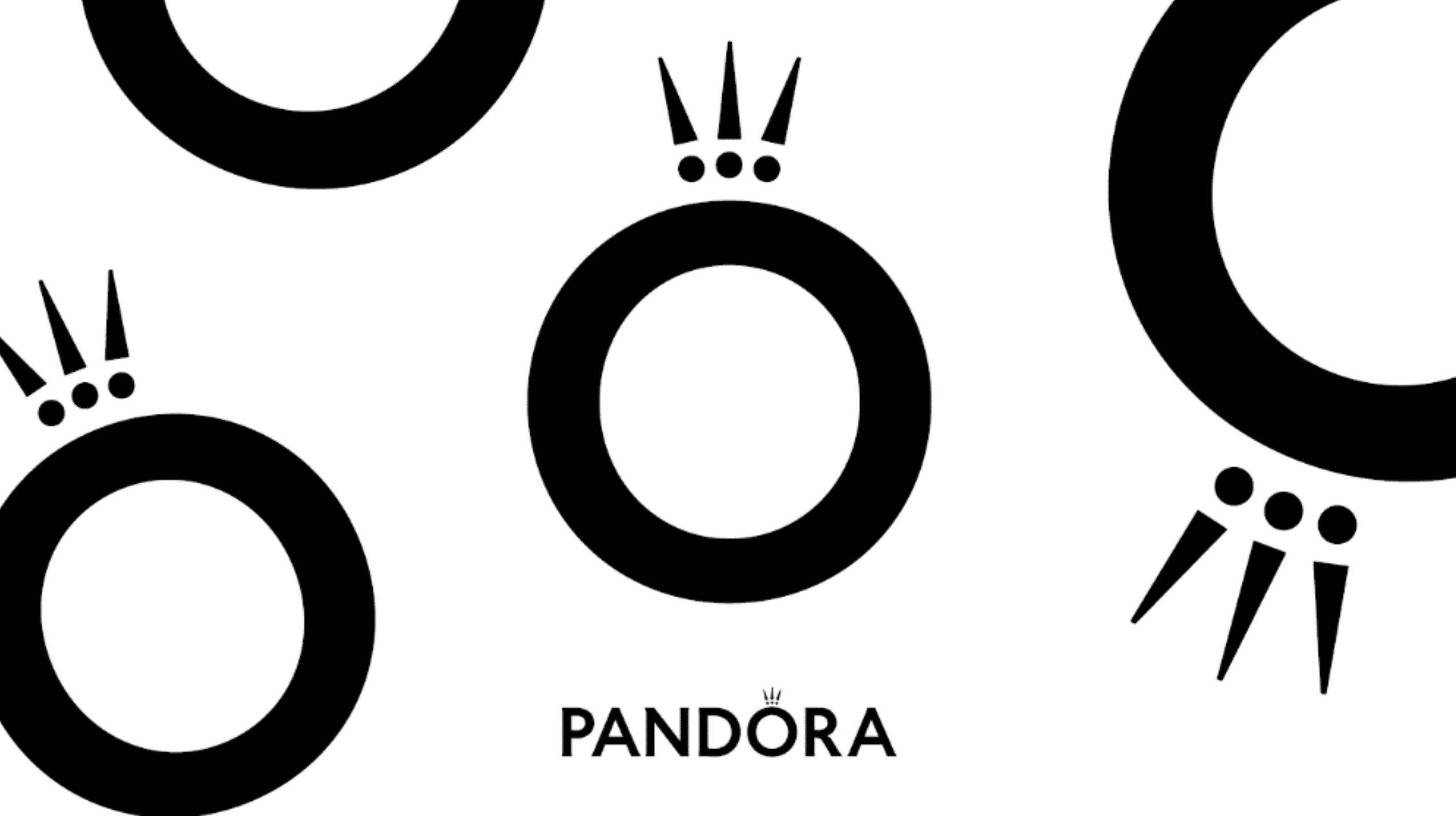
| | |
|------------------------------------|-------------------------------------|
| Trading symbol | PNDORA |
| Identification number/ISIN | DK0060252690 |
| GICS | 25203010 |
| Number of shares | 95,500,000 |
| Sector | Apparel, Accessories & Luxury Goods |
| Share capital | 95,500,000 |
| Nominal value, DKK | 1 |
| Free float (incl. treasury shares) | 100% |

ADR information

| | |
|--------------------|---|
| ADR trading symbol | PANDY |
| Programme type | Sponsored level 1 programme (J.P. Morgan) |
| Ratio (ADR:ORD) | 4 ADRs : 1 ordinary share (4:1) |
| ADR ISIN | US 698 341 2031 |

DISCLAIMER

This Company announcement 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