ANNUAL REPORT 2025

PANDORA

PANDORA A/S · HAVNEHOLMEN 17-19 · 1561 COPENHAGEN V · DENMARK · CVR NO. 28505116

WE CRAFT OUR JEWELLERY
WITH 100% RECYCLED
SILVER AND GOLD

INTRO

ABOUT THIS REPORT

Pandora's Annual Report 2025 provides an overview of our company performance, including financial results, strategy, corporate governance and sustainability performance.

This report constitutes Pandora A/S' statutory annual disclosure and includes the Financial Statements for the Group and the Parent Company prepared in accordance with IFRS Accounting Standards and additional requirements from the Danish Financial Statements Act.

The Sustainability Statements are prepared in accordance with section 99a of the Danish Financial Statements Act, compliant with the European Sustainability Reporting Standards (ESRS), informed by our Double Materiality Assessment (DMA) and compliant with Article 8 of the European Taxonomy Regulation.

Access the full report at
pandoragroup.com/investor/news-and-reports/annual-reports
and at the company register cvr.dk
following approval at the Annual General Meeting.

OUR PURPOSE

WE GIVE A VOICE TO PEOPLE'S LOVES

As the world's largest jewellery brand, we empower people to express their stories and passions through jewellery with a meaning. We offer accessible luxury, crafted from high-quality materials by our skilled people, available in more than 100 countries.

Our range of styles provides endless opportunities for personalisation, allowing people to show who they are and what holds a special place in their hearts. As the leader in our industry, we embrace sustainable business practices to protect our company, our people and the environment for generations to come.

Golden Globes
Pandora brand ambassador Pamela Anderson wore custom Pandora Lab-Grown Diamonds at the Golden Globes 2026.

Photo credit: Getty Images

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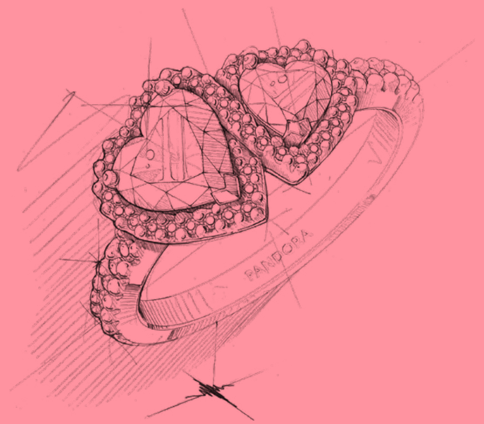

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THE BIG PICTURE

MICA ARGAÑARAZ
Highly influential Argentine
fashion model and artist

LETTER TO OUR SHAREHOLDERS

AN ICONIC BRAND WITH VAST GROWTH OPPORTUNITIES

In 2025, we showed resilience and continued to grow despite a challenging macroeconomic landscape. The significant increase in commodity prices and a slow end to the year also highlight that we need to course-correct in certain areas.

25 years after launching our iconic charms bracelet – and 15 years since our public listing – Pandora is today the world's largest jewellery brand. We sell more jewellery than any other brand, yet we still have plenty of room for growth. We see significant untapped opportunities to expand across product categories, design aesthetics and geographies.

To realise this potential, we embarked on a journey in 2023 to become known as a full jewellery brand, and in 2025, we invested boldly to further progress on this ambition. The launch of Pandora Talisman and Pandora Minis – two new collections designed for both necklaces and wristwear – and our continued focus on the gold-plated PANDORA ESSENCE range, reinforces this aspiration.

In 2025, we generated 6% organic growth compared to our guidance of 7-8%. The result was influenced by weak consumer sentiment impacting holiday sales in North America, and by the need to stimulate demand for a broader range of new products. We will address this by making a few strategic shifts, including how we energise our collections and drive continued cultural relevance for the brand.

We delivered an EBIT margin of 23.9%, reflecting our ability to navigate the significant external headwinds that we faced during the year. The price of silver, our main raw material, more than doubled in 2025. By year-end, it had increased to USD 72 per ounce, compared to USD 29 at the start of the year and USD 24 when we set our long-term financial targets in 2023. Additional headwinds from US import tariffs and foreign exchange rates added complexity, but we responded with targeted mitigation measures. In 2026, we will introduce new products and materials to protect margins and improve value creation. This shift will take time to complete, but we know the way forward. Pandora will maintain its strong financial model and its position as a precious metal brand offering accessible, high-quality craftsmanship.

Sustainability remains a key priority for Pandora, and we continue to make progress. In 2025, we reduced greenhouse gas emissions across our value chain by 5% compared to 2024. Since 2019, we have reduced emissions by 17% while growing revenue by 49%. Pandora shows that economic growth can be decoupled from environmental impact, and our results are being recognised. At the World Economic Forum summit in Davos in January 2026, Corporate Knights ranked Pandora as the second most sustainable company in the world. We also earned an "A score" from the Carbon Disclosure Project (CDP) for the fourth year running, placing us among the top 4% of global companies for climate disclosure.

We remain committed to the UN Global Compact and continue embedding sustainability across our business, because we believe responsible growth is key to long-term success.

As we close the year, we thank former CEO Alexander Lacik for his strong contribution to the company's solid development over the recent years. Since joining the company in 2019, he has led a successful turnaround and executed the growth strategy, delivering 184% total shareholder return. As we begin a new chapter under Berta de Pablos-Barbier's leadership, we look ahead with confidence and excitement. The future for Pandora is bright – and full of opportunity.

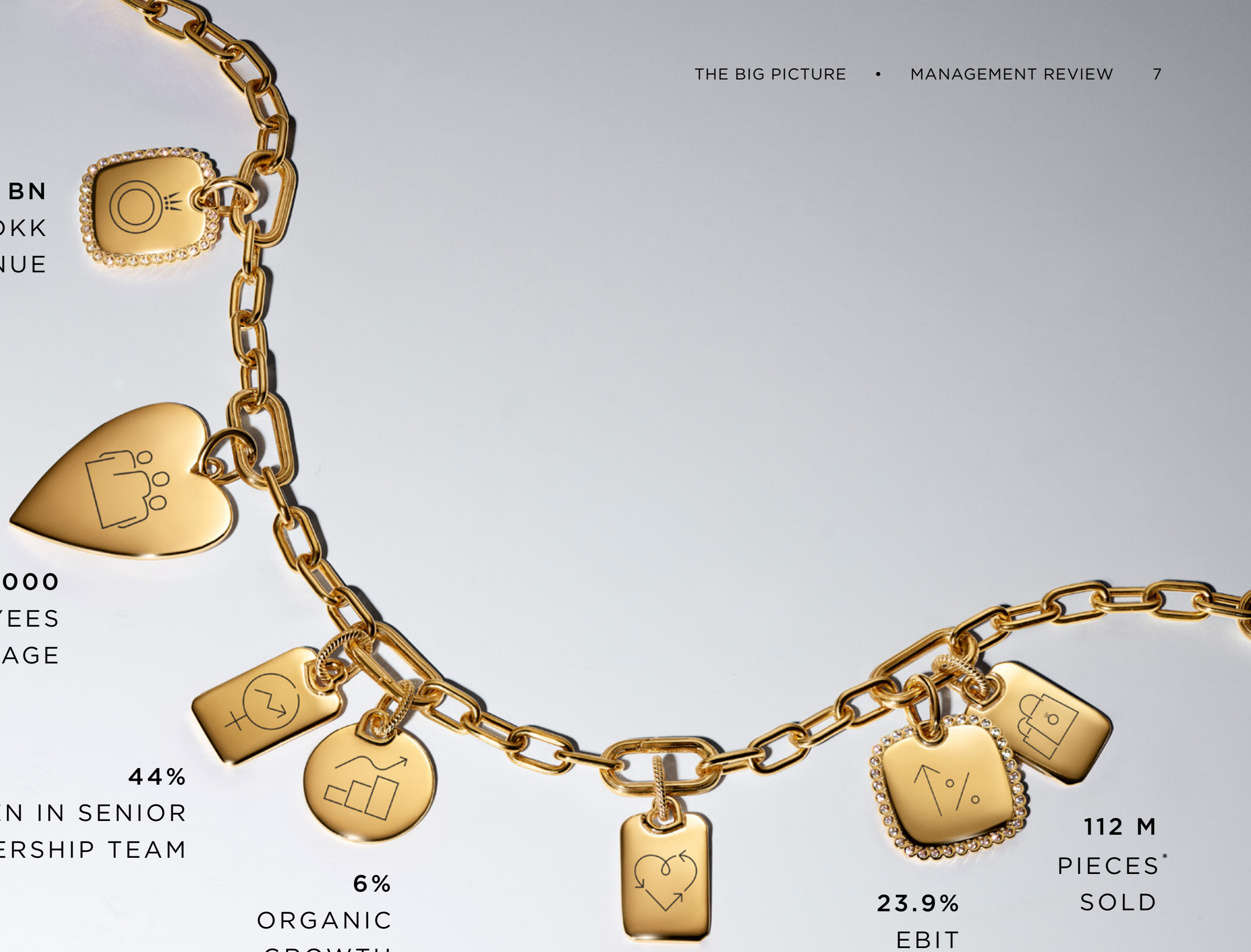
PETER A. RUZICKA
Chair of the Board of Directors

BERTA DE PABLOS-BARBIER
President & Chief Executive Officer

WE SUPPORT
UN GLOBAL COMPACT

2025 AT A GLANCE

THE LARGEST JEWELLERY BRAND IN THE WORLD



32.5 BN
DKK
REVENUE

39,000
EMPLOYEES
ON AVERAGE

44%
WOMEN IN SENIOR
LEADERSHIP TEAM

6%
ORGANIC
GROWTH

100%
RECYCLED
SILVER AND GOLD

23.9%
EBIT
MARGIN

112 M
PIECES*
SOLD

915 M

In 2025, we welcomed 915 million visitors to our stores and online channels, with more than 3 pieces of jewellery sold every second. Pandora is ranked among the world's most valuable and sustainable brands, owning the space of jewellery with a meaning.

INTERBRAND BEST GLOBAL BRANDS 2025

FINANCIAL TIMES statista BEST EMPLOYERS EUROPE 2025

GLOBAL100 2025

* The figure primarily comprises jewellery pieces, but also includes other units sold, such as gift boxes and clasp openers.

EXECUTIVE SUMMARY

DELIVERING 6% ORGANIC GROWTH

Pandora witnessed a generally soft consumer backdrop, impacting in-store traffic in some markets, and a highly volatile cost environment with the announcements of tariffs, foreign exchange movements and surging commodity prices. Despite these headwinds, Pandora continued to deliver resilient performance.

This year delivered record-high revenue of DKK 32.5 billion, corresponding to organic growth of 6%. This comprised like-for-like growth of 2% and network expansion of 4%. Alongside this, and despite significant external cost headwinds – primarily from foreign exchange, increased US import tariffs and higher commodity prices – we delivered a very solid EBIT margin of 23.9% compared to 25.2% in 2024. These external headwinds had an estimated 300bps drag on the EBIT margin. The 6% organic growth delivered in 2025 was slightly lower than the 7-8% growth targeted at the start of the year, due to lower-than-expected like-for-like growth of 2%, not helped by the macroeconomic environment. The EBIT margin of 23.9% was also slightly lower than initial guidance of 24.5%, explained entirely by the impact of US tariffs which were initially announced in April 2025.

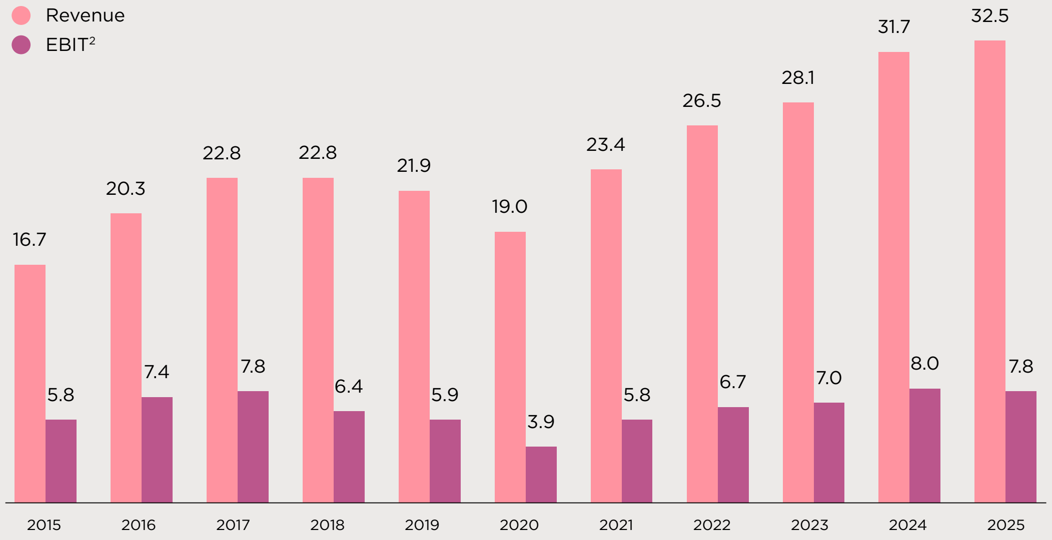
9%
ORGANIC GROWTH CAGR 2023-2025

23.9%
EBIT MARGIN 2025

Pandora continues to invest behind its Phoenix growth pillars. These include continued elevation of the brand, store network expansion and refurbishment, digital and technology enhancements and initiatives within the people space. These efforts are contributing to increased customer engagement, both from new and returning audiences, across our store network and online.

OUR GROWTH JOURNEY[1]

DKK billion



[1] Presented on the basis of the applicable accounting standards at the time.
[2] 2019 and 2020 figures exclude Programme NOW restructuring costs.

We faced significant margin headwinds from soaring silver prices, which reached USD 72 per ounce at year-end, a year-on-year increase of almost 150%, and from newly imposed US import tariffs. In response, we implemented strategic price increases and launched Silverstone, a cost programme aimed at safeguarding profitability and sustaining long-term margin targets.

Pandora's brand DNA is rooted in hand-crafted jewellery with a meaning at accessible prices, and in the current environment we see an opportunity to evolve further into a multi-material jewellery brand while protecting that DNA. From 2026, Pandora will introduce platinum-plated jewellery supported by consumer testing and an in-market pilot ahead of a broader launch. Near term, we will use third-party plating capacity, then increasingly leverage our vertically integrated capabilities in Thailand and Vietnam, with the aim of reducing silver exposure and commodity sensitivity over time.

PANDORA PRODUCT UNIVERSE

CORE
Charms and carriers

PANDORA MOMENTS

COLLABS

PANDORA ME

FUEL WITH MORE
Modern classics and
Pandora Lab-Grown Diamonds

PANDORA TIMELESS

PANDORA SIGNATURE

PANDORA ESSENCE

PANDORA LAB-GROWN DIAMONDS

ELEVATING THE BRAND EXPERIENCE
Over the past few years, Pandora has taken steps in changing the perception of the brand into a full jewellery brand. This has resulted in solid growth through the initial part of the Phoenix period, while the general consumer environment is currently not supportive and Pandora sees a need to course-correct in certain areas in order to deliver on its strategic objective. Pandora continues to invest in marketing to strengthen brand desirability, developing creative expressions that build on our storytelling heritage while supporting our long-term brand elevation. Locally, we are working to build stronger cultural relevance through collaborations with influencers, an area where we see further opportunity to deepen impact. The launch of new *Core* designs, including the Pandora Minis and Pandora Talisman collections, reinforces our heritage in charms and carriers while we expand our appeal across new jewellery designs. We also continue to invest in our stores and have opened another flagship store – this time in Las Vegas – further elevating the branded experience and strengthening our presence in key markets.

Furthermore, in 2025, Pandora implemented a significant transformation of its e-commerce platform through the launch of a new website. The website is now live across more than 30 markets, enhancing many aspects of the customer journey and how the brand is portrayed. As such, the new website is driving stronger engagement and delivering robust commercial performance.

MUTED PERFORMANCE ACROSS SEGMENTS
The *Core* segment covers three of our collections; Pandora Moments, Pandora ME and Collabs. All of these collections are centred around charms and carriers and include our new Pandora Talisman and Pandora Minis ranges. In total, the *Core* segment represented 74% of revenue in 2025, with a resilient like-for-like growth of 1%.

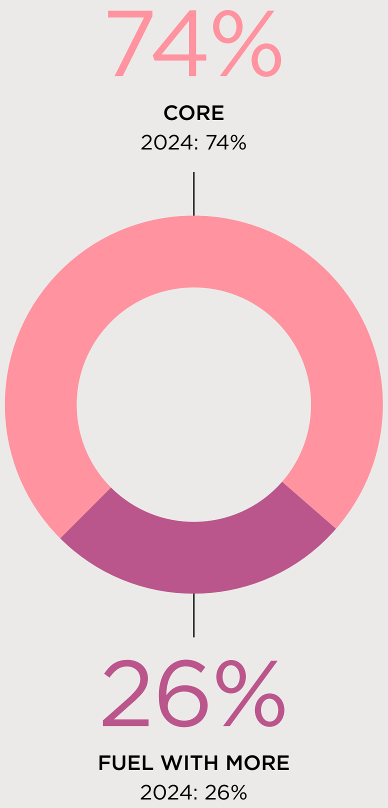
The *Fuel with more* segment is made up of the collections Pandora Timeless, PANDORA ESSENCE, Pandora Lab-Grown Diamonds and Pandora Signature. *Fuel with more* made up 26% of revenue in 2025 and contributed with like-for-like growth of 3%.

Together, the two segments cater to a broad spectrum of design and material preferences, wearing occasions and jewellery categories, with specific collection focus shaped by creative innovation, targeted marketing and evolving consumer trends. The overarching goal remains clear: to engage both existing and new consumers and to drive sustainable growth across the two segments.

The *Core* segment – anchored in charms and carriers – remains at the centre of our brand. Pandora Moments, our enduring icon for over two decades, continues to play a pivotal role. In 2025, it delivered negative -2% like-for-like growth. In late August, we introduced two new design aesthetics, Pandora Talisman and Pandora Minis, to reinvigorate the *Core* segment and spark excitement. Pandora Talisman is inspired by ancient coins, where each talisman holds value, identity and belief. Both designs have been well received. Customers continue to embrace the collection as a way to capture and celebrate life's precious moments through our iconic charms.

Pandora ME has been established as a platform for individuality and self-expression. Representing 4% of total revenue, the collection sustained its momentum with 21% like-for-like growth. Its targeted appeal among younger

OUR SEGMENTS
Share of revenue, % of total



Read more about our segments and revenue in *note 2.1 Segment and revenue information*.

audiences and trend-forward consumers underscores its role in expanding our brand reach. The high growth was supported by Pandora Talisman, which is a part of the Pandora ME collection.

Our Collabs strategy remains rooted in cultural storytelling, with partnerships like Disney, including Marvel, and Netflix playing a key role in bringing this vision to life. These launches are thoughtfully aligned with major entertainment releases, enhancing relevance and consumer engagement. Collabs contributed 10% to revenue, with like-for-like growth of 18%.

Pandora Timeless continues to be the cornerstone of our *Fuel with more* segment, accounting for 78% of revenue in the segment. The collection offers elegant aesthetics and craftsmanship and delivered like-for-like growth of 3% in 2025. Momentum softened over the course of the year, reflecting both a more cautious consumer environment and the need to re-energise the assortment.

The PANDORA ESSENCE collection, launched globally in Q2 2024, gained further traction in 2025 and now represents 3% of revenue. Its organic and fluid design aesthetics taps into a consumer preference for nature-inspired jewellery, a segment that comprises 17% of the global market. The collection's minimalist elegance continues to attract new audiences.

Pandora Lab-Grown Diamonds maintained its growth trajectory, with like-for-like growth of 15% in 2025. The collection's halo effect on brand perception remains evident, driving broader consideration across our collections.

With the expansion of our microfine lab-grown diamonds range, we are advancing our ambition to democratise diamonds and become the most desirable brand in the category.

Pandora Signature, which contributed 2% to revenue, remains a valued offering for customers seeking refined everyday jewellery. The collection saw a like-for-like growth contraction in 2025, reflecting a deliberate prioritisation of resources and innovation towards other collections during the year.

OUR REGIONS

In 2025, Pandora delivered resilient performance in a persistently challenging global environment. With geopolitical tensions, macroeconomic uncertainty and pressure in several key markets, the results fell slightly short of the organic growth guidance, achieving 6% organic growth versus guidance of 7-8% organic growth. This was driven by lower-than-expected like-for-like growth of 2% for the full year with Q4 2025 particularly being impacted by the macroeconomic environment in the US. This, combined with subdued consumer sentiment in Europe, resulted in overall flat like-for-like growth in Q4 2025.

The EMEA region delivered 0% like-for-like growth and 3% organic growth. Consumer sentiment has generally remained low in Europe throughout 2025, which has been clear in the UK and Germany. However, we also acknowledge a need to step up efforts to drive further brand heat and excitement in the region. In Italy, we launched activations within marketing and merchandising as a first step to get the market back on a growth trajectory. In France, performance remained challenging, and further work is needed to restore momentum.

North America is our second-largest region by revenue, with a share of revenue of 36% in 2025. Our approach in North America has remained consistent, and our continued focus on elevating the brand has successfully generated traffic both in the stores and online. As such, the like-for-like growth was 6%, with organic growth at 10%. The network expansion came from adding a net of 34 concept stores and nine Pandora-operated shop-in-shops. As mentioned above, performance softened in North America towards the end of the year, reflecting the weak consumer sentiment.

Latin America delivered -4% like-for-like growth, with a notable drag from Mexico as the largest market in the region. The organic growth was -2%, supported by adding a net of four concept stores and 11 Pandora-operated shop-in-shops.

Asia Pacific contributed with 1% like-for-like growth, supported by stable performance in Australia and strong growth in Japan. Organic growth was 7%, and the total store network across Asia Pacific changed with a net of 76 concept store closures, mainly due to optimising the network in China and closing 95 stores.

SETTING THE SUSTAINABILITY STANDARD FOR THE JEWELLERY INDUSTRY

In 2025, we continued to transform our business to what we see as the future of luxury. We made progress across our three strategic sustainability priorities: low-carbon business, circular innovation and inclusive, diverse and fair culture.

Since our baseline year 2019, we have reduced greenhouse gas emissions across our value chain by 17% while growing revenue by 49%, maintaining focus on halving emissions by 2030 and demonstrating a clear decoupling of business growth from emissions.

This year's results reflect our continued focus on cornerstone commitments – 100% recycled silver and gold and 100% renewable electricity for own operations – alongside efforts to broaden renewable electricity with suppliers and partners and improve operational efficiency. Thanks to this, we decreased emissions by 5% compared to 2024, driven by reductions in Scope 3.

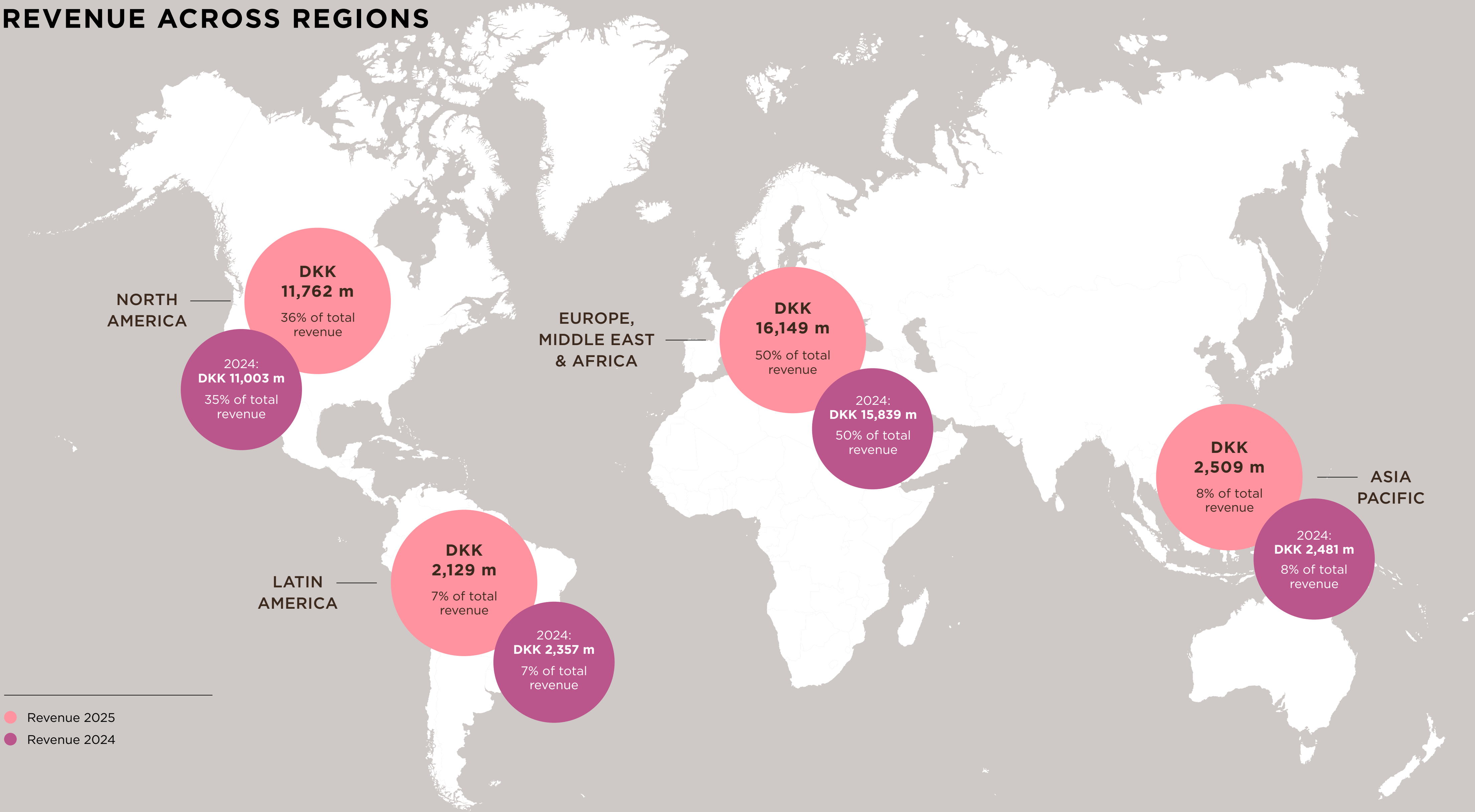
Pandora was ranked among the world's 100 most sustainable companies by TIME Magazine and Corporate Knights and was recognised with an "A score" for transparency and performance from the Carbon Disclosure Project (CDP) for the fourth consecutive year.

Since August 2024, we have crafted all our jewellery using 100% recycled silver and gold. Together with our commitment to lab-grown diamonds and other man-made stones, this constitutes a transformational shift in our supply of core materials, which enables us to reduce carbon emissions and minimise environmental impact.

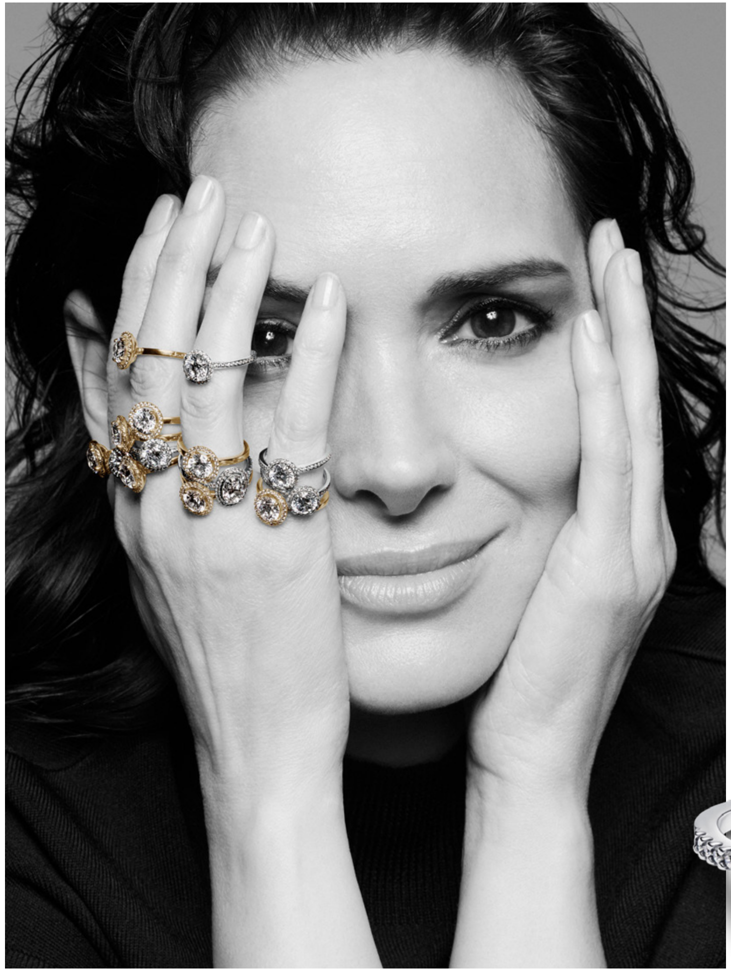
Promoting an inclusive, diverse and fair workplace remains key to our sustainability efforts. By the end of 2025, women held 44% of our VP-level and higher positions, and we continue to work towards achieving full gender parity in our Senior Leadership Team no later than 2030.

Our Pandora for UNICEF partnership empowers children and young people worldwide. Since 2019, we have raised DKK 106 million (USD 16 million) in support of UNICEF, reaching and benefiting more than 2.4 million children.

REVENUE ACROSS REGIONS



HIGHLIGHTS 2025



WINONA RYDER STARS IN NEW GLOBAL CAMPAIGN

In 2025, Pandora launched the next chapter of our BE LOVE brand campaign, starring acclaimed actress Winona Ryder. Known for her authenticity and emotional depth, Winona brought a powerful presence to the campaign, which celebrates love in all its forms.

The campaign featured our most iconic pieces from the Moments collection, PANDORA ESSENCE and Pandora Lab-Grown Diamonds and highlighted the emotional connection people have with their jewellery and the stories they tell.

The BE LOVE campaign marks another step towards becoming the most desirable, accessible jewellery brand. This year, Pandora continues to hold one of the highest levels of brand consideration in the industry.

PROUD MILESTONE IN VIETNAM

The handover of our new crafting facility in the northern part of Ho Chi Minh City, Vietnam, marked a defining milestone in Pandora's growth journey. Built to the highest standards of safety, wellbeing and sustainability, the facility will run on 100% renewable electricity.

Once fully operational, it can employ up to 7,000 craftspeople and produce up to 60 million pieces of jewellery annually, boosting our global crafting capacity by around 50% and bringing innovation to the heart of our jewellery crafting.

PANDORA RECOGNISED AMONG EUROPE'S BEST WORKPLACES

Pandora was named one of Europe's Best Workplaces by the Financial Times, ranking first among Danish companies. Selected from over 1,000 companies across Europe, Pandora stood out for its strong performance in employee satisfaction, career development, leadership and sustainability. We are proud of this recognition as we remain committed to building a global workplace culture rooted in inclusion, purpose and opportunity.

By the end of 2025, Pandora employed 42,281 people worldwide, an increase of 63% compared to five years ago. In 2025, our own employees scored the company 8.9 of 10 on inclusion, placing Pandora in the top 10% of the global consumer sector.

FLAGSHIP STORE OPENS IN LAS VEGAS

The grand opening of our second global flagship store took place on the iconic Las Vegas Strip. Las Vegas attracts over 40 million visitors yearly. The new store spans over 280 square metres and offers an immersive brand experience, including a charm bar inspired by casino card tables, a diamond salon and a craftsmanship studio, where visitors can watch live jewellery-making and engraving.

Building on the success of our first-ever flagship store in Copenhagen, the Las Vegas flagship store embodies our ambition to create memorable retail experiences in iconic locations around the world.

Pandora operates 2,811 concept stores worldwide, including 509 stores in the US.

MOST SUSTAINABLE CONSUMER BRAND

In its Global 100 ranking, research company Corporate Knights named Pandora the world's most sustainable consumer brand. Pandora places second overall among more than 8,000 assessed companies.

The recognition reflects our transformation towards recycled materials and renewable electricity. In the analysis, Corporate Knights highlights Pandora's use of 100% recycled silver and gold in all new jewellery, our shift to lab-grown diamonds, and our ability to grow profitably while reducing greenhouse gas emissions.

HERITAGE EXHIBITION

The Pandora Story exhibition officially opened at our crafting facility in Bangkok.

The exhibition takes visitors on a journey from Pandora's beginnings as a small jewellery shop in Copenhagen in 1982 to becoming the world's largest jewellery brand, defined by craftsmanship, innovation and sustainability.

At the opening, members of our Executive Leadership Team, including former CEO Alexander Lacik and new CEO Berta de Pablos-Barbier, were honoured to welcome Pandora's Founder, Per Enevoldsen, alongside distinguished guests, media and partners.

PRINCIPAL PARTNER OF THE FASHION AWARDS

For the third consecutive year, we proudly partnered with the British Fashion Council as the Principal Partner of the Fashion Awards – a celebration of creativity, culture and emerging talent at the intersection of fashion and art.

The evening brought together some of the industry's most influential names, including legendary model and actress Iman, with standout looks adorned in Pandora jewellery.

Photo credit: Sofi Adams

FIVE-YEAR SUMMARY

DKK million	2025	2024	2023	2022	2021
Financial highlights					
Revenue	32,549	31,680	28,136	26,463	23,394
Organic growth, %	**6%**	**13%**	**8%**	**7%**	**23%**
Like-for-like, %	2%	7%	6%	4%	20%
Earnings before interest, tax, depreciation and amortisation (EBITDA)	10,316	10,327	9,118	8,716	7,838
Operating profit (EBIT)	7,783	7,974	7,039	6,743	5,839
EBIT margin, %	**23.9%**	**25.2%**	**25.0%**	**25.5%**	**25.0%**
Net financials	-870	-1,048	-805	-210	-461
Net profit for the period	5,241	5,227	4,740	5,029	4,160
Financial ratios					
Revenue growth, DKK, %	3%	13%	6%	13%	23%
Revenue growth, local currency, %	6%	14%	9%	8%	24%
Gross margin, %	79.1%	79.8%	78.6%	76.3%	76.1%
EBITDA margin, %	31.7%	32.6%	32.4%	32.9%	33.5%
EBIT margin, %	23.9%	25.2%	25.0%	25.5%	25.0%
Effective tax rate, %	24.2%	24.5%	24.0%	23.0%	22.6%
Equity ratio, %	18%	20%	23%	33%	38%
NIBD to EBITDA, x	1.3	1.1	1.1	0.8	0.4
Return on invested capital (ROIC), %	41%	46%	45%	49%	52%
Cash conversion incl. lease payments, %	65%	85%	78%	39%	88%
Net working capital, % of last 12 months' revenue	4.1%	-1.7%	1.8%	4.2%	-5.0%
Net working capital excl. derivatives, % of last 12 months revenue[1]	-1.1%	-1.6%	1.9%	3.7%	-4.6%
Capital expenditure, % of revenue	6.0%	6.1%	5.8%	4.9%	2.7%

[1] Derivative financial instruments are measured at fair value. See note 4.5 Derivative financial instruments.

DKK million	2025	2024	2023	2022	2021
Stock ratios					
Total payout ratio (incl. share buyback), %	114%	105%	136%	100%	115%
Dividend per share, proposed for the year, DKK	22.0	20.0	18.0	16.0	16.0
Dividend per share, paid, DKK	20.0	18.0	16.0	16.0	15.0
Earnings per share, basic, DKK	68.1	64.8	55.5	54.2	42.1
Earnings per share, diluted, DKK	67.9	64.6	55.1	53.7	41.7
Consolidated balance sheet					
Total assets	29,603	27,758	23,798	22,013	18,542
Invested capital	19,001	16,515	15,126	13,961	9,884
Net working capital	1,336	-549	510	1,104	-1,181
Net working capital excl. derivatives[1]	-352	-510	526	970	-1,067
Net interest-bearing debt (NIBD)	13,719	11,008	9,770	6,794	2,882
Equity	5,282	5,508	5,355	7,167	7,001
Consolidated statement of cash flows					
Cash flows from operating activities	7,361	8,721	7,384	4,434	6,228
Capital expenditure, total	1,943	1,919	1,624	1,290	641
Capital expenditure, property, plant and equipment	1,483	1,419	1,176	929	341
Free cash flows incl. lease payments	5,022	6,767	5,489	2,602	5,137
Sustainability					
Scopes 1, 2 and 3 emissions, tonnes CO_2 equivalent[2]	263,450	276,281	259,322	308,811	248,112
Share of renewable electricity, %	100%	100%	87%	-	-
Recycled silver and gold, total, %	100%	100%	97%	61%	54%
Senior Leadership Team gender ratio, women/men, %[3]	44/56	35/65	34/66	29/71	23/77
Total employees (end of period), number	42,281	41,326	37,142	34,299	30,533

[2] In 2025, we have improved Pandora's calculation methodology and data for Scopes 2 and 3. This led to adjustments in total emissions (tonnes CO_2e), with decreases of 22,985 in 2021 (-8%), 16,597 in 2022 (-5%), 13,645 in 2023 (-5%) and of 9,917 in 2024 (-3%).
[3] Women and men in senior leadership positions from Vice President and up (including the Board of Directors).

OUTLOOK

ORGANIC GROWTH AND EBIT MARGIN GUIDANCE

In 2026, we are targeting organic revenue growth of -1% to 2% and an EBIT margin in the 21-22% range. While the macroeconomic environment is not supportive of growth, we see a need for a clear step-change in execution in selected areas. Over time, this will unlock the next phase of our growth journey and deliver stronger like-for-like growth. As a result, we will move more decisively, with clear strategic priorities that reset execution and re-ignite growth.

The macroeconomic outlook for 2026 and the general consumer environment is associated with elevated uncertainty. The guidance assumes no material change in the macroeconomic environment.

-1-2% ORGANIC GROWTH | 21-22% EBIT MARGIN

We expect like-for-like growth of -3% to 0%, and network expansion is expected to contribute around 2% to the organic growth, supported by the continued rollout of new stores. In total, revenue growth in local currency, including forward integration, is expected to also be at the -1% to 2% level.

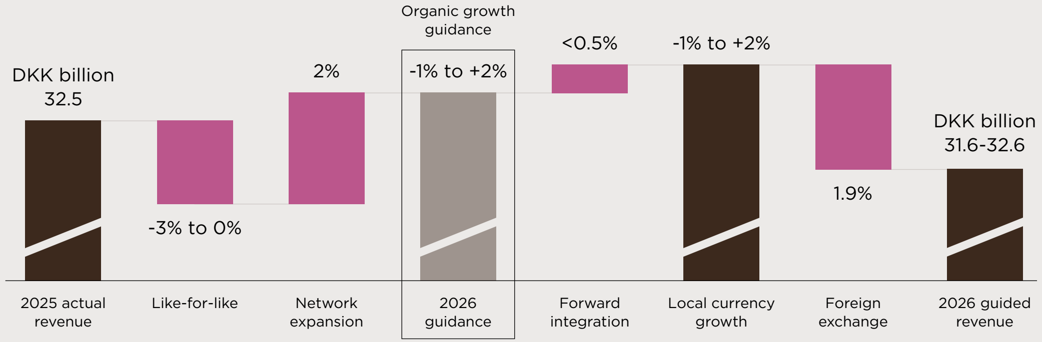
We expect an EBIT margin of 21-22% in 2026, reflecting a year of significant external headwinds and continued investment behind strategic priorities. The EBIT margin decline compared to 2025 is driven by external headwinds of 250-350bps. Excluding these headwinds, the margin would have been roughly flat.

As we continue the expansion of our profitable store network, a 30bps positive impact on the EBIT margin is expected in 2026. In addition, we expect a positive net 30bps contribution in 2026 as the temporary margin drag from forward-integration activities has started to phase out (limited forward integration in 2026).

REVENUE GUIDANCE

Percentage point approximation

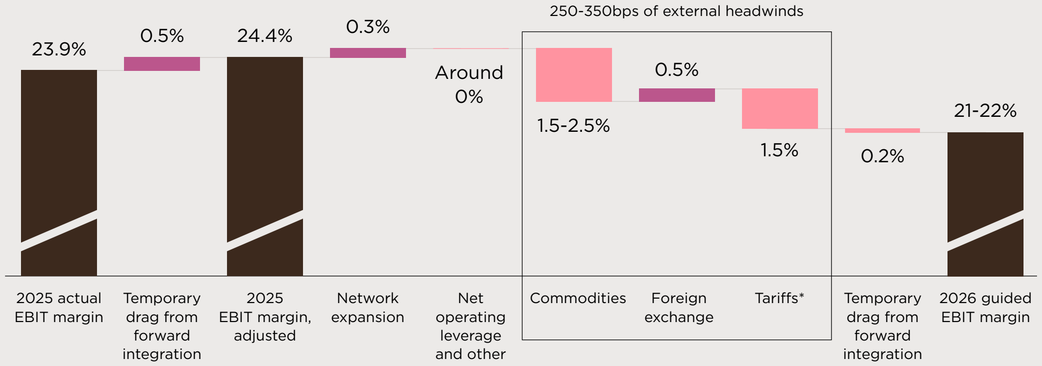
The organic growth guidance can be illustrated as follows:



PROFITABILITY GUIDANCE

Percentage point approximation

The EBIT margin guidance can be illustrated as follows:



* Assumes a silver spot price of USD 82/oz, and that the current level of tariffs remains in place for the rest of 2026 (this includes the 19% on imports from Thailand, 20% for China and 18% for India).

Net operating leverage and other is expected to be net neutral to the margin. In 2026, we will continue to invest behind the strategy to re-accelerate growth. Annual salary increases and cost inflation is a headwind to margins also. This will be offset by ongoing efficiencies, including impact from the Silverstone cost programme and other supportive factors, such as pricing.

External headwinds amount to 250-350bps, driven by a combination of higher commodity prices (primarily silver), and the continuation of global tariff structures. These headwinds were anticipated and are being actively managed through hedging and selective pricing, but most importantly product innovation and the planned material transition.

In 2026, the P&L is 90-100% hedged on silver at a price of around USD 32/oz, resulting in a Y/Y headwind from silver and gold of 150-250bps. Foreign exchange rates represent a small 50bps tailwind to the margin due to a slightly stronger US dollar Y/Y.

The additional tariffs currently imposed on goods imported to the US represent a 150bps impact to the EBIT margin. The guidance is based on the assumption that the current tariff levels on goods imported to the US remain (this includes the 19% on imports from Thailand, 20% for China and 18% for India) and that the tariffs are calculated on import costs applying a spot silver price of currently USD 82.

The guided decline in the EBIT margin from full year 2025 to 2026, is expected to be most visible during Q1 2026, with a gradual sequential recovery through the year. This is among others due to a) the phasing of foreign exchange impacts through the year and b) tariffs constituting a relatively larger headwind during Q1-Q3 2026 before annualising in Q4.

2026 GUIDANCE – OTHER PARAMETERS

We expect to open around net 50-75 concept stores, including around net 25 store closures in China. In addition, we expect to close around net 25-50 Pandora-operated shop-in-shops, due to around net 50 closures in Brazil and China.

CAPEX is expected to end at around 7% of revenue. Digital initiatives and the store network remain the primary drivers of CAPEX. We continue to invest in the store network, including new openings, refits and new window frameworks. We will also continue investment into production facilities, including capabilities to support the expansion of our multi-material offering, which will add DKK 300-500 million in CAPEX.

The effective tax rate is expected to be around 25% in 2026. The increase compared to 24.2% in 2025, reflects the expiry of certain tax incentives in Thailand and the absence of the one-off benefit from the retroactive bilateral Advance Pricing Agreement between the Danish and Australian tax authorities signed in 2025.

We expect net financial expenses in 2026 to be DKK 1,000-1,050 million. The guidance consists of around DKK 950 million interest on debt, IFRS 16-related interest and fees (in line with 2025), and a net DKK 50-100 million loss on non-cash foreign exchange adjustments on intercompany balances and foreign exchange hedging contracts. The latter depends entirely on the development in foreign exchange rates through the year and will be updated on a regular basis.

FOREIGN EXCHANGE AND COMMODITY ASSUMPTIONS AND IMPLICATIONS – AS OF 30 JANUARY 2026	Average 2025	Average 2026	Financial impact 2026 Y-Y	
USD/DKK	6.62	6.30		
THB/DKK	0.20	0.20		
GBP/DKK	8.71	8.63		
AUD/DKK	4.26	4.38		
MXN/DKK	0.36	0.34		
CAD/DKK	4.73	4.62		
TRY/DKK	0.17	0.14		
CNY/DKK	0.92	0.91		
Silver/USD (per ounce)	27.1	34		
Gold/USD (per ounce)	2,330	3,350		
Revenue (DKK million)			**Approx.**	**-600**
EBIT (DKK million)			**Approx.**	**-50**
EBIT margin (foreign exchange)			**Approx.**	**0.5%**
EBIT margin (commodities)			**Approx.**	**-1.5 to -2.5%**

The guidance 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 forecasted in this report due to a variety of factors, see page 143.

CAPITAL STRUCTURE POLICY AND CASH DISTRIBUTION

At the end of 2025, our leverage was 1.3x NIBD to EBITDA. We aim for an unchanged leverage ratio of approximately 1.3x NIBD to EBITDA by the end of 2026. In line with the usual seasonality of the business, leverage will increase through the year, peaking in Q3, and then fall back by year-end.

We paid out DKK 5.9 billion to shareholders in 2025, of which DKK 1.6 billion came from an ordinary dividend of DKK 20 per share and DKK 4.4 billion was distributed via share buybacks. For 2026, Pandora proposes to pay a dividend of DKK 22 per share, up 10% per share Y/Y, amounting to DKK 1.6 billion. Given the surging silver prices and the temporary impact on earnings, we will resume our historical, significant share buyback programmes, once the transition to platinum-plated jewellery is further progressed.

BECOMING A RESILIENT AND FUTURE-FIT BUSINESS

Pandora continues to spearhead sustainability and transform into a resilient and future-fit business. As we look ahead, we will continue to evolve our Sustainability programme and integrate sustainability deeper into our operations to drive resilience and preparedness for the future.

OUR BUSINESS

IMAN
Legendary supermodel,
entrepreneur and philanthropist

EQUITY STORY

A STRONG BRAND WITH VAST GROWTH OPPORTUNITIES

A STRONG BRAND IN AN ATTRACTIVE CATEGORY

Pandora stands as the sole global brand in accessible luxury jewellery, owning the distinct position of “jewellery with a meaning” with consumers worldwide. The jewellery market has historically outpaced GDP growth and remains highly fragmented, with global brands expected to grow faster than the overall market. Pandora holds the highest brand awareness in the industry.

AN ASSET-LIGHT, FULLY INTEGRATED BUSINESS MODEL

Our asset-light business model benefits from a unique fully vertically integrated ecosystem – from design and crafting to a vast distribution network. This integration provides unrivalled scale and, together with our brand strength, drives our strong margin profile and high returns.

UNIQUE GROWTH OPPORTUNITIES

There are numerous untapped growth opportunities within our existing business model across various geographies, jewellery categories and designs. The essence of our growth strategy is for Pandora to become the most desirable, accessible jewellery brand and leverage our existing infrastructure.

A RESILIENT BUSINESS COMMITTED TO SUSTAINABILITY

Sustainability is an integral part of our business, and we are progressing towards some of the most ambitious sustainability targets in the industry, spearheading the use of recycled silver and gold and lab-grown diamonds.

FINANCIAL AMBITION*

We expect to outgrow the jewellery market, targeting annual high single-digit organic growth, while maintaining best-in-class profitability. We have ambitions to generate significant free cash flows, which, in line with our historic approach, will be fully returned to shareholders.

FINANCIAL ALGORITHM

High single-digit organic growth

Industry-leading gross margin

Sustainable high EBIT margin

Significant cash flow generation

* Based on a silver price of approximately USD 24/oz at the Capital Markets Day in 2023. Silver prices have increased substantially since then. Pandora is already well advanced in its creative innovation efforts to help offset a material part of the commodity headwind and thereby support the financial algorithm.

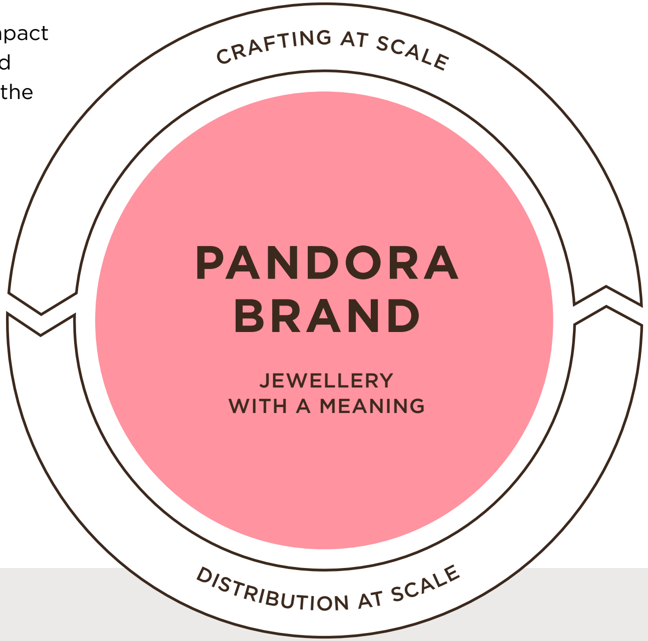
BUSINESS MODEL

A FULLY INTEGRATED BUSINESS

Pandora is one of the world's most valuable brands, owning the space of jewellery with a meaning. Our unique business model is rooted in the strength of the Pandora brand, our distribution model and our in-house capabilities. Together, these elements create a fully integrated ecosystem that combines crafting and distribution at an unmatched scale. With a strong commitment to sustainability, we deliver industry-leading growth and profitability while minimising our environmental impact and supporting the communities we engage with. Recognising both positive and negative impacts, as well as risks and opportunities, we are basing our work on the findings of a double materiality assessment, detailed on page 50.

KEY RESOURCES APPLIED

- An average of 39,000 employees globally
- State-of-the-art crafting facilities, powered by 100% renewable electricity
- Recycled silver and gold and lab-grown diamonds
- Water, energy and other raw materials



VALUE CREATED

- Safe and engaged workplace with an employee Net Promoter Score (eNPS) that puts us in the top 5% in the consumer sector globally
- 915 million visitors to our stores and online channels, with more than 3 pieces of jewellery sold every second
- DKK 1.9 billion paid in corporate income taxes
- DKK 5.9 billion in dividends and share buybacks to shareholders

OWN OPERATIONS

INNOVATIVE DESIGN
World-class creative design process, guided by consumer insights

RESPONSIBLE SOURCING
Materials sourced in a responsible, transparent and traceable way

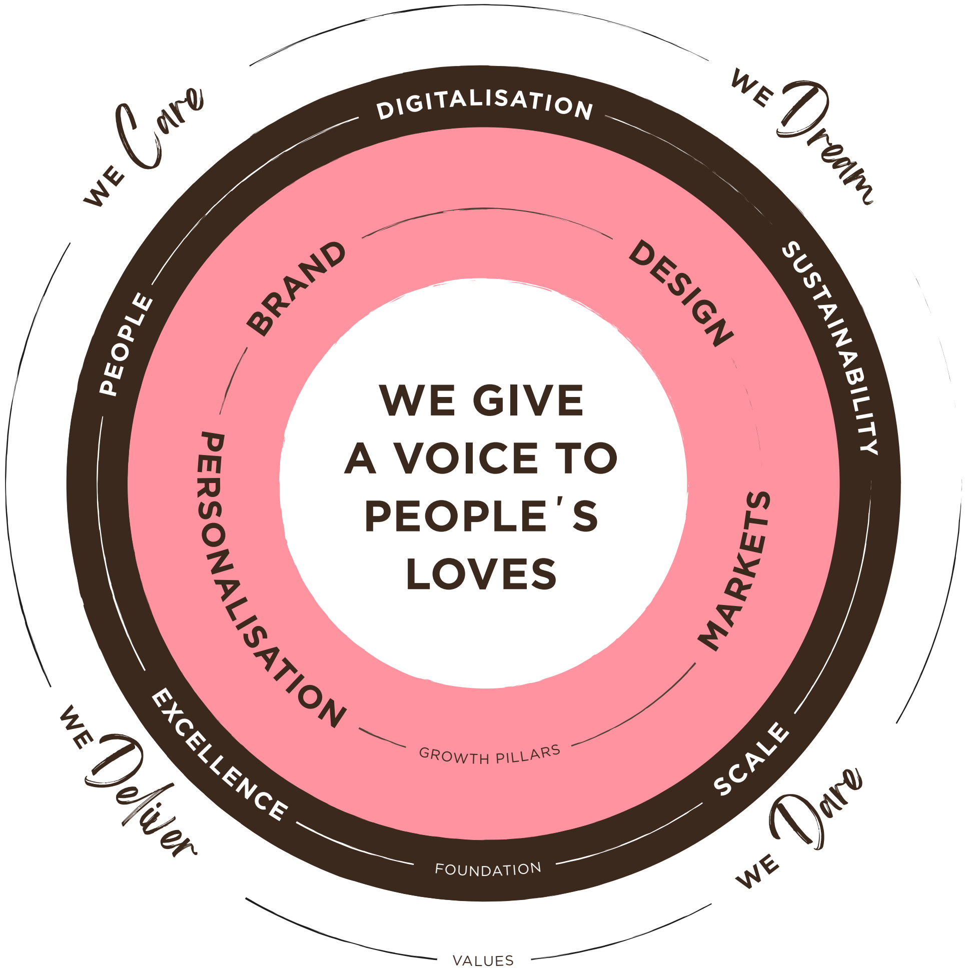
HIGH-QUALITY JEWELLERY CRAFTING
Artistry and craftmanship unmatched in the industry

GLOBAL BRAND AND MARKETING
Top brand equity in our key markets, guided by data and analytics

PACKAGING AND DISTRIBUTION
Serving customers and stores by delivering the jewellery safely and on time

OMNICHANNEL RETAIL
Personalised experiences for consumers and brand lovers

PRODUCT REUSE AND REPAIR
Remelt of returning surplus and faulty products and minor repair services



Our Phoenix strategy
Phoenix builds on our strong foundation and is focused on the significant untapped opportunities in Pandora's existing business area.

STRATEGY

PHOENIX

Investing behind Phoenix

Pandora's strategic direction remains anchored in the Phoenix strategy and its four core pillars: Brand, Design, Markets and Personalisation. Together, these pillars guide our vision to become the most desirable, accessible jewellery brand and deliver sustainable, long-term growth.

Throughout 2025, we have invested significantly across these pillars, aiming to drive brand desirability, expanding market reach and enhancing consumer engagement. Over time, these initiatives are designed to drive higher consumer traffic across channels, stronger brand consideration and support our vision to become the most desirable, accessible jewellery brand.

Despite a challenging external environment in 2025, Pandora demonstrated resilience with organic growth of 6% and solid profitability. Higher commodity prices, adverse foreign exchange movements and US import tariffs created a combined headwind of 220bps to gross margin and 300bps to EBIT margin. Even so, Pandora delivered a best-in-class gross margin of 79.1%, underscoring the strength of our operating model. As a result, our EBIT margin reached 23.9%, in line with the revised guidance of "around 24%" set at the Q2 2025 results. The result was below the initial guidance of a 24.5% EBIT margin due to the impact of US import tariffs.

In September 2025, Pandora announced that Alexander Lacik would retire after seven years as President and Chief Executive Officer, and that Berta de Pablos-Barbier – Chief Marketing Officer since November 2024 – would succeed him as President and Chief Executive Officer. Berta de Pablos-Barbier formally assumed the role on 1 January 2026.

Pandora is supported by strong underlying foundations, including healthy brand fundamentals, solid collections and a fully integrated value chain spanning upstream and downstream activities, providing a competitive advantage in speed, quality and scale.

Pandora's ambition to become the most desirable accessible jewellery brand remains unchanged and is supported by significant long-term headroom for growth across categories, aesthetics and geographies. These opportunities build on the strength of the brand and the scalability of Pandora's operating model.

The strategy continues to centre on attracting new consumers to the brand and positioning Pandora as the brand of choice for consumers seeking beautiful, handcrafted, precious-metal jewellery that carries personal meaning for the wearer, offered at accessible price points. Design-led newness and brand desirability remain central to driving sustainable growth, alongside disciplined execution across channels and markets.

To sharpen execution and accelerate performance, Pandora has completed a market-by-market assessment of demand drivers. This work has delivered clear, actionable insights into how customer acquisition, traffic generation and design-led newness contribute to growth at different levels of market penetration. These insights are now being translated into clear strategic priorities, with targeted actions underway to refine our approach in more mature markets and scale effective growth drivers in less penetrated ones – creating a more focused and disciplined path to sustainable growth.

GROWTH PILLAR 1: BRAND

Over the past two years, Pandora has been leveraging its “BE LOVE” campaign globally, partnering with new global brand ambassadors to drive greater brand awareness and desirability. Pandora will continue to strengthen its brand value proposition to advance its vision to become the most desirable, accessible jewellery brand.

Since the inception of the Phoenix strategy, Pandora has established strong brand foundations, achieving industry-leading awareness and broad cross-generational appeal. Building reach remains a priority in lower-penetration markets – particularly North America and parts of Asia – while mature core markets will increasingly shift focus from reach to relevance and earned-media impact. To drive organic traffic and engagement, Pandora will rebalance part of its marketing investments toward social, engagement-driven and locally resonant activations, while continuing to use high-impact, efficient TV to build emotional resonance at scale. Global brand platforms will be amplified through locally relevant PR, press and influencer partnerships to strengthen relevance without fragmenting the brand. From 2026, this will be delivered through a mix of global brand moments and locally activated campaigns, with early examples including the Bridgerton collaboration launched in January 2026.

In an effort to improve the in-store experience, we opened and refurbished a total of 358 concept stores in 2025, including the second Pandora flagship store on the iconic Las Vegas Strip.

GROWTH PILLAR 2: DESIGN

Pandora’s jewellery is designed to empower self-expression and drive cultural relevance, and is crafted to high ethical and environmental standards. As shared at the Capital Markets Day in 2023, we remain committed to delivering stable and consistent growth in the *Core* segment while targeting higher growth in the *Fuel with more* segment. This ambition translates into a target of achieving low- to mid-single-digit like-for-like growth CAGR for the *Core* segment. Meanwhile, the *Fuel with more* segment is expected to deliver mid- to high-single-digit like-for-like growth CAGR.

The *Core* segment grew 1% like-for-like in 2025 and continues to anchor the business, driven by Pandora Moments. Newer collections, including Pandora ME, supported momentum and consumer engagement, with the late-summer launch of Pandora Talisman as part of the Pandora ME universe.

The *Fuel with more* segment grew 3% like-for-like in 2025, reflecting early progress on the vision to become the most desirable, accessible jewellery brand, including contributions from areas such as Pandora Lab-Grown Diamonds and Pandora ESSENCE.

Pandora is resetting design-led product leadership after a period of uneven creative newness, especially in its largest collections. The aim is to drive more scalable growth across both *Core* and *Fuel with more*. The focus shifts from incremental extensions to fewer, higher-impact launches that are more relevant, distinctive and built to scale. This will re-energise core collections through clearer creative direction and stronger design expression. Within *Fuel with more*, Pandora will expand into new aesthetic spaces with discipline, supported by full 360° activation. Stronger merchandising translation and clearer creative governance will help convert design ambition into consistent execution, anchored in Pandora’s brand DNA and consumer insights.

Strengthening our focus in Asia
Our new Asia cluster office in Singapore will drive growth across key markets like Greater China, Japan, South Korea and India. Located in Marina Bay, at the heart of the city’s financial and commercial district.

Pandora’s brand DNA is rooted in hand-crafted jewellery with a meaning at accessible prices. With surging commodity prices, the company sees an opportunity to evolve into a multi-material jewellery brand while protecting that DNA. From 2026, Pandora will introduce platinum-plated jewellery, optimised to deliver improved everyday-wear performance compared to silver. Consumer testing shows high acceptance, and an in-market pilot is starting imminently ahead of a broader launch later in the year. Over time, parts of the silver assortment will gradually shift to platinum-plated built on a core of our unique and proven metal-alloy PANDORA EVERSHINE™. In the near term, Pandora will use third-party plating capacity, then increasingly leverage our vertically integrated capabilities in Thailand and Vietnam, with the aim of reducing silver exposure and commodity sensitivity over time.

GROWTH PILLAR 3: MARKETS
Pandora is a global brand with a presence in over 100 countries worldwide. In our most established markets – such as the UK, Italy and Australia – we anticipate steady like-for-like growth, maintaining our leading position while leveraging our vision to become the most desirable, accessible jewellery brand, to further expand market share in less penetrated categories.

In markets where our presence is less developed – such as the US, Canada, Asia and smaller markets across our regions – we expect to grow our market share across segments and see potential for consistently higher like-for-like growth.

In 2025, we opened a net total of 23 concept stores and 33 Pandora-operated shop-in-shops, delivering an organic revenue growth of 4%. Included in the net openings of concept stores is the closure of 95 stores in China in an effort to optimise the store network.

GROWTH PILLAR 4: PERSONALISATION
Personalisation continues to expand across our in-store and digital experiences, bringing our brand strategy to life and ensuring our jewellery holds even greater meaning for customers. Investments across areas such as our store colleagues, the brand website and personalised services are delivering strong results, with 112 million crafted and hand-finished jewellery pieces, complemented by a number of additional items, provided to customers through a seamless experience.

The demand for engraving keeps increasing, and we have expanded with 855 active engraving machines during 2025, reaching a total of 2,290. Alongside the engraving machines, we have expanded the assortment with an additional 34 engravable charms and pendants. On top of this, the software on the machines has been updated, allowing for more detailed drawings just as we have added a new functionality allowing for photos to be uploaded and engraved.

During 2025, the Pandora website was improved to elevate the brand and the experience for our consumers. The platform is now live in more than 30 markets, and has strengthened engagement through time spent on site, leading to a low single-digit uplift in revenue per customer.

Launched in 2022, our My Pandora loyalty programme has now expanded to seven countries, covering more than half of revenue in participating channels. During 2025, Poland became part of the programme, adding to a growing member base of 16.2 million, strengthening loyalty and engagement.

ELEVATING SUSTAINABILITY ACROSS THE BUSINESS
Sustainability is integral to Pandora's operations and remains a cornerstone of the Phoenix strategy. Our approach includes setting some of the industry's most ambitious sustainability targets to lower environmental impact while driving positive outcomes for the people and communities we engage with.

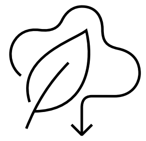
Our three strategic sustainability priorities – low-carbon business, circular innovation and inclusive, diverse and fair culture – guided our 2025 performance and reinforced our commitment to responsible practices across the value chain.

By 2024, we reached all short-term targets ahead of schedule: adopting 100% renewable electricity for our operations and switching to crafting all our jewellery with 100% recycled silver and gold. We also achieved 44% women in senior leadership positions – exceeding our short-term target of 33% by 2025. These achievements were maintained through the end of 2025, reflecting strong progress on all 2025 short-term targets. Read more in the Sustainability Statements from page 46.

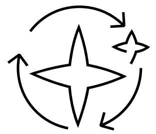
Our strategy is rooted in continuous improvement, informed by rigorous assessments of material sustainability matters and active engagement with stakeholders. This approach allows us to identify material impacts, risks and opportunities, ensuring that our business remains robust and agile amid evolving environmental and social expectations. The Sustainability Statements outline how our sustainability efforts and initiatives support the Phoenix strategy and advance our progress towards decoupling growth from environmental and social impacts. We provide details on impacts, risks, and opportunities (IROs) and address material sustainability matters (material matters) identified through our Double Materiality Assessment, in accordance with the European Sustainability Reporting Standards (ESRS) and the Danish Financial Statements Act.

In 2025, we took important steps to develop the next phase of our sustainability strategy, and in the coming years, we will introduce new targets along with innovative initiatives.

OUR STRATEGIC SUSTAINABILITY PRIORITIES



LOW-CARBON BUSINESS



CIRCULAR INNOVATION

INCLUSIVE, DIVERSE AND FAIR CULTURE

Tyla wearing bespoke pieces at MET Gala
At the 2025 MET Gala, Pandora Brand Ambassador Tyla wore custom Pandora Lab-Grown Diamonds; bespoke pieces including a monocle, necklace and earrings.

STORY

BUILDING BRAND DESIRE THROUGH EMOTIONAL CONNECTION

Brand desire is the emotional pull that drives consumers to choose Pandora, not just for our jewellery, but for what we represent. In a competitive global market, this connection is key to building loyalty, increasing purchase intent and strengthening long-term brand equity.

In 2025, Pandora's global unaided brand awareness continues to be the highest in the jewellery industry. This achievement underscores the strength of our brand and lays the foundation for long-term growth – even in a year marked by macroeconomic headwinds and softer consumer spending.

CELEBRATING PERSONAL STORIES

Our campaigns are designed to convert this visibility into deeper engagement and purchase intent through storytelling, cultural relevance and experiences that resonate emotionally. From the celestial wonder of our Holiday 2025 campaign "More than a gift" to the symbolic power of Pandora Talisman, we have embraced a 360-degree approach to brand building. Every touchpoint, from curated collections to immersive retail experiences and personalised digital journeys, is crafted to create emotional resonance and drive engagement.

Cultural relevance plays a key role. Whether it is Pamela Anderson and Winona Ryder wearing Pandora on global stages or local creators sharing their own stories, we are building moments that connect across generations and geographies.

"Pandora stands out as an iconic global brand on an impressive growth journey with sustainability at the forefront," says Berta de Pablos-Barbier, new President & Chief Executive Officer and former Chief Marketing Officer. "The brand is undergoing an incredible transformation, and I'm proud to help elevate Pandora even further through storytelling that connects emotionally and culturally."

Emotional storytelling is not just creative, it is strategic. It fuels gifting occasions, drives brand heat and builds consumer trust. As we continue to evolve, our focus remains clear: to grow brand love by creating jewellery that means something and stories that stay with people.

PEOPLE

OUR PEOPLE AT THE HEART OF PANDORA

Our talented people are the heart of our brand, and we strive to foster a workplace culture that supports retention and builds on the diversity and richness of our global workforce.

A CULTURE WITH HEART

As the world's largest jewellery brand, our global workforce comprised 42,281 employees at the end of 2025, representing 146 nationalities and covering career paths across crafting, distribution, retail and office functions.

To continuously improve how we work together, we regularly invite employees to share feedback on their experience, their relationship with their direct manager and how inclusive they feel our culture is. In our latest Employee Listening Survey in 2025, we saw continued progress across key areas. The employee Net Promoter Score (eNPS) reached 68, building on the strong result of 66 in 2024 (on a -100 to +100 scale), which placed us in the top 5% of the global consumer sector.

Our inclusiveness score rose to 8.9, up from 8.8 in 2024 (10-point scale) – a sign that our efforts to foster a more diverse, equitable and inclusive workplace are making a meaningful difference for our people. Leadership Effectiveness was rated at 8.7, compared to 8.6 in 2024 (10-point scale), reflecting the growing trust and confidence employees have in their leaders to support, empower and guide them.

TRANSFORMING OUR RETAIL RECRUITMENT WITH AI

With 2,811 concept stores globally, attracting and retaining retail talent remains a key priority for us. In 2025, we have made significant strides in modernising how we attract and retain talent across our retail stores. We have implemented an AI-powered recruitment tool that is optimising the hiring process and experience. This technology is already delivering strong results as we see better candidates, reduced early attrition and accelerated seasonal hiring.

EMPLOYEE ENGAGEMENT REMAINS STRONG

Our employee Net Promoter Score (eNPS) reached 68, reflecting strong engagement, employee advocacy and positions us in the top 5% of the consumer sector globally.

The new recruitment experience is proving to be a game changer for HR teams, candidates and store managers alike. By automating administrative tasks and simplifying workflows, we are making real impact: hiring high-performing talent faster, freeing up valuable time for store managers and ensuring a seamless, user-friendly experience for all stakeholders.

The solution is now live in North America, the UK and Ireland, with further expansion planned.

Beyond recruitment, we are also evolving our approach to retail retention. In today's competitive landscape, keeping great talent is just as critical as finding it. We are focused on building meaningful career paths, fostering an inclusive culture in our stores and leveraging data to support long-term employee engagement and growth.

PROMOTING INTERNAL TALENT

We support our employees in reaching their full potential by creating the right career opportunities. Promoting internal talent is not just a principle – it is a core part of how we build a strong, engaged workforce.

Roles across the organisation are advertised internally, ensuring that our employees have visibility into new career opportunities. This fosters a culture of mobility and development, allowing our people to grow with us and take on new challenges.

By investing in internal progression, we strengthen our teams with experienced individuals who already understand our brand and values – driving performance and continuity across the business.

INCLUSION AND BELONGING

We are committed to building a culture where everyone feels seen, heard and valued. Inclusion and belonging are not just values – they are essential to how we lead, collaborate and grow together.

We are advancing towards our goal of achieving full gender parity in the Senior Leadership Team no later than 2030. Women in senior leadership roles increased from 35% in 2024 to 44% in 2025 – exceeding our short-term target of 33% by 2025.

This year marked the launch of a Global Pride celebration, driven by a dedicated global employee resource group. We celebrate pride as part of our commitment to foster community and allyship across all identities. We believe that when people feel they belong, they bring their best selves to work.

GIVING BACK TO THE COMMUNITY

Through our partnership with UNICEF, we support children and young people, especially girls, to build brighter futures through education. Half of our donations fund educational programmes that empower girls through learning, while the other half provides flexible funding, enabling UNICEF to respond where help is needed most, including life-saving interventions. Since 2019, our DKK 106 million contribution has helped reach more than 2.4 million youth and adolescents worldwide.

In Thailand, our My School Project has been making a difference for nearly two decades. Through this programme, Pandora has funded the construction or refurbishment of school buildings in rural areas – each one nominated by our own employees. In 2025, we proudly handed over our 19th school: The Baan Phon Pra School in the Nong Khai province. These efforts reflect our long-term commitment to education, empowerment and community-driven change.

A SAFE AND HEALTHY WORKPLACE

Creating a safe and healthy work environment is essential at Pandora. In 2025, 99.8% of our employees were covered by health and safety management systems, reflecting our commitment to maintaining high standards across all areas of the business. We recorded 142 work-related accidents with absence, resulting in a lost-time injury frequency rate of 2.10, compared to 1.72 in 2024. For more information, see page 84.

In 2025, we report an adequate wage coverage of 99.9%. This is an improvement from 97.6% compared to 2024. For more information, see the Adequate wage chapter.

We will continue to support employees in maintaining a safe and productive workplace. Pandora also offers employees various social protections and promotes work-life balance. We provide safeguards against income loss due to major life events, including sickness, unemployment, workplace injuries and acquired disabilities, parental leave and retirement. Coverage for social protections varies across Panama, Singapore, South Africa and the US due to differences in local regulations and government programmes.

68
eNPS
2024: 66

8.9
INCLUSIVENESS SCORE
2024: 8.8

RISK

MANAGING RISKS

Effective risk management is crucial for protecting our people, assets and reputation while supporting sustainable growth.

RISK ASSESSMENT AND OVERSIGHT

BOARD OF DIRECTORS

↕

EXECUTIVE LEADERSHIP TEAM

↕

RISK MANAGEMENT BOARD

↕

GLOBAL RISK MANAGEMENT

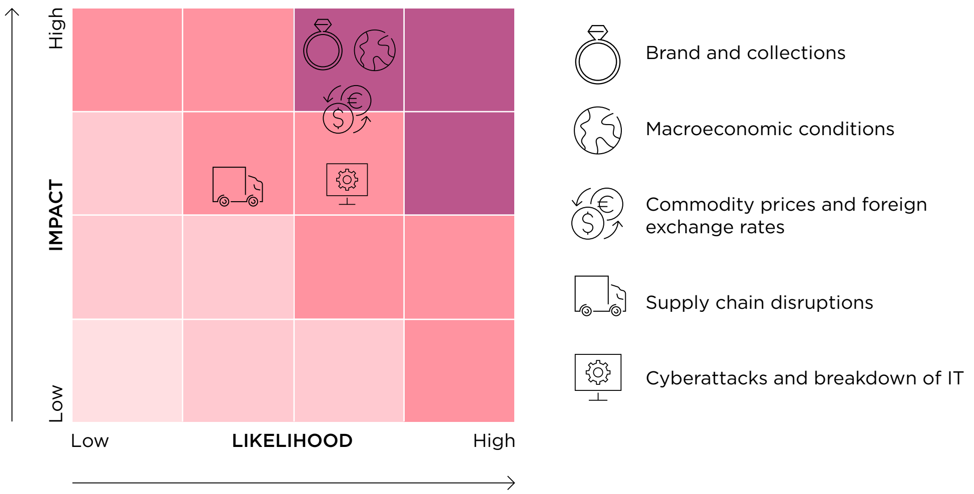
↕

ORGANISATION

OUR APPROACH TO RISK MANAGEMENT

Pandora proactively manages risks to support continued growth of our business and to protect our people, assets and reputation. As a global single brand with a fully integrated value chain, some of the key risks we are facing are brand strength and product relevance as well as supply chain disruptions. Through our enterprise risk management programme, we actively work to identify, monitor and reduce risks to an acceptable level. We continuously monitor inherent risks that could impact our daily operations, as well as strategic risks that may impact Pandora's competitive positioning, value creation and strategy execution. We see well-functioning risk management processes as key to maintaining Pandora's position as the world's largest jewellery brand. Our Chief Financial Officer heads up the Risk Management Board, which consists of senior management representatives from across our business. All areas of our business report their most significant risks to Global Risk & Insurance on a quarterly basis, along with assessments of those risks and an overview of implemented mitigations and action plans. For more information about our enterprise risk management efforts, see pandoragroup.com/investor/corporate-governance/risk-management. ↗

RISK MANAGEMENT MATRIX



OUR KEY RISKS

The Board of Directors (the Board) reviews and discusses key risks that could threaten Pandora's business model or the future performance, solvency or liquidity. On the following page, the key risk groups and the activities we undertake to mitigate them are described. It should be noted that these key risks do not represent all risks associated with our business. Other risks, including those not presently identified or deemed to be less material at present, may also have a potential adverse effect on our business. This year, Pandora was also impacted by the announcement from the US government of additional tariffs on imported goods. This impacted Pandora in relation to products imported to the US and originating mainly from Thailand but also China, Vietnam and several other countries. Pandora accordingly announced partial mitigation measures for the tariffs and communicated on the potential impacts to profitability on a forward-looking basis, noting that the risk is no longer considered a key risk in the risk reporting.

SUSTAINABILITY RISKS ASSESSMENT

At the end of 2024, Pandora conducted a climate scenario survey on our crafting facilities to assess the risks of flooding and the impacts on business, including financial exposures under different scenarios. In 2025, a list of initiatives based on the survey were implemented to improve the flooding risk profile of our crafting operations. This enabled us to proactively implement tangible recommendations to mitigate potential future supply chain disruptions caused by climate change.

AREA	RISK DESCRIPTION	IMPACT	MITIGATION
BRAND & COLLECTIONS	There is a risk that we may struggle to sustain and enhance the desirability and relevance of the brand. Additionally, failing to deliver consumer-centric jewellery concepts and innovate new collections could pose challenges. As the brand grows, Pandora faces increased counterfeit risks due to the global rise in fake goods and e-commerce-driven distribution.	Failing to maintain brand relevance and offer appealing products may result in decreased store and online traffic, negatively affecting our revenue and profitability. The growth of the global counterfeit trade can lead to lost revenue.	• Build brand awareness and desirability through an exciting product portfolio, campaigns and activations • Continue to strengthen insights into consumer trends, impact on Pandora and the health of the brand • Refine always-on reach and relevance across paid, owned and earned channels • Enhance the in-store and online experience to deliver a seamless, inspiring and memorable consumer journey • Continue to strengthen data-driven product development, rooted in consumer insights • Continue to strengthen global counterfeit detection and removal efforts across online and offline markets
MACROECONOMIC CONDITIONS	There is a risk that adverse macroeconomic conditions could impact consumers' ability and willingness to buy jewellery.	As an accessible luxury brand, a decline in consumer confidence and lower disposable income may adversely impact our revenue and profitability.	• Ongoing review and adjustment of commercial tactics, including pricing adjustments and revenue diversification • Continuous monitoring of consumer behaviour and trends • Strict cost control; ongoing targeted cost reduction programme
COMMODITY PRICES & FOREIGN EXCHANGE RATES	There is a risk of sustained increased prices for silver and gold. Further, Pandora generates significant revenue and incurs costs in multiple foreign currencies, leading to currency exposure.	Sustained higher commodity prices may have a negative impact on profitability. Adverse impacts from foreign exchange rates (lower USD, GBP, AUD and MXN and higher THB) may negatively impact revenue and profitability.	• Creative innovation reducing the silver exposure while remaining a precious metal brand • Ongoing review and adjustment of commercial tactics, including pricing adjustments and revenue diversification • Strict cost control; ongoing targeted cost reduction programme • Hedging major currencies and commodities, see note 4.4 Financial Risks • Geographical diversification and expansion of crafting capacity
SUPPLY CHAIN DISRUPTIONS	There is a risk of disruptive events such as fire, extreme weather, pandemics, political conflicts, armed conflicts, cyberattacks, terrorism or other hazards materially disrupting our crafting and distribution facilities or key suppliers' sites.	Pandora operates a fully integrated value chain, with crafting facilities based in Thailand and primary distribution centres located in Germany, Thailand, the UK (third-party operated) and the US. Disruption, physical damage and interruption may temporarily impact our revenue and profitability.	• Continued loss prevention reviews and improvements • Business Impact Analysis • Business continuity planning • Crisis management training • Insurance for insurable events • Geographical diversification and expansion of crafting capacity • Dual sourcing when feasible • Optimised B2B and B2C distribution capacity
CYBERATTACKS AND BREAKDOWN OF IT	There is a risk of disruption to critical IT systems due to large-scale cyberattacks, cloud outages and cyber war.	Such disruptions may significantly impact our operations and data security. A breach of data confidentiality or business interruption may temporarily affect our revenue and profitability.	• Ongoing information security programme improvements • Enterprise resource planning (ERP) system upgrade • Crisis management training • IT disaster recovery planning • Business continuity planning

KATSEYE
In 2025, the global girl group KATSEYE partnered with Pandora to spotlight charms celebrating each member's unique personality and style, each represented through a charm that correlates to their personal symbol.

STORY

JEWELLERY WITH A MEANING: SCALABLE PERSONALISATION DRIVING VALUE

At Pandora, personalisation helps strengthen customer relationships, enhance brand differentiation and drive growth. Our engraving service transforms jewellery into a personal expression – deepening emotional connection, encouraging loyalty and driving repeat purchases. As a scalable offering, it supports both revenue growth and long-term brand equity in a competitive global market.

Customers can personalise selected jewellery pieces both in the store and online. The engraving feature allows for up to 50+ characters, as well as simple doodles or image uploads, depending on the jewellery used. This flexibility makes it easy for customers to add names, dates, symbols or messages that reflect their identity and relationships.

TURNING MOMENTS INTO MEMORIES
"Personalisation is where emotion meets experience. With engraving, we give our customers the chance to make each piece truly theirs, a reflection of who they are and what matters most," said Line Hildebrandt Smith, SVP, Global Commercial Operations at Pandora.

In 2025, our engraving service delivered strong results across markets, with over 3.3 million pieces of jewellery personalised and 1.9 million customers using the service. This has contributed with DKK 1.3 million in revenue, with a noticeable uplift in conversion rates and the average basket size among customers who choose to engrave. These results confirm that scalable personalisation is not only operationally viable, but also a key driver of emotional connection and commercial performance.

Engraving allows us to offer high-impact, relevant experiences that resonate across demographics and markets. As we expand our personalisation capabilities, we remain focused on delivering value through innovation and emotional connection.

GOVERNANCE

MICA ARGAÑARAZ
Highly influential Argentine fashion model and artist

CORPORATE GOVERNANCE

STRONG GOVERNANCE ROOTED IN PURPOSE, BUILT FOR RESILIENCE

Pandora has established a corporate governance framework that emphasises accountability and transparency. In an increasingly unpredictable world, this foundation enables timely decision-making, agile adaptation and sustained value creation.

GOVERNANCE STRUCTURE

The shareholders exercise their rights at General Meetings, which is the company's supreme governing body. At least one Annual General Meeting is held, where, amongst other duties, members of the Board of Directors (the Board) are elected, the Annual Report is approved, the Remuneration Report is appreciated and any proposed amendments to the company's Articles of Association are discussed and either adopted or rejected. Pandora operates with a two-tier management structure consisting of the Board and Executive Management. The Board defines the overall vision, strategy and objectives of Pandora's business activities, supervises the performance of Executive Management and is responsible for overseeing the execution of Pandora's business strategy, including sustainability priorities, performance and targets. Furthermore, the Board is responsible for overseeing cyber-security governance, adopting sustainability-related policies, reviewing sustainability reporting and overseeing performance related to Pandora's strategic sustainability priorities and targets.

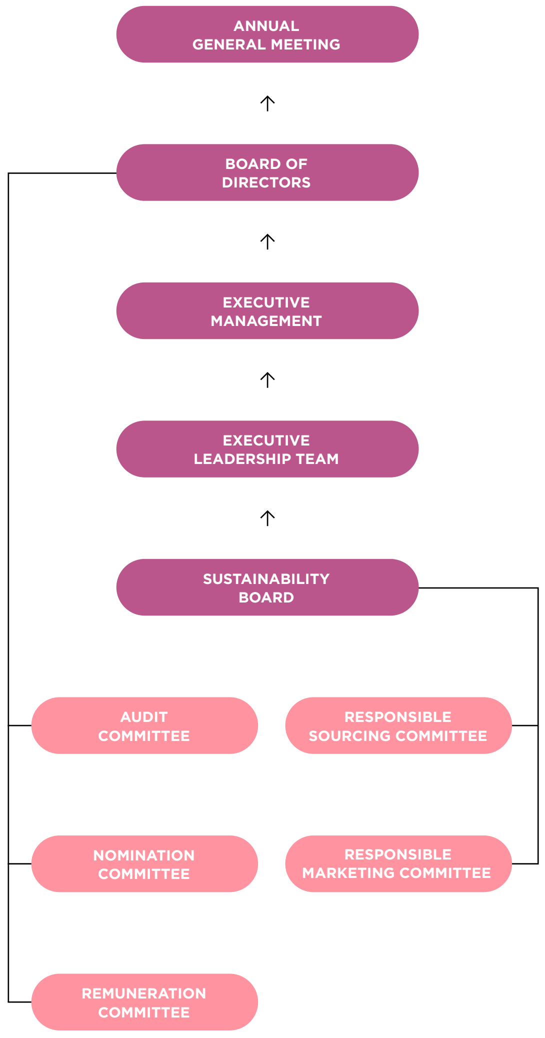
Members of Executive Management are appointed by the Board and consisted, in 2025, of two men representing two nationalities. The composition of the Executive Management Team is designed to ensure relevant and complementary competencies and diversity. Executive Management is responsible for the day-to-day management of the company and for executing Pandora's strategy. In addition, Pandora has an Executive Leadership Team (ELT), consisting of one woman and seven men in 2025, representing seven different nationalities. Each ELT member is responsible for the daily operations of their respective business area and serves as a part of Pandora's overall leadership. Selected ELT members are also part of Pandora's Sustainability Board.

BOARD OF DIRECTORS

Composition

The Board consists of eight members, seven of whom were elected at the 2025 Annual General Meeting for a one-year term. Lars Sandahl Sørensen was elected at an Extraordinary General Meeting in August 2025. His current term expires at the 2026 Annual General Meeting. As of 31 December 2025, the Board comprises eight members, four women and four men, achieving equal gender representation in line with the Danish Gender Balance Act. In line with the Danish Recommendations on Corporate Governance, 88% of the Board members are regarded as independent. Due to his more than 12-year tenure on the Board, Christian Frigast no longer qualifies as independent. Christian Frigast has announced that he will not be seeking re-election at the 2026 Annual General Meeting.

OUR GOVERNANCE STRUCTURE



BOARD AND COMMITTEE MEETINGS IN 2025

10 ●●●●●●●●●●

BOARD OF DIRECTORS

6 ●●●●●●

AUDIT COMMITTEE

6 ●●●●●●

REMUNERATION COMMITTEE

6 ●●●●●●

NOMINATION COMMITTEE

The composition of the Board is designed to ensure relevant and complementary competencies and diversity. This approach supports Pandora's strategic goals and vision, while ensuring well-considered, diverse and judicious decision-making.

Board evaluation

Each year, the Board conducts a board review focusing on its effectiveness and skills. The ideal mix of skills and experience required of Board members includes:

- Board experience
- Executive management
- Sectoral experience
- Marketing and brand
- Retail
- Digitalisation
- Sustainability
- Finance
- Governance

An external assessment of the Board's skills and effectiveness is conducted every three years to ensure objectivity and benchmarking. In 2025, the Board effectiveness review was conducted internally and the results identified that the Board continues to be well-established and well-functioning, supported by a strong belief in the strategy and effectiveness in collaboration with the committees and Executive Management.

Board committees

To support the Board in its duties, Audit, Nomination and Remuneration Committees have been established. Each committee is responsible for carrying out various preparatory tasks within the Board's key areas of responsibility. The Remuneration Committee is responsible for incentive schemes and remuneration, including those related to sustainability. More information can be found in our Remuneration Report 2025. ↗

The committees' terms of reference are available at our website: pandoragroup.com/investor/corporate-governance/governance-documents. ↗

Board activities in 2025

The Board held 10 meetings in 2025. Its primary focus was to strengthen the company's resilience to external factors and navigate Pandora through continued macroeconomic uncertainty, including the implications from increased commodity prices, fluctuating foreign exchange rates, imposed US tariffs and complex socio-political environments. Additionally, the Board ensured that Pandora remained aligned with the Next Growth Chapter of the Phoenix strategy, announced at Pandora's Capital Markets Day in 2023. The Board also appointed Berta de Pablos-Barbier as new CEO. She succeeded Alexander Lacik on 1 January, 2026. Furthermore, the Board continued to oversee cybersecurity governance and the integration of sustainability into relevant processes across Pandora, ensuring alignment with our strategic priorities and sustainability targets.

Sustainability governance

Sustainability is deeply embedded in Pandora's strategic direction and in how we conduct business. The Board governs sustainability at the highest level, approving the sustainability priorities, policies and targets, including the climate transition plan. Execution of the strategy is delegated to Pandora's Sustainability Board, which is responsible for integrating sustainability into business decisions and processes within their respective functions. Reporting to the Executive Leadership Team (ELT), the Sustainability Board is chaired by Pandora's Chief HR Officer and comprises nine senior leaders, including selected ELT members.

BOARD MEMBERS	Board meetings attended
Peter A. Ruzicka[1]	● ● ● ● ● ● ● ● ● ●
Christian Frigast[2]	● ○ ● ● ● ● ● ● ○ ●
Lilian Fossum Biner	● ● ● ● ● ● ● ● ● ●
Birgitta Stymne Göransson	● ● ● ● ● ● ● ● ● ●
Marianne Kirkegaard	● ● ● ● ● ● ● ● ● ●
Catherine Spindler	● ● ○ ○ ○ ● ● ● ● ●
Lars Sandahl Sørensen	◍ ◍ ◍ ◍ ◍ ◍ ● ● ● ●
Jan Zijderveld	● ● ● ● ● ● ● ● ○ ●

AUDIT COMMITTEE	Committee meetings attended
Lilian Fossum Biner[1]	● ● ● ● ● ●
Birgitta Stymne Göransson	● ● ● ● ● ●
Jan Zijderveld	● ● ● ● ● ○

NOMINATION COMMITTEE	Committee meetings attended
Marianne Kirkegaard[1]	● ● ● ● ● ●
Christian Frigast	● ● ○ ● ○ ●
Birgitta Stymne Göransson	● ● ● ● ● ○
Peter A. Ruzicka	● ● ● ● ● ●

REMUNERATION COMMITTEE	Committee meetings attended
Peter A. Ruzicka[1]	● ● ● ● ● ●
Christian Frigast	● ● ○ ● ● ●
Marianne Kirkegaard	● ● ● ● ● ○
Jan Zijderveld	● ● ● ● ● ●

● Meeting attended
○ Meeting not attended
◍ Not a member at the time

[1] Chair
[2] Deputy Chair

Two subject-specific committees (the Responsible Sourcing Committee and the Responsible Marketing Committee) oversee key sustainability areas on responsible sourcing and responsible marketing. The Low Carbon Forum remains active, while the CSRD Task Force has concluded its work.

In 2025, we reconfirmed the conditions of our 2024 Double Materiality Assessment (DMA) and Pandora's material sustainability matters (material matters). The 2025 DMA was approved by Pandora's Sustainability Board and the Audit Committee was engaged to ensure alignment with strategic priorities and targets.

Additional information
The Corporate Governance Statement for 2025, in accordance with section 107b of the Danish Financial Statements Act, is available on our website: pandoragroup.com/investor/corporate-governance/governance-statement. ↗

Pandora A/S' statutory report, in accordance with section 99a of the Danish Financial Statements Act, is available in the Sustainability Statements. Section 107d is partly available in the Corporate Governance section, and the specific policy requirement is available in the Sustainability Statements on pages 73-74. Section 107f is available in the Corporate Governance section.

Pandora's Global Data Ethics Policy, in accordance with section 99d of the Danish Financial Statements Act, is available on our website: pandoragroup.com/sustainability/resources/policies. ↗

At Pandora, we prioritise the ethical stewardship of data and technology, recognising the significance of the people behind and impacted by these advancements. Throughout 2025, we have strengthened our responsible data practices to ensure equality, equity and integrity. We laid the foundations for responsible technology adoption by launching a platform with training and ethical guidelines, initiating a governance framework and embedding risk considerations into vendor and in-house AI development processes. Looking ahead to 2026, we will continue to advance these initiatives, reinforcing our position as a leader in responsible AI implementation.

INTERNAL CONTROL AND RISK MANAGEMENT

The Board and Executive Management are responsible for Pandora's internal control and risk management systems in relation to the financial and sustainability reporting process.

Control environment
The Group's internal control framework identifies key processes, inherent risks and control procedures to reduce and mitigate financial and sustainability risks and ensure reliable financial and sustainability reporting. The Audit Committee assists the Board in supervising the financial and sustainability reporting process and monitoring the effectiveness of the internal control and risk management systems. Executive Management is responsible for safeguarding the overall control environment, identifying weaknesses and ensuring necessary steps are taken to mitigate financial and sustainability risks through standardisation and process optimisation. The Internal Audit and Compliance Controlling (IACC) function serves to help Pandora accomplish its objectives by bringing a systematic and disciplined approach to evaluating and improving the effectiveness of internal control, compliance and governance processes. The head of the IACC function reports to Pandora's Chief Financial Officer, with a dotted reporting line to the Audit Committee Chair.

Risk assessment
The Board and Executive Management assess risks on an ongoing basis, including risks related to the financial and sustainability reporting, and they assess measures to manage, mitigate, reduce or eliminate identified risks. The IACC function assists Executive Management and the Audit Committee in identifying and monitoring financial and sustainability risks in the reporting process. The Audit Committee frequently reviews selected high-risk areas, including significant accounting estimates and material changes to accounting policies. Pandora's Global Risk Management function facilitates identification and monitoring of material enterprise risks and validates measurements taken to reduce the risks to an acceptable level.

Control activities
The financial and sustainability information reported by Pandora and its subsidiaries follows a formalised and structured process and is controlled by local controllers with local market knowledge as well as the controlling function within Pandora Global Business Services and Corporate Finance. The Group-controlling functions are continuously trained in new accounting, sustainability and reporting requirements and monitors compliance with relevant legislation and regulations on an ongoing basis.

The financial and sustainability reporting process is dependent on the Group's IT systems. Any weaknesses in system controls and related risks to the financial and sustainability reporting are mitigated by manual controls. Each entity and Global Business Services assess their control

POLICY COLLECTION

Policies related to our corporate governance practices are available on our website.

- Adequate wage policy ↗
- Code of conduct ↗
- Global data ethics policy ↗
- Global environmental policy ↗
- Global human rights policy ↗
- Health and safety policy ↗
- Inclusion and belonging policy ↗
- Investor relations policy ↗
- Privacy policy ↗
- Remuneration policy ↗
- Responsible sourcing policy ↗
- Supplier code of conduct ↗
- Tax policy ↗
- Whistleblower policy ↗

environment through a self-assessment of the effectiveness of implemented controls, including those related to sustainability. The sustainability processes and control activities continue to evolve alongside the maturation of the guidance of the requirements in this area. The IACC function evaluates the effectiveness of the Group's control environment on an ongoing basis and reports its findings to the Audit Committee.

Monitoring

Pandora's internal control procedures and risk management systems, including the whistleblowing function, are continuously monitored, tested and documented. The Audit Committee monitors internal controls and the risk management process to ensure that identified risks are mitigated. In addition to monitoring procedures and systems, financial and sustainability risks are reviewed through audits performed by the IACC function.

Information and communication

Group entities are assigned dedicated controllers within Corporate Finance to ensure a direct line of communication. The Corporate Finance function reports to the Chief Financial Officer. In addition, the IACC function is present at all Audit Committee meetings and provides regular status updates on the control environment. Furthermore, the head of the IACC has regular meetings with the Chief Financial Officer and meetings with the Audit Committee without the presence of Executive Management. This setup ensures transparency and that communication is shared with the Audit Committee on a timely basis. The Board has adopted an Investor Relations Policy that requires all communication to stakeholders, including financial and sustainability reporting, to be conducted adequately, timely and openly – both internally and externally – and to be conducted factually and truthfully and in compliance with laws and applicable regulations.

GENDER REPRESENTATION IN MANAGEMENT

In line with the Danish Gender Balance Act, Pandora A/S is committed to promoting an equal gender representation at management level.

In 2025, we strengthened succession planning to develop internal female talent and updated recruitment processes to require diverse shortlists and structured evaluations to minimise bias. These key measures delivered positive results.

In 2025, representation of the underrepresented gender (women) in our Leadership Team in Pandora A/S[1] increased from 17% to 21%, and as of 31 December 2025, our Leadership Team in

Pandora A/S comprised 14 members: 3 women (21%) and 11 men (79%). While we have not yet achieved equal gender representation, we will continue raising awareness across management levels and implementing measures until the current target of 28% and subsequent targets are met.

LEADERSHIP TEAM IN PANDORA A/S[1]	2025	2024
Members of the Leadership Team Pandora A/S, number	14	12
Underrepresented gender in Leadership Team Pandora A/S, %	21%	17%
Target, %	28%	-
Fulfilment year	2026	-

[1] The Leadership Team in Pandora A/S consists of Executive Management (first level) and employees of Pandora A/S with managerial responsibility who report directly to Executive Management (second level). The composition is determined at year-end, and all members of the Leadership Team in Pandora A/S are included in the reported headcount. Read more in the Inclusion and Belonging chapter in the Sustainability Statements page 73.

BUSINESS ETHICS

BUSINESS ETHICS AT THE CORE

At Pandora, we are committed to upholding a high standard of integrity and making ethical decisions.

CODE OF CONDUCT

Our Code of Conduct defines the ethical principles and business practices expected of all employees and partners. In 2025, we revised the Code of Conduct to clarify the language and messaging, as well as reinforce its importance across the organisation. We continue to invest in compliance, the application of internal policies and building a strong business ethics culture.

WHISTLEBLOWER

We are committed to a transparent and supportive environment through our Whistleblower programme. Our Whistleblower Policy, aligned with the Danish Whistleblower Act and the EU Whistleblower Directive, ensures that our employees can confidentially and safely raise concerns through the whistleblower channels, including a dedicated hotline or a designated inbox. The Internal Audit & Compliance Controlling function reviews each case and directs it to the appropriate team. In certain cases, external consultants are engaged due to time constraints or data-sharing regulations.

Our whistleblower e-learning platform is an important step in building a speak-up culture, which is why the e-learning is mandatory for all employees. This year, we had particular focus on our colleagues in Crafting and Supply. Promotional material for the e-learning and the whistleblower process was shared in local languages with all crafting colleagues across different digital communication platforms.

In 2025, 345 cases were reported through the whistleblower platform, covering issues such as harassment, discrimination, racism and minor grievances. No severe human rights incidents were reported, and none of the cases had a severe impact on our business operations or a material financial impact.

MITIGATING THE RISK OF BRIBERY AND CORRUPTION

In Pandora, we have a zero-tolerance policy for bribery and corruption, and we take appropriate action when necessary. To mitigate the risk, we have a dedicated compliance programme building on the Code of Conduct and the Anti-Bribery and Corruption Policy. In 2025, we revised our Gifts & Entertainment Standard and the Conflict-of-Interest Policy, launched a global awareness campaign, delivered additional training for exposed functions and senior leaders and strengthened the processes for declaring gifts and entertainment.

PROTECTING PERSONAL DATA

Our Privacy Policy outlines the principles we adhere to when managing personal data from customers, employees and other individuals. We utilise personal data only when there is a legitimate purpose, ensuring that all data is used, stored, shared and protected in accordance with applicable privacy laws.

We ensure our colleagues stay privacy-aware with regular training. In 2025, we expanded targeted training efforts for the office population in our Southern Europe, Middle East & Africa clusters and for HR colleagues in our European Distribution Centre.

As artificial intelligence (AI) technologies evolve, protecting personal data becomes increasingly important. We have therefore implemented a gatekeeping process to ensure that every use of AI undergoes thorough assessments, ensuring fair, responsible and compliant data handling.

Pandora investigates and resolves privacy complaints in accordance with applicable laws. We had no substantiated privacy claims in 2025. We have had two personal data breaches and have been in dialogue with the relevant data protection authorities in Denmark, UK, Turkey, Canada, Thailand, Singapore and Taiwan. One incident was reported to the Brazilian authorities. Neither of the data protection authorities deemed it necessary to take any further action.

ANTI-MONEY LAUNDERING AND COMPLIANCE WITH SANCTIONS

We remain fully committed to conducting business in full compliance with applicable regulations on anti-money laundering, countering the financing of terrorism, economic sanctions, embargoes and third-party due diligence. Our Anti-Money Laundering Policy and Third-Party Due Diligence Standard set out global requirements for all Pandora subsidiaries. Business partners are subject to our Third-Party Due Diligence process. We continuously monitor for sanctions, politically exposed persons and adverse media. Employees who face a higher risk of exposure to money laundering – such as colleagues in the physical stores – receive targeted training and guidance to mitigate money-laundering risks.

TAX

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

As a global organisation, Pandora incurs and collects a wide range of taxes and duties around the world. Pandora's total global tax contribution amounted to DKK 8.8 billion in 2025, compared to DKK 8.0 billion in 2024, which is split between taxes borne and taxes collected. Taxes borne include taxes and duties such as corporate income tax and customs duties. Taxes collected include taxes such as VAT/GST, sales taxes, taxes on wages and dividends.

Pandora strives to be a leader within tax transparency and voluntarily discloses a range of tax-related information. 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 the 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 of non-cooperative jurisdictions for tax purposes. One of the companies acts as a regional office for Latin America and receives an 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%.

Read more about Pandora's tax principles and practices in Pandora's Tax Policy.

TAXES BORNE AND TAXES COLLECTED SPLIT

DKK billion

BOARD OF DIRECTORS

PETER A. RUZICKA
Chair

Year of birth: 1964
Member since: 2019

Professional position:
Non-executive Board member.

Non-executive functions:
Chair of Royal Unibrew A/S, Aspelin Eiendom AS, AKA AS and The Nutriment Company and board member of Axfood AB.

Skills and experience:
Vast operational experience in strategy execution and transformation as well as retail and brand optimisation at executive level. He has extensive expertise in sustainability, having led Orkla's ambitious climate programmes and chaired impactful environmental decisions at Pandora. He also contributes with experience from other board positions and insight into capital markets.

CHRISTIAN FRIGAST
Deputy Chair

Year of birth: 1951
Member since: 2010

Professional position:
Non-executive Board member.

Non-executive functions:
Chair of Axcel Management A/S, Erhvervslivets Tænketank, Nordsøfonden, Aktive Ejere, Bestyrelsesforeningen and Frigast A/S. Christian Frigast is also Deputy Chair of PostNord, board member of Danish Ship Finance and member of the advisory board of Center for Strategic CSRD.

Skills and experience:
Experience in general management, capital markets, consumer sales and retail execution. He also advises companies on creating value through the EU sustainability reporting requirements.

LILIAN FOSSUM BINER

Year of birth: 1962
Member since: 2023

Professional position:
Non-executive Board member.

Non-executive functions:
Board member of Carlsberg A/S, Alfa Laval AB, Scania AB and Röko AB.

Skills and experience:
Senior management experience in retail and consumer goods, with operational expertise in strategy, finance and sustainability. She serves on a foundation board, funding initiatives in health research, climate and education. She also brings 20 years of experience from mid- and large-cap non-executive board positions in several large corporations, spanning both listed and private environments.

BIRGITTA STYMNE GÖRANSSON

Year of birth: 1957
Member since: 2016

Professional position:
Non-executive Board member.

Non-executive functions:
Chair of Industrifonden and Berling Media AB as well as board member of Asker AB, Bure Equity AB and Bentley Endovascular AB.

Skills and experience:
Experience within areas such as consumer goods, retail execution, IT, digital, financial insights and capital markets. She also served as a board member for sustainability initiatives focused on social entrepreneurship and was formerly the Chair of the Non-Governmental Organisation Fryshuset.

MARIANNE KIRKEGAARD

Year of birth: 1968
Member since: 2020

Professional position:
Managing Director in Rhône Group.

Non-executive functions:
Board member of Faerch Group, Ilycaffè, Orkla Food Ingredients and Wahoo Fitness.

Skills and experience:
In-depth international insight into the consumer market, experience advancing the social sustainability agenda and across the complete value chain within large multinational corporations.

CATHERINE SPINDLER

Year of birth: 1977
Member since: 2020

Professional position:
President of Sephora Europe and Middle East.

Non-executive functions:
None.

Skills and experience:
Vast experience within international brand strategy, digital transformation and the beauty and cosmetics industry. Her experience spans high-growth digital environments and lifestyle apparel retail. She has been instrumental in advancing Lacoste's sustainability initiatives, including reducing carbon emissions.

LARS SANDAHL SØRENSEN

Year of birth: 1963
Member since: 2025

Professional position:
CEO of The Confederation of Danish Industry.

Non-executive functions:
Chair of A/S af 3. Juni 1986, Deputy Chair of PensionDanmark Holding A/S and board member of Arbejdsmarkedets Tillægspension and Københavns Lufthavne A/S.

Skills and experience:
Extensive leadership experience from executive and board roles across international industries. He has played a central role in shaping both Danish and EU sustainability agendas and has previously led SAS's ESG and sustainability transformation. He further brings strategic insights into growth and competitive global environments.

JAN ZIJDERVELD

Year of birth: 1964
Member since: 2021

Professional position:
Non-executive Board member.

Non-executive functions:
Board member of Koninklijke Ahold Delhaize N.V. and Symrise AG and senior advisor to a number of private equity firms.

Skills and experience:
International consumer market insight, as well as comprehensive knowledge of sustainability across the full value chain, gained during his tenure at Unilever and Avon.

See full CVs at pandoragroup.com

EXECUTIVE LEADERSHIP TEAM

BERTA DE PABLOS-BARBIER
President & Chief Executive Officer (CEO)[1]

Year of birth: 1968
Member since: 2024

Registered Executive Management. Berta de Pablos-Barbier has more than 30 years' international experience in global luxury and consumer brands. She has previously served as President & CEO of LVMH's champagne houses Moët & Chandon, Dom Perignon and Mercier, and held senior roles, including Chief Growth Officer at Mars Wrigley, CMO at Lacoste. She holds a degree in Agricultural Engineering from Universitat Politècnica de València and an MBA in Fashion from IFM Paris. At Moët & Chandon, she advanced sustainability initiatives across the organisation. Her leadership has strengthened brand desirability through product-led strategies and cultural relevance. Since joining Pandora as CMO, she has led the brand's strategic repositioning under the Phoenix strategy.

ALEXANDER LACIK
Former President & Chief Executive Officer (CEO)[2]

Year of birth: 1965
Member since: 2019

Registered Executive Management. Alexander Lacik has more than 35 years' experience from large global consumer goods companies. Before joining Pandora, he was Chief Executive Officer of Britax Ltd., a British manufacturer of childcare products. He has also held Chief Executive Officer and senior management positions at Kasthall Golv & Mattor and Procter & Gamble as well as Reckitt Benckiser, where he held a number of positions, including Head of Reckitt Benckiser North America. He has a Bachelor's degree in Business Administration from the University of Växjö, Sweden. Alexander Lacik has been instrumental in advancing Pandora's sustainability initiatives, including Pandora's industry-leading transition to craft with 100% recycled silver and gold. He is a board member of Aerbio ApS, Essity AB and the Watch & Jewellery Initiative 2030.

ANDERS BOYER
Executive Vice President & Chief Financial Officer (CFO)

Year of birth: 1970
Member since: 2018

Registered Executive Management. Anders Boyer has more than 20 years' experience in finance, business management and turnarounds. Prior to joining Pandora, he held positions as Chief Financial Officer at Hempel A/S and GN Store Nord A/S as well as Finance Director and subsequently Regional Director of ISS. He started his career at A.P. Møller – Mærsk A/S, where he worked for ten years. He has an MSc in Finance and Accounting from Copenhagen Business School, Denmark, and is a board member of SAS AB. Anders Boyer has played a pivotal role in integrating sustainability into Pandora's financial strategy. Under his oversight, Pandora has issued sustainability-linked bonds and secured a major sustainability-linked loan. These financial instruments directly connect the company's borrowing costs to the achievement of key sustainability targets.

MASSIMO BASEI
Chief Commercial Officer

Member since: 2023

BYRON CLAYTON
Chief Human Resources Officer

Member since: 2023

STEPHEN FAIRCHILD
Chief Product Officer

Member since: 2011

JENNIE FARMER
Chief Marketing Officer

Member since: 2026

JEERASAGE PURANASAMRIDDHI
Chief Supply Officer

Member since: 2020

DAVID WALMSLEY
Chief Digital & Technology Officer

Member since: 2019

See full CVs at pandoragroup.com

[1] President & Chief Executive Officer (CEO) as of 1 January 2026.

[2] President & Chief Executive Officer (CEO) until 31 December 2025.

SHAREHOLDER INFORMATION

In 2025, Pandora's share price declined by 46%, closing the year at DKK 708. The decrease was in part driven by a slowdown in growth, and in part by the increase in commodity prices and tariffs. Over the course of the year, the company returned DKK 5.9 billion to shareholders through cash distributions, representing 10% of the market capitalisation as of 31 December 2025. The liquidity of the Pandora share remains robust, supported by a free float of 100% and approximately 54 million shares exchanged during the year, corresponding to 69% of outstanding shares.

CAPITAL STRUCTURE AND CASH ALLOCATION

Pandora's capital structure serves to ensure that we have sufficient financial flexibility to pursue strategic goals and preserve a stable financial structure based on a strong balance sheet. Pandora's Capital Structure Policy is to maintain NIBD to EBITDA between 0.5x and 1.5x at year-end. At the end of 2025, our leverage ratio was 1.3x NIBD to EBITDA, which is within the Capital Structure Policy range, reflecting an increase from 1.1x in 2024.

PROPOSED CASH DISTRIBUTIONS

Pandora continues to be highly cash-generative and will therefore continue to distribute significant cash to shareholders. For 2026, the Board of Directors proposes a dividend of DKK 22 per share, corresponding to an absolute amount of DKK 1.6 billion.

REVIEW OF 2025 SHARE BUYBACK AND DIVIDENDS

In 2025, Pandora paid out an ordinary dividend of DKK 20 per share. The total amount paid was around DKK 1.6 billion. In addition, a DKK 4.0 billion share buyback programme was launched in February 2025 and completed in full by 2 January 2026.

SHAREHOLDERS

As of 31 December 2025, Parvus Asset Management Jersey Limited[1], BlackRock, Inc.[2] and Pandora A/S, were identified as major shareholders. As disclosed during the year, Parvus controls 12.5% of the voting rights, BlackRock controls 8.3% of the voting rights and Pandora A/S controls 5.6% the voting rights, respectively. Subsequent to year-end, BlackRock, Inc. increased its holding to 10% of the voting rights in 2026.

[1] Parvus Asset Management Jersey Limited, St. Helier, Jersey.
[2] BlackRock, Inc., Wilmington, Delaware, US.

SHARE PRICE DEVELOPMENT 2025
DKK

ANNUAL DISTRIBUTIONS DKK billion	FY 2026 Proposed	FY 2025 Actual	FY 2024 Actual	FY 2023 Actual	FY 2022 Actual
Dividend (ordinary + interim)	1.6	1.6	1.5	1.4	1.5
Nominal dividend per share, DKK	22.0	20.0	18.0	16.0	16.0
Share buyback programme	-	4.4	4.0	5.0	3.6
Total cash return	1.6	5.9	5.5	6.4	5.1

SHARE INFORMATION

EXCHANGE	Nasdaq Copenhagen
TRADING SYMBOL	PNDORA
IDENTIFICATION NUMBER/ISIN	DK0060252690
NUMBER OF SHARES	79,000,000 of DKK 1, each with one vote
SHARE CLASSES	1
GICS	25203010
SECTOR	Apparel, Accessories & Luxury Goods
SEGMENT	Large

FINANCIAL CALENDAR 2026

04 FEB	Annual Report 2025
04 FEB	Remuneration Report 2025
11 MAR	Annual General Meeting
06 MAY	Interim financial report Q1 2026
13 AUG	Interim financial report Q2 2026
04 NOV	Interim financial report Q3 2026

As of 31 December 2025, the geographical split of institutional investors was (% of share capital held by institutions):

- UK 31%
- US 27%
- Denmark 13%

As of 31 December 2025, Pandora's Board and Executive Management held a total of 85,264 and 386,104 Pandora shares, respectively, corresponding to 0.60% of the total share capital. This represents a slight decrease compared to 2024, where the Board held 84,539 shares and Executive Management held 410,313 shares, together corresponding to 0.60% of the total share capital.

Berta de Pablos-Barbier, who assumed the role of CEO on 1 January 2026, holds 4,700 shares.

INVESTOR RELATIONS

Executive Management is responsible for the Investor Relations function, which ensures compliance with Pandora's Investor Relations Policy. Investor Relations reports to the Chief Financial Officer.

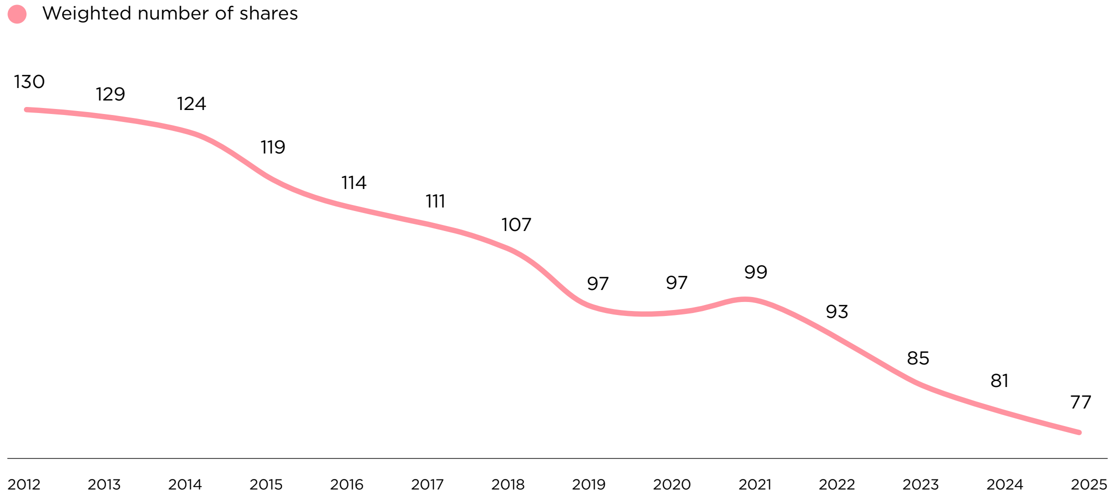
The purpose of Pandora's investor relations activities is to ensure that relevant, accurate and timely information is made available to the capital markets to serve as a basis for regular trading and a fair pricing of the share. Prior to the planned release of any quarterly financial reports, Pandora does not comment on matters related to financial results or expectations. In addition, members of the Board and Executive Management are only allowed to trade shares in a four-week trading window following the announcement of interim and annual reports.

Pandora will ensure that the capital markets perceive the company as visible, accessible, reliable and professional and that Pandora is regarded among the best relative to peers. This will be achieved by complying with the rules and legislation for listed companies on Nasdaq Copenhagen and Euronext Dublin as well as Pandora's internal policies.

COMPANY WEBSITE

The Pandora Group website, pandoragroup.com, provides comprehensive information about our company, our activities, share performance and shareholders. Additionally, all company announcements, including interim and annual reports, as well as investor presentations, webcasts and conference call transcripts are made available on the website in due time. Furthermore, the website contains a financial and event calendar showing events and actions related to investors. A comprehensive list of the 22 analysts covering the Pandora share is maintained, including names, institutions and contact details.

NUMBER OF WEIGHTED OUTSTANDING SHARES SINCE 2012[1]
Million



[1] Calculated as the share capital, adjusted for the weighted average number of treasury shares in the year.

PERFORMANCE REVIEW

UGBAD ABDI
From refugee to prominent
Somali-American fashion model

PERFORMANCE

In 2025, Pandora continued the second phase of the Phoenix strategy. It was a year of resilient growth, despite a volatile macroeconomic backdrop impacting global consumer sentiment.

We generated a revenue of DKK 32.5 billion, delivering 6% organic growth, comprised of 2% like-for-like growth and 4% network expansion, just below the guidance of 7-8% organic growth.

Performance in 2025 was impacted by continued subdued consumer spending in Europe, and a change in sentiment in North America. While that had a negative impact on like-for-like performance, Pandora's brand metrics remained healthy with an increase in unaided awareness and a stable consideration. This is supported by investments spanning across all the Phoenix growth pillars, focusing on store network expansion and refurbishment, digital and technology and the people agenda.

CORE DEMONSTRATING RESILIENCY

Our *Core* segment, which represented 74% of total revenue in 2025, demonstrated resilience and stability, delivering like-for-like growth of 1%. The enduring Pandora Moments collection, delivering -2% like-for-like, faced subdued demand, which intensified towards the end of the year. Part of the reason was soft street traffic, reflecting the persistent low consumer sentiment in Europe throughout the year as well as a worsening of the sentiment in North America during the second half of the year. Moments remains the cornerstone of our brand and a reliable foundation for recurring charm sales.

The Pandora ME collection was once again a standout performer, delivering 21% like-for-like growth, supported by the launch of Pandora Talisman in the second half of the year. Collabs contributed 10% to our revenue, with like-for-like growth of 18%. This strong growth was driven by launches that delivered brand uplift even beyond the core Disney fanbase, leveraging storytelling which sparks an emotional connection.

FUEL WITH MORE – EMBRACING DIFFERENT AESTHETICS

The *Fuel with more* segment contributed with 3% like-for-like growth and 26% of total revenue, supported by continued efforts to expand awareness of Pandora's full jewellery offering. While growth moderated in the second half of the year, the segment remains an important driver of brand diversification and customer acquisition.

The Pandora Timeless collection, making up 78% of *Fuel with more*, delivered a softer performance than anticipated, ending the year at 3% like-for-like. This reflects a more challenging consumer environment and normalisation following strong

REVENUE BY SEGMENTS AND COLLECTIONS

DKK million	2025	2024	Like-for-like	Growth in local currency	Share of revenue FY 2025	Share of revenue FY 2024
Core	**24,235**	**23,542**	**1%**	**7%**	**74%**	**74%**
- Moments	19,812	19,934	-2%	3%	61%	63%
- Collabs	3,114	2,564	18%	26%	10%	8%
- ME	1,309	1,044	21%	30%	4%	3%
Fuel with more	**8,314**	**8,139**	**3%**	**6%**	**26%**	**26%**
- Timeless	6,516	6,339	3%	6%	20%	20%
- Signature	623	910	-31%	-29%	2%	3%
- PANDORA ESSENCE[1]	819	574	57%	47%	3%	2%
- Pandora Lab-Grown Diamonds	357	315	15%	18%	1%	1%
Total revenue	**32,549**	**31,680**	**2%**	**6%**	**100%**	**100%**

[1] PANDORA ESSENCE was launched in Q2 2024 following a pilot in the Netherlands in 2023.

REVENUE BY CHANNEL DKK million	2025	2024	Organic growth	Growth in local currency	Share of revenue FY 2025	Share of revenue FY 2024
Pandora-owned[1] retail	**27,934**	**26,135**	**9%**	**11%**	**86%**	**82%**
- of which concept stores	18,389	17,045	8%	12%	56%	54%
- of which online stores	7,440	7,120	8%	8%	23%	22%
- of which other points of sale	2,104	1,970	14%	14%	6%	6%
Wholesale	**3,862**	**4,684**	**-8%**	**-16%**	**12%**	**15%**
- of which concept stores	1,249	1,933	-14%	-33%	4%	6%
- of which other points of sale	2,613	2,751	-3%	-3%	8%	9%
Third-party distribution	**753**	**861**	**-11%**	**-11%**	**2%**	**3%**
Total revenue	**32,549**	**31,680**	**6%**	**6%**	**100%**	**100%**

[1] Pandora does not own any of the premises (land and buildings) where stores are operated. Pandora exclusively operates stores from leased premises.

prior-year trends. The PANDORA ESSENCE collection, which was launched globally in Q2 2024, performed strongly and made up 3% of our revenue in 2025 with like-for-like growth of 57%. Pandora Signature represented 2% of our revenue and continues to serve as an important offering for our customers. The collection saw a like-for-like growth contraction in 2025, reflecting a deliberate prioritisation of resources and innovation towards other collections during the year.

Our Pandora Lab-Grown Diamonds collection continues to gain ground, with like-for-like growth of 15% in 2025. Jewellery with microfine diamonds has increased in popularity and is becoming a bigger part of the assortment. The collection had a notable positive halo effect on the Pandora brand, increasing consideration to purchase jewellery from any of the collections.

REGIONAL DEVELOPMENT – RESILIENT DESPITE DETERIORATING CONSUMER SENTIMENT

Our largest region, EMEA, delivered like-for-like growth of 0%. Whilst overall like-for-like performance was constrained by the subdued consumer environment, Pandora sees clear opportunities to drive more brand heat and excitement and will be stepping up efforts in that regard. For 2025, the performance in the UK was constrained by low consumer sentiment, while France remains a priority market where further work is needed to restore momentum. In Italy, we launched marketing and merchandising initiatives to address some of the brand-related challenges we have faced. Following an exceptional 2024 driven by several products and trends going viral, growth in Germany normalised during 2025.

North America remains our second largest region by revenue, with a share of business of 36% in 2025. With market share at around 2%, the region offers substantial growth potential. While growth normalised mid-year amid softer consumer sentiment, our strong brand momentum – fueled by the BE LOVE campaign and other brand initiatives – delivered like-for-like growth of 6% and organic growth of 10%. Our strategic network expansion – including net 82 new Pandora-operated concept stores, with 41 acquired from partners – strengthens North America's role as a key driver of future growth.

Latin America remains a region where brand penetration is still in its early stages, offering long-term growth potential. Like-for-like growth in the region was -4%.

Pandora ranked among world's most sustainable companies 2025

TIME Magazine has once again recognised Pandora for sustainability leadership, placing us as the highest-ranked Danish company and third globally in the Retail, Wholesale & Consumer Goods category. We are proud of this recognition as we continue to advance our sustainability ambitions as part of our Phoenix strategy.

REVENUE BY REGION DKK million	2025	2024	Like-for-like	Organic growth	Share of revenue FY 2025	Share of revenue FY 2024
EMEA[1]	16,149	15,839	0%	3%	50%	50%
North America	11,762	11,003	6%	10%	36%	35%
Latin America	2,129	2,357	-4%	-2%	7%	7%
Asia Pacific	2,509	2,481	1%	7%	8%	8%
Total revenue	**32,549**	**31,680**	**2%**	**6%**	**100%**	**100%**

[1] Europe, Middle East & Africa.

During 2025, Pandora has tested a different go-to-market model in Colombia. This has proven successful and was implemented across Latin America in January 2026.

Like-for-like growth in Asia Pacific was 1%, with Australia delivering strong results driven by improved consumer confidence and efficient execution. As part of our strategic optimisation efforts in China, we closed net 95 stores during the year, with minimal impact on network-driven growth. The structural challenges remain, while performance in Shanghai remains a relatively bright spot.

NETWORK DEVELOPMENT

In 2025, we expanded our retail network, adding net 23 new concept stores and 33 Pandora-operated shop-in-shops, contributing 4% to our organic growth. This is including closure of 95 concept stores in China as a part of our efforts to optimise the store network.

Our network strategy is focused on increasing accessibility globally, targeting key geographies in Europe, the Americas and select markets in our remaining regions, where we see untapped growth potential.

Moreover, in 2025, we acquired 46 concept stores, of which 37 are in the US. Converting partner stores to Pandora-operated retail not only fosters brand consistency but also strengthens customer relationships. The performance trend further emphasises the value of forward integration, as Pandora-operated stores outperformed partner stores with three percentage points delta in like-for-like growth in 2025.

PROGRESS ON SUSTAINABILITY TARGETS

Low-carbon business

In 2025, we continued to deliver on our efforts to reduce emissions compared to 2024 (-5%), despite business growth and the peak impact of constructing our new crafting facility in Vietnam. Since 2019, we have reduced total emissions by 17% while growing revenue by 49% – a clear decoupling of growth from emissions.

We remain focused on meeting our science-based targets of halving emissions by 2030 and reaching net zero by 2040.

Circular innovation

In 2025, all our jewellery was crafted using 100% recycled silver and gold, significantly reducing our dependency on newly mined materials. Our continued focus on lab-grown diamonds and man-made stones further minimises our environmental impact.

Inclusive, diverse and fair culture

Fostering an inclusive, diverse and fair workplace remains a core commitment for Pandora. In 2025, 44% of senior leadership positions at VP-level and above were held by women, marking progress towards our goal of achieving gender parity in our Senior Leadership Team no later than 2030.

STORE NETWORK

Number of points of sale	2025	2024	Growth
Concept stores	**2,811**	**2,788**	**23**
- of which Pandora-owned[1]	2,180	2,088	92
- of which franchise-owned	275	361	-86
- of which third-party distribution	356	339	17
Other points of sale	**4,187**	**3,997**	**190**
- of which Pandora-owned[1]	710	677	33
- of which franchise-owned	3,222	3,072	150
- of which third-party distribution	255	248	7
Total points of sale	**6,998**	**6,785**	**213**

[1] Pandora does not own any of the premises (land and buildings) where stores are operated. Pandora exclusively operates stores from leased premises.

TARGETS AND PROGRESS

- As of 2025
- Target
- 45%-55%

50% REDUCTION IN TOTAL EMISSIONS

By 2030, reduce total greenhouse gas emissions by 50% compared to 2019 baseline (Scopes 1, 2 and 3, market-based).

FULL GENDER PARITY

Achieve full gender parity* in the Senior Leadership Team no later than 2030.

100% RECYCLED SILVER AND GOLD

By 2025, purchase 100% recycled silver and gold. Target achieved in December 2023.

100%

* Gender parity in Senior Leadership Team refers to an equal number (50/50) of women and men in senior leadership positions from Vice President and up (including the Board of Directors) with a +/- 5 percentage points variation.

PROFITABILITY

23.9%
EBIT MARGIN
2024: 25.2%

68
EPS
2024: 65

We delivered robust profitability in 2025, achieving an EBIT margin of 23.9%, which was fully aligned with our guidance of "around 24%" and represents only a decline of around 130bps Y/Y despite total external cost headwinds of 300bps. These headwinds arose from the combined effect of foreign exchange rates, commodity prices, and tariffs. This performance reflects the strength of our fully integrated business model and our disciplined approach of reinvesting operating leverage into the Phoenix growth pillars where it creates value, supporting both current and future growth.

The company delivered a strong gross margin of 79.1%, with the *Core* segment reporting a margin of 77.9% (2024: 78.4%), while *Fuel with more* delivered a robust 82.8% (2024: 83.8%), which overall was a small decline of 70bps compared to 79.8% in 2024. The performance in the segments remained strong, supported by effective pricing strategies, improved cost efficiency and a favourable channel mix, which together helped partially absorb external pressures from fluctuating commodity prices, currency movements and tariffs. These external headwinds resulted in a total impact of 220bps on the gross margin.

Due to the development in foreign exchange, the OPEX ratio decreased by 20bps at constant foreign exchange, but on a reported basis it increased by 50bps. Sales and distribution expenses increased by 7% at constant exchange rates, driven by the expansion of our owned and operated store network. This contributed to strong revenue performance and remained margin accretive through improved gross profit and efficiencies across other OPEX lines.

Marketing expenses remained flat, measured as a % of revenue, aligning with our strategic emphasis on brand elevation, and accounted for 13.9% of revenue, within our targeted range of 13-15%. Administrative expenses declined by 10bps as a share of revenue, reflecting the benefits of operating leverage.

Net financial items reached DKK 0.9 billion, reflecting a decrease from DKK 1.0 billion in 2024. While we see higher interest on debt and IFRS 16-related financing costs as we are growing the business and expanding the store network, this was more than offset by foreign exchange rate adjustments and net realised gains on foreign exchange hedging contracts, driving a net decrease of DKK 0.2 billion compared to 2024.

Total tax expenses amounted to DKK 1.7 billion, reflecting an effective tax rate of 24.2%, compared to 24.5% last year. This is impacted by a bilateral advance pricing arrangement signed by the Danish Tax Authorities and the Australian taxation office in the first half of 2025, impacting the years 2022-2024.

Net profit for the year reached DKK 5.2 billion, demonstrating resilient operational strength despite a challenging external environment.

Earnings per share grew by 5% to DKK 68, highlighting the company's continued focus on delivering long-term shareholder value through sustainable and profitable growth. Adjusted for the impact from foreign exchange, the EPS was DKK 75 corresponding to an increase of 15% versus 2024.

COST OF SALES AND GROSS PROFIT DKK million	2025	2024	Growth in constant FX	Share of revenue 2025	Share of revenue 2024
Revenue	32,549	31,680	6%	100%	100.0%
Cost of sales	-6,802	-6,391	7%	20.9%	20.2%
Gross profit	**25,747**	**25,289**	**6%**	**79.1%**	**79.8%**
- of which *Core*	18,867	18,465			
- of which *Fuel with more*	6,880	6,824			

OPERATING EXPENSES DKK million	2025	2024	Growth in constant FX	Share of revenue 2025	Share of revenue 2024
Sales and distribution expenses	-10,941	-10,450	7%	33.6%	33.0%
Marketing expenses	-4,529	-4,394	5%	13.9%	13.9%
Administrative expenses	-2,495	-2,471	2%	7.7%	7.8%
Total operating expenses	**-17,964**	**-17,315**	**6%**	**55.2%**	**54.7%**

EBIT DKK million	2025	2024		EBIT margin 2025	EBIT margin 2024
Operating profit (EBIT)	**7,783**	7,974		**23.9%**	25.2%

BALANCE SHEET AND CASH FLOWS

CASH FLOWS

Net working capital stood at 4.1% of revenue versus -1.7% in 2024. Looking at net working capital excluding commodity hedging, it was -1.1% in 2025, roughly in line with the 2024 comparable figure of -1.6%. The stable performance was driven by constant management of inventory and optimisation of trade balances.

Cash conversion in Q4 2025 amounted to 117%, roughly in line with last year's 124%. The full-year cash conversion was solid at 65%, reflecting continued disciplined working-capital management, and in line with the 65-70% range guided at the Capital Markets Day in 2023.

Free cash flows including lease payments ended at DKK 5.0 billion (2024: 6.8 billion). The reduction was due to an increase in inventories and an unfavourable development in both receivables and payables. Capital expenditures (CAPEX) remained stable at 6% of revenue, bringing CAPEX to a total of DKK 1.9 billion. This was mainly driven by the aforementioned planned investments into the profitable network expansion and refurbishment and investments in the new crafting facility in Vietnam.

Return on invested capital (ROIC) remains structurally strong at 41% and compares to 46% last year. This was impacted by the significant foreign exchange and commodity-related headwinds on EBIT and unrealised positive gain from commodity derivatives on invested capital. Without these factors, the ROIC would have been broadly in line with the level of last year. ROIC continues to be supported by our investments in expanding the store network, as new stores are ROIC-accretive on a run-rate basis.

65%

CASH CONVERSION
2024: 85%

41%

RETURN ON INVESTED CAPITAL (ROIC)
2024: 46%

BALANCE SHEET

Non-current assets increased by DKK 0.8 billion to DKK 19.4 billion at the end of 2025, driven by the network expansion increasing the right-of-use assets as well as CAPEX (property, plant and equipment) related to the store network expansion and the new crafting facility in Vietnam.

At the end of the year, net interest-bearing debt amounted to DKK 13.7 billion, up from DKK 11.0 billion in 2024. This brought the leverage up to 1.3x from 1.1x at the end of 2024, which was intended from the onset of the year. This is within the range of the capital structure policy of 0.5x to 1.5x. At the end of 2025, Pandora had DKK 7.1 billion in unutilised committed credit facilities.

Current assets totalled DKK 10.2 billion, an increase of DKK 1.0 billion compared to 2024, driven by a higher fair value of commodity and foreign exchange hedging contracts and higher inventories reflecting commodity price inflation, partly offset by lower cash and bank balances following optimisation of on-balance-sheet cash.

At the end of 2025, equity in Pandora amounted to DKK 5.3 billion broadly in line with last year (2024: 5.5 billion). In 2025, we paid out DKK 1.6 billion in ordinary dividends and bought back own shares for a total of DKK 4.4 billion.

NET WORKING CAPITAL

Share of preceding 12 months' revenue	2025	2024	2023	2022	2021
Inventories	15.0%	14.0%	14.8%	15.9%	12.8%
Trade receivables	3.6%	3.8%	4.8%	4.8%	4.3%
Trade payables	-14.2%	-12.3%	-11.4%	-11.8%	-14.0%
Other net working capital elements	-0.3%	-7.3%	-6.4%	-4.7%	-8.2%
Total	**4.1%**	**-1.7%**	**1.8%**	**4.2%**	**-5.0%**
Total, excluding derivatives[1]	**-1.1%**	**-1.6%**	**1.9%**	**3.7%**	**-4.6%**

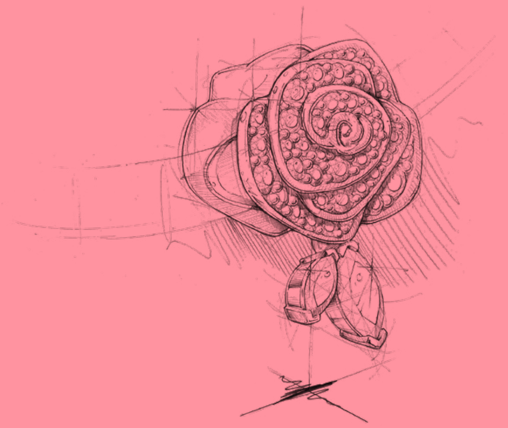
[1] Derivative financial instruments are measured at fair value. See note 4.5 Derivative financial instruments.

SUSTAINABILITY STATEMENTS

VITTORIA CERETTI
Italian fashion model

CONTENTS

SUSTAINABILITY STATEMENTS



SECTION 1

GENERAL INFORMATION

This section outlines the basis of preparation of our sustainability disclosures and the process behind our Double Materiality Assessment. It includes an overview of the material impacts, risks and opportunities across Pandora's value chain.

The Pandora Story
This exhibition opened in October 2025 at our crafting facility in Bangkok. It showcases our journey from a small jewellery shop in Copenhagen to the world's largest jewellery brand, powered by craftsmanship, innovation and sustainability.

BASIS OF PREPARATION

GENERAL PRINCIPLES

This chapter outlines the general principles for the application of accounting policies, as well as significant accounting estimates and judgements for the sustainability disclosures.

The Sustainability Statements are prepared in accordance with section 99a of the Danish Financial Statements Act, compliant with the European Sustainability Reporting Standards (ESRS), informed by our Double Materiality Assessment (DMA) and compliant with Article 8 of the EU Taxonomy Regulation. To enhance transparency, we also provide a separate set of disclosures aligned with the Sustainability Accounting Standards Board (Apparel, Accessories & Footwear).

This is our second year of reporting under the mandatory disclosure requirements for sustainability. The disclosures remain unchanged from last year apart from implemented changes to our disclosure on the EU Taxonomy, based on updated requirements. Pending the expected approval of the updated ESRS in 2026, we will decide on an appropriate approach next year as to the implementation of the updated ESRS.

iXBRL REPORTING

General tagging of the Sustainability Statements is conducted in line with the Danish Financial Supervisory Authority requirements, following an approach consistent with the tagging of the Financial Statements. For 2025, iXBRL tagging of the Sustainability Statements under CSRD is not applied, as the European Single Electronic Format (ESEF) has not been formally adopted.

PRINCIPLES OF CONSOLIDATION

The data points in the Sustainability Statements follow the same consolidation principles as the Financial Statements, unless otherwise specified in the accounting policies. Data covering the value chain includes upstream, downstream and direct operations where applicable. No information has been omitted due to concerns about confidentiality, classification or sensitivity.

ACCOUNTING POLICIES AND CHANGES

The accounting policies comply with the ESRS and have been consistently applied to all data presented. Significant accounting estimates and judgements are highlighted alongside the relevant data point. Our time horizons – short, medium and long-term – are aligned with the ESRS definitions and applied throughout. Changes to previously disclosed sustainability data are described where applicable. In 2025, we corrected historic emission and energy consumption data following methodology updates to improve data quality. Additionally, our 2024 disclosures for employees with disabilities and the total remuneration ratio were adjusted, respectively to correct a reporting error and to align with annual awarded compensation, rather than total fair value of all annual long-term incentives. For more information, see the Greenhouse gas emissions and Inclusion and belonging chapters.

ACCOUNTING ESTIMATES AND JUDGEMENTS

Certain data points, including Scope 3 emissions and EU Taxonomy disclosures, rely on accounting estimates. The accounting estimates are reassessed annually to ensure they reflect our experience, developments in sustainability reporting and other relevant factors. Any changes to accounting estimates are recognised in the period in which the revision occurs. Where judgements have been applied in the accounting policies, this is specified alongside the reported data point.

In 2025, sustainability issues do not materially impact Pandora's financial position, financial performance and cash flows. Recurring costs are included in our current Financial Statements and budget for next year, and we foresee no significant risk of a material adjustment to the carrying amounts of assets and liabilities reported in our Financial Statements within the next annual reporting period. Accordingly, we have identified no material current financial impacts. In accordance with CSRD guidance, we continue to postpone the reporting on anticipated financial effects of environmental matters and the allocation of financial resources (CAPEX and OPEX) linked to environmental initiatives.

READERS' GUIDE

The structure of the Sustainability Statements follows the requirements of the CSRD and comprises three sections. The first section provides the required general information which includes information forming the basis for the Sustainability Statements. This is followed by the Environment section, which covers Pandora's material environmental matters, and the Social section, addressing our material social matters. Tables in accordance with ESRS 2 General Disclosures can be found in the Appendix. The mandatory governance disclosures (GOV 1-5) are integrated into the Governance chapter, as well as our Managing risks chapter (GOV-5). For details on our Strategy and Business model (SBM-1), please refer to the respective chapters. Our Executive summary covers insights into our product offering, markets and revenue (SBM-1). For detailed insights into Pandora's sustainability performance, see the Environment or the Social section.

FORWARD-LOOKING STATEMENTS

The Sustainability Statements include forward-looking statements based on disclosed assumptions about events that may occur in the future and possible future actions by the Group. Actual outcomes are likely to be different since anticipated events often do not occur as expected.

DOUBLE MATERIALITY ASSESSMENT

STRATEGIC INSIGHTS ON PANDORA'S IMPACTS, RISKS AND OPPORTUNITIES

In 2025, we reconfirmed the conditions for our Double Materiality Assessment. Our 10 material sustainability matters remain unchanged since 2024 reporting.

Our Double Materiality Assessment (DMA) serves as a strategic tool, providing a comprehensive overview of our business's impact and external factors that influence us. It is aligned with the EU Corporate Sustainability Reporting Directive (CSRD) guidelines and the European Sustainability Reporting Standards (ESRS).

IDENTIFYING AND MEASURING IMPACTS, RISKS AND OPPORTUNITIES (IROs) AND STAKEHOLDER ENGAGEMENT

Our DMA evaluates Pandora's actual, potential and material and immaterial IROs from both an inside-out and outside-in perspective. This encompasses our own operations and value chain, as well as the financial implications of sustainability risks and opportunities for the company. The DMA is based on the IRO methodology, providing a detailed understanding of material sustainability matters (material matters) and their origins.

In the DMA process, we engaged key stakeholders to validate previous findings, gathering insights into industry and geographical context. Their input enabled us to score impacts based on severity,

PANDORA'S DOUBLE MATERIALITY ASSESSMENT

* In 2025, we reconfirmed the conditions for the 2024 DMA to ensure its continued validity and accuracy.

scope, irremediability and likelihood using a 5-point scale. This approach provided input in the scoring of our material matters and supported our reporting and strategic focus. For more information, see figure on page 50.

We also assessed financial risks and opportunities using parameters tailored to our business and aligned with our enterprise risk management thresholds. IROs scoring 3 or higher were flagged as material matters. While Pandora's DMA process is aligned with the CSRD and ESRS and provides a solid basis for reporting, uncertainties remain due to the complexity of materiality interpretations as well as the evolving regulatory guidance.

In 2025, we reconfirmed the conditions of our 2024 DMA and Pandora's sustainability material matters (material matters). The 2025 DMA was approved by Pandora's Sustainability Board, and the Audit Committee was engaged to ensure alignment with strategic priorities and targets.

The illustration on the next page shows how the identified IROs are reflected across our value chain. It links to our material matters and the associated actions and targets detailed in the following chapters.

PANDORA'S DMA PROCESS

The DMA identified Pandora's positive and negative material sustainability impacts, along with sustainability-related risks and opportunities. These insights confirm our current strategic approach and business model and enhance our sustainability data to ensure all relevant data points are captured and disclosed.

The material matters are grouped into the 10 topics in scope for our disclosures in this Annual Report. This is detailed in the 10 chapters of the Environment and Social sections. Resources have been allocated for all actions related to these material matters.

We also detail the process used to identify and assess IROs, which at the time of assessment were categorised as immaterial. For example, as part of our DMA, we reviewed actual and potential IROs related to biodiversity across our value chain. This included consultations with relevant stakeholders such as affected communities, suppliers and our own employees, and focused on sites located in or near biodiversity-sensitive areas. Based on the findings and existing plans to minimise and mitigate such impacts, biodiversity is addressed indirectly by other material matters.

We applied the same approach when assessing IROs related to business conduct. We focused on evaluating how key topics such as corporate culture, corruption and bribery, whistleblower protection, political engagement and the management of supplier relationships relate to our sector, operating locations and activities.

The 2025 assessment reconfirmed that these sub-topics are immaterial from a sustainability perspective, based on current practice. We have integrated the governance disclosures requirements in the Corporate governance chapter and other sections of the Management Review. Disclosure requirements by reference can be found in the Appendix.

MOST AFFECTED STAKEHOLDER GROUPS

UPSTREAM

Suppliers

We actively engaged with both direct and indirect suppliers through interviews and ongoing dialogue to better understand their risks and impacts related to their engagement with Pandora. Our discussions focused on supplier management, business conduct, working conditions and fair wages, ensuring we can effectively support our suppliers in addressing these critical areas.

OWN OPERATIONS

Employees

We connected with employees through interviews and drew insights from Pandora's previous third-party human rights impact assessment. Topics covered included diversity, fair wages and workplace culture, helping us understand potential impacts and risks associated with our working environment.

Local communities and partners

We conducted interviews with UNICEF and other international organisations, exploring topics such as migration, local communities and human rights. We also draw on the results from the 2022 Human Rights Impact Assessment of our crafting sites in Thailand, which included interviews with local communities on "liveable environment" on topics such as water quality, shortages and wastewater from the industrial zones our facilities are located in.

DOWNSTREAM

Consumers

We gathered valuable input from consumers through research by our Consumer Insights team, addressing key areas like packaging, diversity, greenwashing and the representation of minority groups.

Investors

We engaged with investors through questionnaires to gather feedback on transparency, responsible business practices and marketing strategies, ensuring we align with their expectations and foster trust.

NOTABLE PARTNERSHIPS AND COLLABORATIONS

WE SUPPORT UN GLOBAL COMPACT

unicef

SCIENCE BASED TARGETS

Nordic BUSINESS NETWORK for HUMAN RIGHTS

CDP DISCLOSURE INSIGHT ACTION

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

TNFD Taskforce on Nature-related Financial Disclosures

VALUE CHAIN

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

We address material impacts across our value chain to create value for stakeholders by reducing negative impacts, enhancing positive impacts, mitigating risks and leveraging opportunities. By managing key activities largely in-house, we advance responsible growth, reduce negative outcomes and strengthen business resilience.

UPSTREAM

Inbound logistics and sourcing

- Greenhouse gas (GHG) emissions from energy-intensive processes
- Use of raw materials and chemicals
- Supplier misconduct on human and labour rights
- Climate-related transition risks
- Resource dependencies and shortages

OWN OPERATIONS[1]

Innovative design, Responsible sourcing, High-quality jewellery crafting, Global brand and marketing, Packaging and distribution, Omnichannel retail, Product reuse & repair

- Secure employment and protection of personal data
- GHG emissions and usage of non-renewable energy
- Water consumption
- Diversity and inclusion inequilities
- Minimum pay standards and living wage discrepancies
- Climate-related transition risks
- Secure and flexible employment
- Sourcing renewable electricity to enhance energy independence

DOWNSTREAM

Outbound logistics and service

- Social inclusion and diversity through promotion channels
- GHG emissions from outbound logistics & service
- Packaging waste
- Climate-related transition risks
- Ethical and diverse marketing practices

- Positive impacts
- Negative impacts
- Sustainability-related risks
- Sustainability-related opportunities

[1] With a fully integrated business model, our own operations cover large parts of the value chain. The business activities visualised as own operations are mainly performed in-house, however not 100%.

SECTION 2

ENVIRONMENT

Reducing the environmental impact of our activities is a key focus in our sustainability efforts. This section outlines five material environmental matters. It also includes how we report to Task Forces on Climate-related and Nature-related Financial Disclosures and how the EU Taxonomy applies to our business activities.

17%

Since 2019, we have reduced our GHG emissions by 17%.

26%

In 2025, 26% of water used across our crafting facilities was recycled.

100% renewable electricity
Our crafting facilities in Thailand have been powered by 100% renewable electricity since 2020.

GREENHOUSE GAS EMISSIONS

ADVANCING TOWARDS NET ZERO

Since 2019, Pandora's revenue has grown 49% while total emissions across the value chain have decreased by 17%. Among our peers, Pandora is leading the way in decoupling growth and emissions.

In 2025, we continued our commitment to crafting all jewellery with 100% recycled silver and gold and powering our own operations with 100% renewable electricity. We also advanced efforts to expand renewable electricity across our supply chain and improved operational efficiency. These efforts delivered continued emissions reduction compared to 2024, despite business growth and the peak impact of construction on our new crafting facility.

IMPACTS, RISKS AND OPPORTUNITIES

Failing to decarbonise and meet our climate targets could result in financial penalties, legal challenges, rising costs and reputational damage from upstream, own operations and downstream parts of our value chain.

The following impacts, risks and/or opportunities are associated with this material matter:

Upstream

- GHG emissions from energy-intensive processes (negative impact).
- Climate-related transition risks (sustainability-related risk).

Own operations

- GHG emissions and usage of non-renewable energy (negative impact).
- Climate-related transition risks (sustainability-related risk).
- Sourcing renewable electricity to enhance energy independence (sustainability-related opportunity).

Downstream

- GHG emissions from outbound logistics and service (negative impact).
- Climate-related transition risks (sustainability-related risk).

POLICIES

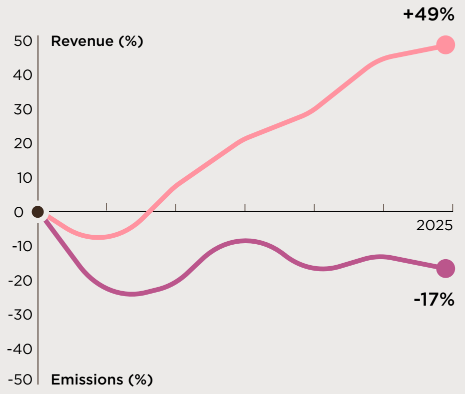
Pandora's Global Environmental Policy requires employees to adopt environmentally responsible practices. The policy outlines our commitment to environmental material and respected third-party standards as disclosed in this report. It applies to Pandora's direct operations and value chain and is approved by the Board of Directors.

Accompanying the policy is a GHG Standard, addressing senior-level managers accountable for implementation, as well as third-party standards or

DECOUPLING GROWTH FROM EMISSIONS

Revenue growth
Emissions reduction
2019 baseline

Development since 2019



initiatives, in addition to Pandora's climate targets and initiatives to support long-term climate change mitigation.

The GHG Standard covers climate change mitigation, adaptation, energy efficiency and deployment of renewable electricity across Pandora's entire value chain. It aligns with international standards referenced in the Global Environmental Policy and provides a blueprint for aligning business practices with our low-carbon roadmap.

The Global Environmental Policy and GHG Standard are available on our corporate website under Policies. ↗

ACTIONS

Enhanced transition plan and governance
Yearly performance milestones on emissions have been linked directly to remuneration (Long-Term Incentive Plan) and our sustainability-linked financing commitments since 2022. Performance tracking and overall decisions on key impacts, risks, dependencies and opportunities are taken at Executive Leadership Team (ELT) level. For further information, see Pandora's Remuneration Report 2025. ↗

In 2025, focus was on building even stronger ties between the company's senior leadership and Pandora's climate ambitions. Emissions reduction targets are now divided by business area, with each ELT member responsible for a decarbonisation roadmap towards 2030. This structure strengthens our ability to identify reduction opportunities, track performance, identify barriers and accelerate action.

Continued decarbonisation in crafting facilities
Our crafting facilities in Thailand have been powered by 100% renewable electricity since 2020, with on-site solar power production, Renewable Electricity Certificates (RECs[1]) and most recently by a biomass power purchase agreement (PPA) at our plant in Lamphun. On-site solar supply and direct supply from biomass accounted for 29% of total electricity consumption in 2025 of our crafting facilities.

In 2025, we participated in a virtual power purchase agreement (vPPA) pilot in collaboration with other partners and The Royal Thai Government. The project included the installation of a new solar rooftop system and represented Thailand's first financial mechanism connecting the vPPA and renewable certificate markets. Pandora played a facilitating role in the pilot to help advance renewable electricity deployment in Thailand. We did not source any certificates generated through the pilot in 2025. To continue supporting renewable electricity expansion, we are assessing two on-site solar PPA models for our local crafting facilities in Thailand.

Construction of our new crafting facility in Vietnam progressed through 2025. While this work contributed to a temporary spike in capital goods emissions, we have embedded sustainability into every stage of the process – setting recycled content requirements for key building materials, targeting LEED Gold certification and ensuring 100% renewable electricity for our operations.

[1] Pandora's purchase multiple types of Energy Attribute Certificates including Renewable Energy Guarantees of Origin (REGOs) for the UK, Guarantees of Origin (GOs) for European markets, Renewable Electricity Certificates (RECs) for North America and International Renewable Electricity Certificates (I-RECs) for other international operations, for example Thailand and China.

100% renewable electricity
In 2025, we continued sourcing 100% renewable electricity across our own operations, including own stores, offices and distribution centres in all markets. The majority of RECs purchased were EKOenergy or Green-e labelled.

Activating suppliers and partners
With 100% renewable electricity established across our operations, the next step is to transition our direct value chain partners to commit to the same targets. We have partnered up with our retail distributors and have brought the majority of the distributor network to 100% renewable electricity by the end of 2025.

We have also begun work with our main direct suppliers. Over the year, we mapped supplier structures, defined renewable electricity ambition levels and engaged suppliers with high emissions impact. Eight high-impact crafting suppliers are now documenting their renewable electricity use through on-site installations and RECs.

Going into 2026, the requirement for renewable electricity will be solidified into procurement processes and partner contracting. We will continue working closely with strategic suppliers, documenting renewable energy and supporting sourcing through on-site solutions, PPAs or high-quality RECs. Focus remains on building supplier capabilities in renewable sourcing and carbon accounting through training sessions and active communication, laying the foundation for sustained progress in our supply chain.

ACHIEVING DGNB PLATINUM CERTIFICATION

In 2025, our new distribution centre achieved DGNB Platinum certification, DGNB's highest rating for sustainability in design, construction and performance. DGNB is a German sustainability certification for buildings, assessing environmental, economic and social performance across the building's life cycle.

TARGETS AND PROGRESS

- As of 2025
- Target

50% REDUCTION IN TOTAL EMISSIONS

By 2030, reduce total greenhouse gas emissions by 50% compared to 2019 baseline (Scopes 1, 2 and 3, market-based).

90% REDUCTION IN OWN OPERATIONS

By 2025, reduce emissions from own operations by at least 90% compared to 2019 baseline (Scopes 1 and 2, market-based).
Target achieved in 2024.

In 2025, we maintained performance against this target, by 98% emissions reduction compared to 2019 baseline.

NET ZERO BY 2040

By 2040, achieve net zero emissions across full value chain (Scopes 1, 2 and 3, market-based).

TARGETS AND PERFORMANCE

In 2025, we reduced emissions from the previous year despite continued company growth and construction of our new crafting facility in Vietnam.

Pandora's total emissions decreased by 5%, from 276,281 tonnes of CO_2e in 2024 to 263,450 tonnes of CO_2e in 2025. This change was primarily driven by Scope 3 reductions.

Scope 3 emissions decreased by 5% from 2024, due to expanded renewable electricity coverage, less business travel and optimisation efforts. Among others, this included air-to-ground transition and value engineering of store displays and trays. These reductions counterbalance emissions from construction of our new crafting facility in Vietnam.

By 2025, our combined Scopes 1 and 2 emissions account for 0.4% of our total emissions. Emissions across these categories decreased overall by 22% since 2024, with key reduction levers in Scope 1 including new on-site electric vehicles at crafting facilities and improved cooler maintenance to reduce refrigerant leakage. Scope 2 emissions increased due to a full year of electricity coverage from biomass-based supply for the Lamphun site.

With a waste recycling rate of 99.9% in 2025, our crafting sites - accounting for 36% of total waste – continued to support low-carbon operations.

Historic emissions have been adjusted in 2025 to reflect improvements in retail electricity calculations. See GHG emissions data footnote for updated emissions on page 58.

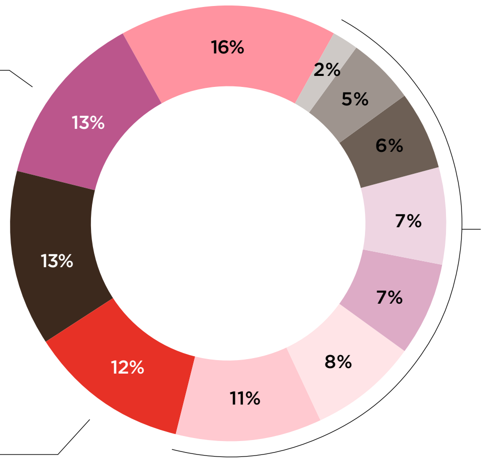
BREAKDOWN OF OUR SCOPE 3 GREENHOUSE GAS EMISSIONS

16% Media and marketing
Media spend across all channels ranging from TV campaigns to digital ads and email marketing.

13% Business travel and employee commuting
Travel by Pandora employees to and from Pandora facilities and external sites.

13% Crafting materials
Raw materials such as silver, gold, copper, cubic zirconia and other metal alloys and production materials like gypsum and enamel.

12% Transportation
Transportation and distribution of Pandora jewellery, including inbound and outbound logistics and third-party distribution.



2% Franchisees
Pandora franchisees, wholesale and other points of sale not directly owned by Pandora.

5% Other
Fuel and energy-related activities, water supply, waste generated in operations, security and licences.

6% Administrative and professional services
Recruitment services, training and courses, consultancy services, legal and insurance.

7% IT
Outsourcing services, hardware, telecom data and IT consultants.

7% Packaging and point-of-sale materials
Bags, boxes, printed materials, campaign items, displays and trays and other types of packaging.

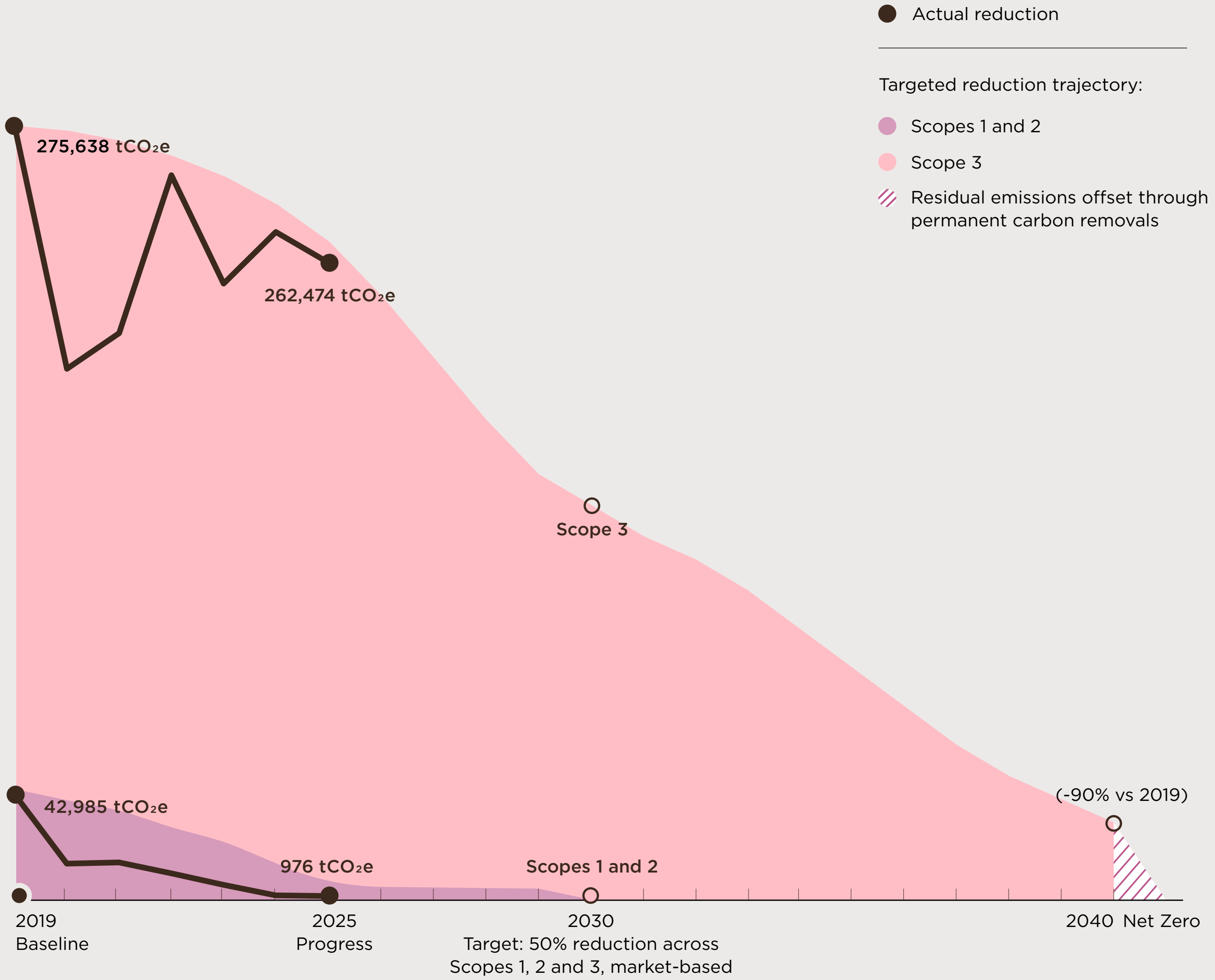
8% Capital goods
Various machines, construction materials, crafting equipment and fixtures and furniture in stores.

11% Facility management
Store maintenance, cafeteria and catering.

TOWARDS NET ZERO BY 2040

Pandora achieved a 17% reduction in GHG emissions in 2025, compared to 2019 baseline. The graph below breaks down actual performance to date of Scopes 1, 2 and 3 – and our target trajectory towards 2040*.

SCIENCE BASED TARGETS



* Numbers are subject to change, in case of future restatements.

DECARBONISATION LEVERS TOWARDS 2040

SCOPES 1 and 2

100% renewable electricity
- Maintain 100% renewable electricity across own operations.
- Increase share of on-site renewable electricity and long-term energy agreements.

Operational efficiency
- Energy efficiency.
- Reduce and recycle crafting materials, water and waste.
- Innovation in manufacturing and materials to reduce footprint in crafting.

Fuels
- Renewable solutions for direct fuels.
- Shift to electric for owned vehicles.

Our climate transition plan aligns with the Paris Agreement, targeting a climate scenario that limits global warming to 1.5 degrees Celsius or below. Our emissions reduction targets use a 2019 baseline, as the most representative year for business-as-usual emissions across Scopes 1, 2 and 3. For more information on our climate-related scenario analysis, see the Risk and the Task Forces on Climate-related and Nature-related Financial Disclosures chapters.

Sustainability-related investments and costs have been considered in the budget and forecast applied as basis for impairment testing of goodwill. Ongoing funding to support Pandora's climate transition is requested centrally and funding processes are reviewed and approved at Board level.

SCOPE 3

Supplier requirements
- 100% renewable electricity for high-impact suppliers.
- Emissions data and net zero-aligned targets.

Store design and operations
- 100% renewable electricity across majority of distributor and franchise network.
- Cut impact of store materials and construction.

Transportation
- Shift air freight to road and rail.
- Green fuels across value chain.

Business travel and commuting
- Carbon awareness and policy upgrades to reduce non-essential business travel.
- Employee incentives for greener commuting.

Packaging and brand
- Innovation in packaging material and production.
- Carbon impact integrated into marketing strategies.

Circularity
- Driving decarbonisation through circularity within raw materials, packaging and retail services.

GREENHOUSE GAS EMISSIONS	Retrospective					Milestones and target years			
Tonnes CO_2 equivalent	2025	2024[1]	Dev.	2019[1]	Dev.	2025	2030	2040	Annual % target/base year
Scope 1	504	910	-45%	1,379					
% of Scope 1 from regulated emission trading schemes	0	0	-	N/A					
Scope 2									
Location-based	32,210	35,728	-10%	39,107					
Market-based	472	341	38%	41,606					
Scopes 1 + 2 (location-based)	**32,714**	**36,638**	**-11%**	**40,486**					
Scopes 1 + 2 (market-based)	**976**	**1,251**	**-22%**	**42,985**	**-98%**	**-90%**			**-15%**
Scope 3									
C1: Purchased goods and services	167,209	172,707	-3%	183,603					
C2: Capital goods	22,532	12,842	75%	10,853					
C3: Fuel and energy-related activities	70	5,170	-99%	11,405					
C4: Upstream transportation	30,427	38,659	-21%	16,706					
C5: Waste generated in operations	1,530	1,303	17%	904					
C6: Business travel	13,714	14,502	-5%	17,352					
C7: Employee commuting	20,224	18,367	10%	17,247					
C8: Upstream leased assets	1,628	1,774	-8%	1,416					
C11: Use of sold products	2,383	2,394	0%	3,249					
C14: Franchises	2,757	7,312	-62%	12,903					
Total Scope 3	**262,474**	**275,030**	**-5%**	**275,638**					
Total emissions (location-based)	**295,188**	**311,668**	**-5%**	**316,124**					
Total emissions (market-based)	**263,450**	**276,281**	**-5%**	**318,623**	**-17%**		**-50%**	**Net zero**	**-5%**
Emissions intensity, tonnes CO_2 equivalent/revenue in DKK million (location-based)[2]	**9.07**	**9.84**	**-8%**	**14.46**					
Emissions intensity, tonnes CO_2 equivalent/revenue in DKK million (marked-based)[2]	**8.09**	**8.72**	**-7%**	**14.57**					
Biogenic emissions (tonnes CO_2)[3]	494	353	40%	N/A					

[1] In 2025, we have improved Pandora's calculation methodology and data for Scopes 2 and 3. This led to adjustments in total emissions (tonnes CO_2e), with decreases of -25,899 in 2019 (-8%) and -9,917 in 2024 (-3%).
[2] Revenue used in the calculation is as reported in *note 2.1 Segment and revenue information* of the Financial Statements.
[3] The biogenic emissions cover purchased electricity from biomass and relates to Scope 2.

ACCOUNTING POLICIES

All emissions are accounted for in accordance with the methodology set out in the Greenhouse Gas (GHG) Protocol Corporate Standard, and our disclosures align with the requirements of European Sustainability Reporting Standards (ESRS) E1-6. CO_2 emissions from biomass are reported separately, and the remaining GHG emissions are included in Scope 2 market-based as per the GHG Protocol. All CO_2e emission factors used for fossil fuels and electricity are in accordance with the 2006 Intergovernmental Panel on Climate Change Guidelines for National Greenhouse Gas Inventories.

SCOPE 1 emissions include fuels used to craft jewellery for heating, refrigerants for cooling and fuel used for transport of employees. Fossil fuel volumes and refrigerant leakage volumes are multiplied by emission factors from the UK Department for Environment, Food and Rural Affairs (DEFRA).

SCOPE 2 emissions include the purchase of electricity and district heating for crafting, retail (own stores), offices and distribution centres. Electricity for crafting includes electricity from grid, solar panels and biomass. Electricity for retail, offices and distribution centres comes from the grid. Consumption data for crafting, offices and distribution centres is based on invoices and meter readings, while consumption data for retail is calculated based on an estimated energy key from selected markets with actual consumption data. The emissions are calculated using both market-based (which includes the purchase of Energy Attribute Certificates) and location-based approaches. Energy consumption is multiplied by IEA, AIB, district heating (Denmark) and US EPA factors for respective countries to calculate emissions. Emissions from satellite offices with less than 30 people are omitted. These correspond to emissions from 14% of employees in our offices.

SCOPE 3 emissions include the 10 subcategories listed below, which are all relevant to Pandora. Emissions categories excluded from reporting are also detailed, with justification for exclusion. Emissions within Scope 3 are calculated using a mix of supplier-specific, volume and spend data. Emission factors from DEFRA (including VAT) are used to calculate emissions based on spend (including VAT), unless otherwise specified. We have corrected the emissions factors to represent the monetary value and energy intensity of the current year, considering the general inflation and improvement of energy intensity between 2011 and 2025:

- C1 includes materials and services. Where available, material volumes are multiplied by the Life Cycle Assessment (LCA) emission factors. If not available, spend amounts are used and multiplied by DEFRA supply chain emission factors for spending on products. C1 also includes categorised spend amounts on services (for example, media and marketing). For some spend categories, we have collected supplier-specific emission factors.
- C2 includes categorised spend data for machinery, fixtures and furniture and other capital goods multiplied by relevant LCA and supply chain emission factors (DEFRA).
- C3 includes upstream GHG emissions from fuels, heating and electricity based on invoices used in our crafting facilities, stores, offices and distribution centres. Emission factors for transmission and distribution losses are from IEA and fuels are from DEFRA, with market-based instruments (EACs) applied for electricity consumption across Crafting, Retail, Offices and DCs.
- C4 includes inbound and outbound logistics and transportation and distribution services conducted by third-party logistics providers. A combination of supplier-specific and supply chain emission factors for spending on products from DEFRA is used to calculate the emissions. Emissions from other transport types are included in the emission factors used for purchased goods and services.
- C5 includes both actual and estimated waste volumes. Waste data for retail is subject to some uncertainties. Waste amounts and treatment are partly based on estimates and assumptions, in particular for day-to-day waste in stores. Extrapolations have been made for categories such as jewellery transport packaging and closure of stores.
- C6 includes supplier-specific flight, hotel and car rental emissions as well as spend amounts on flight, hotel, car rental and travel expenses.
- C7 includes emissions from Pandora employees' commute from home to work. It is based on a mix of actual fuel consumption for commuting services in crafting and extrapolated data from a 2025 all-employee survey.
- C8 includes spend amounts on upstream leased cars.
- C11 includes electricity consumption for multibrand locations and is estimated based on the number of locations, average size of store types and an estimated energy key based on a selected number of stores (kWh/m²/day) which is developed using actual electricity consumption data from Pandora-owned stores. For Shop in Shops O&O store size averages have been used for the calculations. The energy consumption is multiplied by IEA and AIB factors for their respective countries to calculate the emissions.
- C14 includes electricity consumption for franchise and distributor locations and is estimated based on the number of locations, average size of store types and an estimated energy key based on a selected number of stores (kWh/m²/day) which is developed using actual electricity consumption data from Pandora-owned stores. The energy consumption is multiplied by IEA and AIB factors for their respective countries to calculate the emissions.

The sub-categories C9-C10, C12-C13 and C15 are excluded as not relevant or below the significance threshold for Pandora.

Where material and relevant, we have accounted separately for biogenic emissions. The biogenic emissions cover our purchased electricity from biomass used at our crafting facility in Lamphun, Thailand. The biogenic emissions are calculated based on kWh values multiplied by a CO_2-only emission factors from the energy provider. Other GHG emissions associated with purchased biomass (CH_4, N_2O) are included within Scope 2, in line with GHG Protocol reporting guidelines. We have not identified any material biogenic emissions within our Scopes 1 and 3.

In 2025, we have **reassessed** Pandora's greenhouse gas accounting, in line with the GHG Protocol. Reassessment was triggered by methodology improvements to retail electricity and waste calculations and affects historic data to baseline in Scopes 2 and 3 (Categories 3, 5, 11 & 14).

SIGNIFICANT ACCOUNTING ESTIMATES

The calculation of greenhouse gas emissions is to a large degree based on generic secondary emission factors and estimated data. Pandora continues to engage suppliers to obtain actual data and primary emission factors to increase the accuracy of the emissions reported. In 2025, the proportion of the total emissions calculated using spend-based emissions calculations is 49%. The proportion in 2024 was 48%.

ENERGY CONSUMPTION

MWh	2025	2024[1]
Fuel consumption from renewable sources	15,191	10,856
Renewable energy, purchased	95,313	99,094
Consumption of self-generated non-fuel renewable energy	1,203	1,249
Renewable energy consumption	**111,707**	**111,199**
Fuel consumption from coal and coal products	0	0
Fuel consumption from crude oil and petroleum products	1,530	1,561
Fuel consumption from natural gas	432	583
Fuel consumption from other fossil sources	0	0
Consumption of purchased or acquired electricity, heat, steam and cooling from fossil sources	957	884
Total energy consumption from fossil sources	**2,919**	**3,028**
Share of fossil sources in total energy consumption, %	3%	3%
Total energy consumption from nuclear sources	**0**	**0**
Share of consumption from nuclear sources in total energy consumption, %	-	-
Total energy consumption	**114,626**	**114,227**
Share of renewable sources in total energy consumption, %	97%	97%
Energy intensity, MWh/revenue in DKK million[2]	3.52	3.61
Share of renewable sources in total electricity consumption, %	**100%**	**100%**

[1] In 2025, we have improved Pandora's calculation methodology and data for Scopes 2 and 3. As a result hereof, we have also updated our historic energy consumption. Total energy consumption for 2024 has decreased with 21,798 MWh (-16%).
[2] Revenue used in the calculation is as reported in *note 2.1 Segment and revenue information* of the Financial Statements.

ACCOUNTING POLICIES

Energy consumption is disclosed in accordance with ESRS E1-5 and reported on a market-based approach. Share of renewable sources is reported on two lines to reflect the distinction between total energy consumption and total electricity consumption.

Total energy consumption covers the purchased and generated quantities of electricity and district heating for crafting, retail (Pandora's owned and operated stores), offices (with more than 30 employees) and distribution centres (Scope 2), as well as fuels used in on-site generation and company vehicles (Scope 1). Total electricity consumption covers only purchased and generated quantities of electricity (as scoped above) and excludes energy consumption from fossil sources.

Our purchased renewable energy corresponds to the MWh covered by purchased RECs. Fuel consumption from renewable sources covers our purchased electricity from biomass in our crafting facility at Lamphun, Thailand. Self-generated, non-fuel renewable energy covers our own generated solar energy at our crafting facilities. Fuel consumption from crude oil and petroleum products reflects diesel and gasoline fuels for company-owned passenger vehicles as well as LPG used at crafting facilities. Fuel consumption from natural gas reflects on-site usage at one distribution centre.

The energy intensity is calculated as the total energy consumption divided by the revenue in DKK million.

ENVIRONMENTAL IMPACTS OF MINING

RETHINKING MATERIALS: RECYCLED METALS AND MAN-MADE STONES

2025 marks the first full year where all new Pandora jewellery is crafted exclusively with 100% recycled silver and gold – a major milestone in our circularity journey. Together with our commitment to use only man-made stones, this marks a decisive shift toward circular and innovative material sourcing, reducing reliance on newly mined metals and mined gemstones.

IMPACTS, RISKS AND OPPORTUNITIES
Pandora remains committed to crafting with 100% recycled silver and gold and to using only man-made stones. Newly mined materials, including copper and other base metals, are still used in some jewellery. As markets for recycled alternatives mature, we see clear opportunities to diversify sourcing and further advance our circularity and continue to reduce our environmental footprint.

The following impacts, risks and/or opportunities are associated with this material matter:

Upstream

- Use of raw materials (negative impact).
- Resource dependencies and shortages (sustainability-related risk).

POLICIES
2025 saw continued progress in aligning our operations with Pandora's Global Material Standard, which guides our transition to recycled metals. This Standard builds on our Global Environmental Policy, serving a comprehensive framework for all environmental standards, including those related to responsible sourcing. An updated version of the Global Material Standard was further developed during 2025 and is planned for release in 2026.

Pandora's Global Material Standard and Global Environmental Policy are available on our corporate website under Policies.

ACTIONS

Ensuring 100% recycled silver and gold
2025 marks a circularity milestone. From January, all new jewellery have been crafted using 100% recycled silver and gold. This marks the final step in our transition away from newly-mined silver and gold.

To put this commitment into context, without recycled silver and gold, emissions from these

REACHING 100% RECYCLED SILVER AND GOLD

~100

Pandora employees involved.

~77M

DKK annual average investment in premium.

+40

supplier sites audited.

Suppliers changed operations to segregate recycled metal from newly-mined metal.

Additional processes and equipment for sorting, melting and manufacturing were introduced to enable segregation.

All recycled silver and gold meet the strictest definition in the industry.

metals would be more than 80% higher than they are today[1].

The shift requires continuous supplier verification, aligned with leading certification standards, and is managed through our Responsible Sourcing Programme, see page 85. In 2025, Pandora continued supporting new suppliers to enable sourcing and audit alignment with our 100% recycled silver and gold programme.

Driving material innovation

Using only man-made stones remains a key priority for Pandora. Man-made stones allow for known origin and controlled production processes, and generally offer a way to reduce extraction impacts while fostering innovation.

In 2025, we continued to transform the diamond market with our lab-grown diamonds. These are sparkling examples of how innovation can replicate nature with a lower impact. Grown, cut and polished using 100% renewable electricity, they carry a significantly lower carbon footprint than mined diamonds.

From urban mining and advanced recovery technologies to our commitment to use only man-made stones, we actively explore circular and innovative sourcing pathways as a means to reduce impact and reliance on mined commodities. Although the maturity of markets and techniques currently limit scale, we remain committed to leveraging Pandora's position to unlock future potential in this area.

[1] Scenario based on 2025 procurement volumes.
[2] Measured as biodiversity pressure [species·year], using SimaPro (Ecoinvent v3.11) and ReCiPe 2016 Endpoint.

Integrated climate and nature strategies

In 2025, we reinforced our environmental strategy by building on insights from our first Science Based Targets Network (SBTN)-aligned assessment. A robust baseline and scenario analysis confirmed the critical role of maintaining 100% recycled silver and gold – not only in reducing emissions, but also in minimising our biodiversity footprint[2].

While recycled metals eliminate mining-related impacts, refining still contributes to environmental impacts primarily due to high energy consumption. To address this, we actively engage key suppliers in the transition, and half of our silver grain and refinery suppliers now operate on 100% renewable electricity.

Increasing traceability efforts

Pandora applies a due diligence process aligned with the OECD Due Diligence Guidance to ensure our metals are conflict-free. We annually map key metals – silver, gold and platinum group metals – to the refinery level and request certifications to manage supply chain risks. To further increase traceability, we are exploring intelligent systems to improve transparency across complex supply chains.

TARGETS AND PERFORMANCE

We remain committed to our target to purchase 100% recycled silver and gold by 2025. The target was achieved in December 2023, and we continue crafting all our jewellery with 100% recycled silver and gold. In addition, we uphold our commitment to using only man-made stones. We continue to explore opportunities to expand circular sourcing to other materials. Progress will depend on market availability, cross-sector collaboration and improved traceability – areas where Pandora is actively leveraging its influence to drive transformation.

CIRCULAR JEWELLERY

%	2025	2024
Recycled silver and gold total	**100%**	**100%**
Share of man-made stones	100%	100%
Share of silver of purchased product materials	65%	67%

ACCOUNTING POLICIES

Circular jewellery is an entity-specific metric, which is why no reference to an ESRS is made. The percentage of recycled silver and gold is calculated as the share of total purchased silver and gold. Recycled silver and gold are precious metals that have been previously refined. Our products may contain fractions of silver and gold coming from non-recycled sources due to difficulties in separating sources in the refining process. Total purchased silver and gold consists of grains, components, plating solutions for Pandora in-house production and finished goods from external production. It excludes refinery from scrap and rework metals from Pandora in-house production, production material, tooling and machinery.

Our guidelines are to only use suppliers who source/use certified silver and gold and have had their Chain of Custody (CoC) process audited by an external third party. These audits are an important enabler for Pandora to trace the sourced certified silver and gold from when it was initially sourced, either by Pandora's suppliers or by Pandora itself, and until the certified silver and gold is used in the crafting of our jewellery. Using an externally audited CoC process to verify the sourced certified silver and gold enables Pandora to secure a higher level of credibility on our commitment to crafting from 100% recycled silver and gold.

The percentage of man-made stones is calculated as the share of procured stones, cultured pearls excluded. The share of silver of purchased product materials is calculated as the share of total purchased product materials (volumes), for example silver, gold and other metals.

ENVIRONMENTAL IMPACTS OF MATERIALS

MATERIAL SAFETY AT THE HEART OF CRAFTING EXCELLENCE

Crafted with care, Pandora jewellery is free from hazardous substances. We apply comprehensive testing against our Restricted Substance List and rigorous standards to safeguard consumers and our craftspeople while minimising environmental impact.

IMPACTS, RISKS AND OPPORTUNITIES

Chemistry is essential to crafting high-quality products because it enables controlled material performance, durable finishes and regulatory-compliant safety. To ensure regulatory compliance, we apply comprehensive requirements for restricting and monitoring hazardous substances.

Our Chemicals Management Programme ensures that we adhere to global standards and comply with or exceed local regulatory requirements, from raw materials to finished goods, by monitoring hazardous substances. The chemical usage areas are based on our Restricted Substance List (RSL), which comprise of substances restricted in usage pertaining to our products, raw materials and production processes.

The following impacts, risks and/or opportunities are associated with this material matter:

Upstream
- Use of chemicals (negative impact).

POLICIES

Our Global Environmental Policy continues to guide our work with all environmental topics, including chemicals, and serves as a foundation for developing future guidelines and frameworks.

The Global Environmental Policy is available on our corporate website under Policies.

Crafted with care
Our jewellery is free from hazardous substances. We apply comprehensive testing to protect consumers, our craftspeople and the environment.

CHEMICAL MANAGEMENT

Our chemical management approach is organised around three focus areas:

SAFER INPUT

We require safety data sheets and passed test certificates and keep records of all substances. Non-compliant substances are discontinued after careful review.

SAFER PROCESSES

We drive continuous progress across our four targets: zero accidents, zero health risks, zero waste and zero non-compliance, governed by our ISO 45001 and ISO 14001 certifications.

SAFER OUTPUT

Wastewater
We treat wastewater on site before distribution to industrial treatment. Wastewater quality is regularly monitored to ensure it meets or exceeds local legal requirements.

Hazardous waste
We treat hazardous waste according to local legal requirements, including zero landfill.

ACTIONS

Safe products above all
Pandora's Chemicals Management Programme ensures compliance with global standards and local regulations, from raw materials to finished goods. In alignment with the EU General Product Safety Regulation (GPSR), effective from December 2024, we have introduced enhanced chemical safety assessments and regulatory compliance checks for all products. Our products are continuously tested for safety, and our laboratory operates in accordance with ISO/IEC 17025[1].

We maintain strict controls on hazardous substances through our RSL, which is aligned with regulations and overseen by senior management in our Crafting and Supply Quality team. The RSL sets clear protocols to protect chemical safety and workplace health. These standards are also embedded in supplier contracts and sourcing documents. Suppliers must provide safety data sheets and test certificates to demonstrate compliance. Our crafting facilities continue to be ISO 9001 certified.

In 2024, the European Commission reclassified silver under the Classification, Labelling and Packaging Regulation, to take effect from 1 May 2026, updating its hazard classification and introducing stricter requirements for safe use in consumer products. The classification does not apply to finished silver articles, such as jewellery, and therefore imposes no new labelling or marketing requirements for Pandora's products.

As silver is Pandora's main raw material, we acted early to strengthen product safety assessments, enhance supplier controls and conduct preventive risk assessments in our crafting facilities. These actions ensure the safety of our employees and that our jewellery remains fully compliant with all applicable regulations.

Robust chemical management process in manufacturing
We continuously assess our chemical use to what is essential, in order to minimise environmental risks and waste, and to strengthen safety across our crafting. This approach helps protect natural resources and supports cleaner processes.

We remain committed to minimising environmental pollution from manufacturing through proactive chemical management, focusing on safer input, safer processes and safer output (see figure to the left). Our Together Towards Zero campaign – led by our Safety, Occupational Health and Environment teams in Thailand – drives progress across four areas: a zero accidents culture, zero health risks, zero waste and zero non-compliance. The four areas are guided by the RSL and by the ISO 45001[1] and ISO 14001[1] management systems. This ensures that we effectively mitigate risks to both employee health and the external environment associated with the use of chemicals in our crafting processes.

This year, we strengthened our sourcing policy against RSL with additional checks as well as SHE team approval for all new chemicals and suppliers. We also upgraded our Chemical Management Systems (CMS) to monitor, with greater granularity, threshold limits set by international safety standards, where certain chemical concentrations can be potentially harmful.

[1] ISO/IEC 17025 General requirements for the competence of testing and calibration laboratories, ISO 45001 Occupational health and safety management systems and ISO 14001 Environmental Management System.

TARGETS AND PERFORMANCE

As we continue advancing our Together Towards Zero goals, we are exploring ways to enhance our Chemical Management Programme. This includes assessing the development of a Manufacturing Restricted Substance List (MRSL) and investigating targets. No target was set for this material matter.

In 2025, as in previous years, no critical incidents of non-compliance related to product health and safety were reported.

ENVIRONMENTAL IMPACTS OF INDIRECT PROCUREMENT

ICONIC PACKAGING, WITH LOWER ENVIRONMENTAL IMPACT

The environmental impact of indirect procurement is a complex area due to the wide range of goods and services purchased from Pandora's 5,000+ suppliers. In 2025, we made good progress on addressing the environmental impact of our packaging, one of our highest impact areas.

IMPACTS, RISKS AND OPPORTUNITIES

Production and disposal of consumer packaging such as bags and boxes may have a negative environmental impact, which can lead to financial and reputational risks. We continue to work with suppliers and other external partners to gain a deeper understanding of these impacts and to identify opportunities for reducing the environmental impact of our packaging.

The following impacts, risks and/or opportunities are associated with this material matter:

Downstream
- Packaging waste (negative impact).

POLICIES

Our Global Environmental Policy guides our environmental work and serves as the foundation to further develop guidelines and frameworks. In 2025, no additional standard was developed for this material matter. As we continue refining our approach, we will develop additional standards.

The Global Environmental Policy is available on our corporate website under Policies.

ACTIONS

In 2025, we introduced new visual brand identity elements and underwent a comprehensive process of elevating our consumer packaging offering. During this project, a cross-functional team spanning creative design, store operations, procurement and sustainability partnered up to ensure brand, sourcing and sustainability considerations were integrated into the project plan. Thanks to this cross-functional effort, we have made good progress in elevating the brand experience, while further reducing the environmental impact of Pandora packaging, especially from a carbon emissions standpoint.

This was achieved through:
- Adjusting package sizing and creating efficiencies throughout the entire assortment.
- Optimising the assortment to reflect a unified customer journey across all customer-facing channels, thus removing the need for different types of packaging.
- Deprioritising creative elements with a higher impact in favour of lower impact materials.

TARGETS AND PERFORMANCE

We will continue to reduce the environmental footprint of our packaging by using more recycled materials and exploring new low-carbon raw materials. In 2025, no target was set for this material matter. In 2026, we will investigate suitable targets for the area.

Elevating the brand experience
We continue to elevate our consumer packaging offering, while reducing the environmental impact of our packaging.

WATER MANAGEMENT IN OWN OPERATIONS

ADVANCING WATER RESILIENCE IN CRAFTING

Reducing freshwater use is vital to strengthening Pandora's resilience to water risks, particularly in the face of climate change, and we achieved a 23% recycling rate in 2025. To safeguard nature and our long-term operations, we are working to set water targets grounded in local basin conditions.

IMPACTS, RISKS AND OPPORTUNITIES

Water is integral to crafting our jewellery, with 89% of our total water consumption coming from crafting processes. In 2025, 26% of the water used across crafting facilities was recycled. However, some of our sites are located in water-stressed areas, exposing us to risks related to water scarcity and quality. By aligning our strategy with local basin conditions, we see clear opportunities to strengthen Pandora's resilience to water-related risks, such as scarcity, drought and regulatory re-strictions, while also reducing our impact on nature.

The following impacts, risks and/or opportunities are associated with this material sustainability matter:

Own operations

- Water consumption (negative impact).

POLICIES

Water plays a vital role in our crafting processes, from cleaning to casting, with 89% of our total water use occurring at our crafting sites. As a company operating in water-stressed regions, we remain committed to protecting this finite resource through a resilient and inclusive water management approach. Our focus remains on reducing pressures on local water availability and safeguarding water quality. Our dedicated Water Standard continued to steer our actions throughout 2025.

The Water Standard, targeting senior-level managers accountable for implementation, focuses on water management, water treatment and a commitment to reduce water consumption in high-risk areas. It applies to Pandora's value chain and follows international standards.

The Global Environmental Policy and Water Standard are available on our corporate website under Policies.

Committed to reducing freshwater use
In 2025, 26% of the water used across our crafting facilities was recycled.

ACTIONS

Science-aligned action

In 2025, we updated our company-wide water risk assessment using the WWF Water Risk Filter, which showed no major changes from 2024. As a result, our water consumption in high-risk areas totalled 739,110 m^3 in 2025, which constitutes 56% of our total water consumption.

In 2025, we built on previous SBTN work and completed the freshwater quantity target setting guidance, including assessing local basin conditions using hydrological models and baseline water data. In 2026, we will further advance this to inform Pandora's water strategy.

Optimising water risk monitoring

We continue to monitor water shortage and flooding risks weekly, supported by an emergency response plan that helps maintain stable operations and avoid amplifying local water stress. Based on the climate scenario analyses conducted in 2024, we are also assessing financial exposures under different water scenarios, supporting future alignment with the Task Force on Nature-related Financial Disclosures, see page 68.

Unlocking water efficiency

To inform ambition level and target setting, external technical experts conducted on-site feasibility assessments at our sites in Bangkok and Lamphun in 2025, identifying significant potential to improve water efficiency. We are exploring initiatives and prioritising inputs to build a robust and cost-effective implementation plan.

In parallel, we are exploring opportunities to engage in water replenishment activities at the catchment level. As part of this work, we recognise the vital role water plays in sustaining ecosystems, biodiversity and livelihoods, and we are exploring opportunities for collective action to deliver such broader co-benefits over the long term.

TARGETS AND PERFORMANCE

In 2025, our crafting facilities achieved a water recycling rate of 26%, a slight increase compared to the 2024 recycling rate of 25%.

At our Lamphun site, initiatives such as rinse water optimisation and other efficiency measures resulted in water withdrawal reductions.

However, in 2025, our overall water consumption increased by 7% compared to 2024.

In 2025, our water consumption increased in the administrative buildings at our Bangkok facilities. This was partly due to a temporary pause on investments, pending the outcome of the onsite feasibility assessments to validate the most effective water management approach.

Building on the recent feasibility assessments, we have identified clear opportunities to further improve water efficiency and on site recycling, thereby strengthening Pandora's resilience to water-related risks. We are working to establish contextual water targets, tailored to local basin water challenges, with our water strategy to be launched in 2026.

WATER CONSUMPTION

m^3	2025	2024
Total water consumption	**1,313,673**	**1,226,949**
Water consumption in areas with high water risk	739,110	715,903
Water consumption in areas with high water risk, %	56%	58%
Total water recycled and reused	299,675	279,826
Recycling percentage, %	**23%**	**23%**
Water intensity, m^3/revenue in DKK million[1]	40.36	38.73

[1] Revenue used in the calculation is as reported in *note 2.1 Segment and revenue information* of the Financial Statements.

ACCOUNTING POLICIES

Water management data is disclosed in accordance with ESRS E3-4. Water consumption includes volumes of water consumed in our global operations. The water consumption for our crafting facilities and distribution centres are calculated as the purchased volumes of water. The water consumption in our offices is calculated as an estimate based on headcount, adjusted for remote working. Water consumption at retail locations is calculated as an estimate based on working hours.

Water consumption in areas with high water risk and water stress includes volumes consumed at our crafting facilities in Bangkok and is estimated based on reported city water consumption, including recycled water, for each location (reported or estimated), assessed against WWF Water Risk Filter per location. The share of water in areas with high water risk is compared to the total water consumption.

Water recycled and reused is the volume of water at our crafting facilities that has either been recycled for irrigation and sanitary purposes or reused in our crafting processes before being sent to wastewater treatment.

We exclude activities and facilities that contribute less than 1% of the company-wide gross water consumption from reporting:

- Recycled water is excluded from reporting for all offices, distribution centres and retail locations, as there is no on-site treatment facility or capacity at these premises to recycle water.
- Water consumption in areas at water risk is excluded from reporting for offices, retail stores and distribution centres due to lack of materiality, given the threshold of 1% relative to the company-wide water consumption.

TASK FORCES ON CLIMATE-RELATED AND NATURE-RELATED FINANCIAL DISCLOSURES

As we grow our business, we remain focused on addressing both potential and actual climate and nature-related risks. We rely on the frameworks provided by the Task Force on Climate-related Financial Disclosures (TCFD) and the Task Force on Nature-related Financial Disclosures (TNFD) to guide us in this effort. These frameworks support our response to growing demands from regulators and the financial sector for greater transparency on financially material climate change and nature-loss impacts affecting Pandora.

GOVERNANCE

Pandora's Board of Directors (the Board) maintains oversight of climate and nature-related risks and opportunities as part of its governance responsibilities. This includes evaluating the alignment of climate-related and nature-related initiatives with Pandora's purpose and business strategy. The Board approves Pandora's climate-transition and nature-protection plans, receives updates on the progress of sustainability priorities, performance and targets annually, including climate-related and nature-related risks and mitigation initiatives. In 2025, the Board received training with focus on sustainability impacts, opportunities and risks. For further details on Pandora's governance, refer to the Corporate governance chapter.

STRATEGY

We aspire to be a low-carbon business, aiming to reduce our environmental impacts across the entire value chain. For further information on our low-carbon strategy, initiatives and targets, see our Greenhouse gas emissions chapter, and for further information on our environmental areas, see the chapters on Environmental impacts of mining, Environmental impacts of materials, Environmental impacts of indirect procurement and Water management in own operations.

RISK MANAGEMENT

We operate an enterprise risk management system. The business functions are responsible for different parts of our value chain for the continuous identification, assessment, mitigation and reporting of current and emerging risks. All relevant business functions provide quarterly updates on their most material risks, which are presented to the Risk Management Board for review and potential inclusion in Pandora's most material risks map.

For more information, see the Risk and Water management in own operations chapters. For details on Pandora's climate risks and opportunities scenarios, refer to Pandora's CDP climate questionnaire. ↗

METRICS AND TARGETS

We are committed to reducing our environmental impact through clear targets and impactful initiatives. Our long-term incentive plan (LTIP) for Senior Leadership Team incorporates sustainability performance as a key component, including our science-based target to reduce GHG emissions. For more information on our sustainability targets, refer to the respective chapters under the Environmental section of Pandora's Annual Report 2025. For further details on the LTIP, see our Remuneration Report 2025. ↗

EU TAXONOMY

In 2025, we continued our assessment of the EU Taxonomy's environmental objectives, focusing on CAPEX. While jewellery crafting remains out of scope, the construction of our new crafting facility in Vietnam demonstrates potential alignment as LEED certification is expected in 2026.

The EU Taxonomy (the Taxonomy) is a classification system for environmentally sustainable economic activities, as set out in Regulation (EU) 2020/852 and its delegated acts, including the Climate Delegated Act, the Complementary Climate Delegated Act, the Environmental Delegated Act and their amendments. Jewellery crafting is not in scope, but we annually assess the relevance of eligible activities to our core business, focusing on their contribution to the six environmental objectives[1]. Our newly constructed crafting facilities in Vietnam indicate potential CAPEX alignment, while leased properties show only limited alignment possibilities.

For the 2025 reporting year, we implemented the EU Omnibus II Directive (Directive 2014/51/EU) amendments to the Taxonomy and its delegated acts, introducing a 10% materiality threshold and simplifying reporting requirements. This approach allows us to focus on activities that are material to our business and to ensure compliance with all applicable regulatory requirements.

In accordance with Article 8 of the Taxonomy Regulation, and based on the technical screening criteria set out in the Climate Delegated Act, the Complementary Climate Delegated Act, the Environmental Delegated Act and their amendments, we annually identify, assess and report on eligible and aligned activities using the required KPIs (revenue, CAPEX and OPEX), while ensuring compliance with minimum social safeguards and the Do No Significant Harm criteria.

TAXONOMY ELIGIBILITY
Our core jewellery crafting activities are not covered by the Climate Delegated Act, the Complementary Climate Delegated Act, the Environmental Delegated Act or their respective amendments. Accordingly, these activities are classified as Taxonomy-non-eligible, and we therefore report no Taxonomy-eligible revenue for the reporting period. We continue to monitor regulatory developments to assess any future applicability of the Taxonomy to our business model.

In accordance with the Omnibus II Delegated Act, we have applied the newly introduced materiality thresholds to determine the relevance for the remaining two required KPIs. Our eligibility assessment includes a review of Pandora's economic activities in relation to CAPEX and OPEX. Based on this assessment, we have

PROPORTION OF TURNOVER, CAPEX, OPEX FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY ELIGIBLE ECONOMIC ACTIVITIES

Financial year	2025														
					Breakdown by environmental objectives of Taxonomy aligned activities										
KPI	Total	Proportion of Taxonom eligible activities	Taxonom aligned activities	Proportion of Taxonom aligned activities	Climate change mitigation	Climate change adaptation	Water	Circular economy	Pollution	Biodiversity	Proportion of enabling activities	Proportion of transactional activities	Not assessed activities considered nonmaterial	Taxonomy aligned activities in previous financial period (N-1)	Proportions of Taxonomy aligned activities in previous reported period (N-1)
	DKK m	%	DKK m	%	%	%	%	%	%	%	%	%	%	DKK m	%
REVENUE	32,549	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CAPEX	4,138	87%	-	-	-	-	-	-	-	-	-	-	-	-	-
OPEX	530	-	-	-	-	-	-	-	-	-	-	-	-	-	-

[1] The six environmental objectives under the EU Taxonomy are: climate change mitigation (CCM), climate change adaptation (CCA), sustainable use and protection of water and marine resources (WTR), transition to a circular economy (CE), pollution prevention and control (PPC), and protection and restoration of biodiversity and ecosystems (BIO).

identified Taxonomy-eligible CAPEX and report it accordingly. Our Taxonomy-defined OPEX amounts to DKK 530 million, which is well below 10% of our total revenue of DKK 32,549 million. Therefore, we have determined that OPEX is immaterial, representing a small proportion of our overall business operations and not constituting a significant driver of our environmental performance or investment strategy. Accordingly, we have omitted the detailed assessment and reporting of Taxonomy eligible or Taxonomy aligned OPEX, disclosing only the total OPEX value.

TAXONOMY ALIGNMENT

With respect to Taxonomy alignment, we acknowledge that the regulatory framework continues to evolve. In 2025, we reassessed the alignment potential of our eligible economic activities, particularly in relation to CAPEX. The construction of our new crafting facility in Vietnam was identified as potentially aligned under activity 7.1 "Construction of new buildings." Despite preliminary indications, Pandora has decided not to present alignment at this stage, as the LEED certification process remains ongoing and we apply a conservative approach to reporting. Should all required documentation have been obtained and certification finalised by December 2025, this activity would represent approximately 7% of the total Taxonomy-aligned CAPEX or around 62% of Taxonomy-aligned CAPEX under activity 7.1 "Construction of new buildings."

Further, we also assessed certain leased stores for possible alignment under activity 7.7 ''Acquisition and ownership of buildings'', though their contribution is currently considered immaterial. No alignment has been reported under activity 8.2 ''Computer programming, consultancy and related activities'', as the technical screening criteria remain too complex to apply reliably.

Additionally, we have omitted eligibility and alignment reporting for activity 6.5 ''Transport by motorbikes, passenger cars and light commercial vehicles'', as the associated CAPEX falls below the 10% materiality threshold.

Investments in renewable electricity sources and biomass technologies are currently limited and therefore not reported, as their impact is immaterial for the purposes of the Taxonomy.

Waste-handling initiatives, while aligned with our sustainability ambitions, also represent a minor share of our overall investments and are not separately reported for this year. Pandora remains committed to enhancing future alignment by progressing ongoing projects, obtaining relevant certifications and strengthening data collection and documentation processes.

CONTRIBUTION TO MULTIPLE OBJECTIVES

Regarding our identified economic activities, we note that none of these contribute to multiple objectives.

DISAGGREGATION OF KPIs

There has been no disaggregation of KPIs for any economic activity assessed.

PROPORTION OF CAPEX FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY ELIGIBLE ECONOMIC ACTIVITIES

Financial year	2025												
					Environmental objectives of Taxonomy aligned activities								
Economic Activities	Code	Taxonomy eligible KPI (Proportion of Taxonomy eligible CAPEX)	Taxonom aligned KPI (monetary value of CAPEX)	Taxonom aligned KPI (Proportion of Taxonomy aligned CAPEX	Climate change mitigation	Climate change adaptation	Water	Circular economy	Pollution	Biodiversity	Enabling activity	Transitional activity	Proportion of Taxonomy aligned in Taxonomy eligible
		%	DKK m	%	%	%	%	%	%	%	(E where applicable)	(T where applicable)	%
Construction of new buildings	CCM 7.1, CCA 7.1, CE 3.1	11%	-	-	-	-	-	-	-	-	No	No	-
Buying and owning buildings	CCM 7.7, CCA 7.7	65%	-	-	-	-	-	-	-	-	No	No	-
Computer programming, consultancy and related activities	CCA 8.2	11%	-	-	-	-	-	-	-	-	No	No	-
Sum of alignment per objective		-	-	-	-	-	-	-	-	-	-	-	-
Total KPI (CAPEX)		87%	-	-	-	-	-	-	-	-	No	No	-

CONTEXTUAL INFORMATION ABOUT KPIs

The numerator of the CAPEX KPI for activity 7.1 primarily reflects investments in the construction of our new crafting facility in Vietnam. The facility has been built to meet LEED Gold standards and is powered entirely by renewable electricity. While the crafting facility was completed in 2025, formal LEED certification is expected next year. For activity 7.7, CAPEX is driven by new leases and leasehold improvements in our leased stores, as Pandora exclusively operates its stores from leased premises and does not own any of the underlying land or buildings. In activity 8.2, investments in digital innovation and capabilities are reported under CAPEX or OPEX, depending on whether capitalisation criteria are met, and are similarly assessed for alignment with the technical screening criteria and compliance requirements.

MINIMUM SAFEGUARDS

In shaping our human rights due diligence (HRDD) processes, Pandora follows the guidance of the UN Guiding Principles on Business and Human Rights (UNGPs) and the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct (OECD guidelines). More specifically, our business conduct is guided by the following policies: Human Rights Policy, Supplier Code of Conduct, Franchisee and Distributor Code of Conduct, Responsible Sourcing Policy, Materials Standard, Responsible Marketing Standard, Whistleblower Policy, Data Ethics Policy and Privacy Policy.

These policies are available on our corporate website under Policies.

We strive to implement HRDD in a way that enables us to identify, prevent, mitigate, track and remediate actual and potential adverse impacts in our own operations, supply chains and business relationships. Further details are available in the chapters on Corporate governance, People, Inclusion and belonging, Adequate wage, Human rights in own operations and Workers in the value chain.

In 2025, there were no incidents where Pandora was found to be in breach of human rights laws, guilty of breaching tax laws, convicted of corruption or bribery or found in breach of competition laws. Likewise, Pandora has not been subject to complaints of alleged breaches of the OECD guidelines or been non-compliant with the OECD guidelines and has therefore not collaborated with any OECD National Contact Points to resolve such issues in 2025.

Finally, Pandora has not been approached by the Business and Human Rights Resource Centre and therefore has not been non-responsive to the Centre or found to be responding inadequately to affected stakeholders or their representatives' concerns in 2025.

ACCOUNTING POLICIES

The share of Taxonomy-eligible economic activities is expressed as the proportion of revenue, total investments (CAPEX) and operational expenditures (OPEX) related to assets or processes listed in the Taxonomy.

- **Revenue:** Total revenue is aligned with the revenue reporting in *note 2.1 Segment and revenue information*. The revenue KPI is defined as Taxonomy-eligible revenue (numerator) divided by total revenue (denominator).

- **CAPEX:** Total CAPEX is aligned with additions reported in *note 3.1 Intangible assets (IAS 38)*, *note 3.2 Property, plant and equipment (IAS 16)* and *note 3.3 Leases (IFRS 16)*. Goodwill is not included in CAPEX as it is not defined as an intangible asset in accordance with the Taxonomy. The CAPEX KPI is defined as Taxonomy-eligible CAPEX (numerator) divided by total CAPEX (denominator).

- **OPEX:** According to the Taxonomy, OPEX is defined as direct non-capitalised costs that relate to research and development, building renovation, short-term lease, maintenance and repair and any other direct expenditure relating to the day-to-day servicing of property, plant and equipment. The OPEX KPI is defined as Taxonomy-eligible OPEX (numerator) divided by total OPEX (denominator). As Taxonomy OPEX has a different definition than OPEX, the OPEX used cannot be derived from the Financial Statements.

- **Double counting:** For the calculation of the denominator of the revenue, OPEX and OPEX KPIs, we have extracted the figures directly from our internal system, ensuring that the figures are only counted once in each KPI. For the allocation of the numerator for CAPEX, we first identified the relevant figures and then allocated the primary related economic activity in the Climate Delegated Act. In this way, we ensure that no CAPEX is considered more than once.

- **Materiality threshold:** In accordance with the Omnibus II amendments, a 10% threshold applies to revenue, CAPEX and OPEX. Where the cumulative share of certain economic activities is below 10% of the respective denominator, we may omit assessing their Taxonomy eligibility or alignment. In such cases, we disclose the sectors of these omitted activities and provide an explanation for their immateriality. If total OPEX is not material to our business model, we may omit OPEX assessment for all activities, provided we disclose the total OPEX value and explain its immateriality.

SECTION 3

SOCIAL

Inclusion and belonging, adequate wage, as well as human rights, responsible sourcing and marketing, are key to our approach to ethical business.
This section outlines five material social matters.

44%

In 2025, we increased the representation of women in Senior Leadership Team from 35% to 44%.

8.9

The inclusiveness score of our employee listening survey averaged 8.9 in 2025 – a slight increase from 8.8 in 2024.

INCLUSION AND BELONGING

ADVANCING AS AN INCLUSIVE WORKPLACE

In 2025, we continued our efforts to advance inclusion, diversity and belonging at our workplace. Progressing towards our gender parity target, the share of women in Senior Leadership Team reached 44%.

27%

of our employees are located in Thailand.

24%

of our employees are located in the United States.

IMPACTS, RISKS AND OPPORTUNITIES

Inclusion and belonging have long been integral to our culture and operations, and we remain dedicated to embedding these principles across all parts of our organisation. Pandora's DMA reconfirmed a gender imbalance in leadership, confirming the relevance of the targets set in 2021. We also found that providing secure, flexible jobs and training positively impacts our employees' career progression.

We continue to build on our efforts to create a workplace that reflects the diversity of our 42,281 employees worldwide by the end of 2025, with a focus on inclusion, gender parity in leadership and flexible employment.

Our employees are distributed across gender identities with 80% identifying themselves as women. The age profile is distributed with 49% below 30, 47% between 30 and 50 and 4% above 50 years, highlighting a multigenerational workforce committed to inclusivity and diversity.

The following impacts, risks and/or opportunities are associated with this material matter:

Own operations

- Diversity and inclusion inequailities (negative impact).
- Secure and flexible employment (sustainability-related opportunity).

POLICIES

Our work is anchored in Pandora's Inclusion and Belonging Policy, which outlines our commitments to fostering an inclusive workplace, achieving gender parity in leadership and ensuring that our communications reflect the diversity of the communities we serve. It details the collective responsibilities within the company to ensure all employees understand how they can contribute to creating a culture of inclusion.

In 2025, we updated the policy to align with our long-term goals and meet the evolving needs of our global employees. The policy is applicable for Pandora's entire workforce and was approved by the Board at the end of 2025.

LEARNING FOR A BETTER FUTURE

Since 2019, UNICEF has partnered with Pandora with the aim of empowering young people through learning. Since 2019, we have raised DKK 106 million (USD 16 million) in support of more than 2.4 million youth and adolescents directly, and reached 34 million youth indirectly. Through our partnership with UNICEF, we dedicate half of the funds to educational programmes in Thailand, Vietnam and China – while the other half is provided as unrestricted support for UNICEF to allocate funds towards critical, lifesaving resources where they are needed the most.

PANDORA'S INCLUSION AND BELONGING STRATEGY

DATA ANALYTICS AND REPORTING

We use insights to track progress and drive meaningful actions.

TRAINING AND DEVELOPMENT

We provide employees with the tools and knowledge to build an inclusive workplace.

COMMUNICATION AND VALUE PROPOSITION

We ensure a unified stance and consistent messaging across our global organisation.

EXTERNAL PARTNERSHIPS AND INTERNAL EMPLOYEE RESOURCE GROUPS

We foster collaboration with external communities while empowering diverse employee networks internally.

In addition, in 2025, we have updated Pandora's Code of Conduct, providing clear guidance on how to do business with integrity, how we treat people with respect and how we safeguard Pandora's assets and data.

The Inclusion and Belonging Policy and Code of Conduct are available on our corporate website under Policies. ↗

ACTIONS

Based on the strategic foundation of our Inclusion and Belonging Strategy from 2024, and outlined in our Inclusion and Belonging Policy, we have in 2025 brought our inclusion and belonging ambitions to life through partnerships, global campaigns and initiatives, strengthened leadership accountability, and increased employee engagement.

Celebrating International Women's Day

Across Pandora, International Women's Day was marked by a series of inspiring activities. In our Global Office, we joined a new partnership with the NGO ProWoc (Professional Women of Colour), and welcomed the public to join us for an International Women's Day event.

Uniting for Global Pride

In 2025, we also marked a milestone for our PRIDE Employee Resource Groups, as teams came together to deliver an awareness campaign for Pride Month. Through a series of online events and panels and the launch of a new eLearning module on inclusion and belonging, we reached employees worldwide.

Expanding employee resource groups and focusing on neurodiversity

We continued to grow our Employee Resource Groups, with a special emphasis on neurodiversity.

In 2025, we took important first steps to better understand and support neurodivergent employees. Partnering with UK-based specialists Neurohaus, we began evaluating how our retail environments can better accommodate neurodivergent customers. This included exploring inclusive store design principles and implementing practical adjustments to create more welcoming and accessible experiences.

These actions mark the beginning of a broader journey to creating environments, both in our workplaces and stores, where every colleague and customer can thrive and feel included.

TARGETS AND PROGRESS

- As of 2025
- Target
- 45%-55%

FULL GENDER PARITY

Achieve full gender parity* in the Senior Leadership Team no later than 2030.

INCLUSIVENESS SCORE OF 8.5

Maintain at least 8.5 score on inclusivity in the employee listening survey. Target achieved in 2022.

8.9

* Gender parity in Senior Leadership Team refers to an equal number (50/50) of women and men in senior leadership positions from Vice President and up (including the Board) with a +/- 5 percentage points variation.

TARGETS AND PERFORMANCE

Navigating a global landscape

Operating in more than 100 countries, with employees representing diverse nationalities, genders and age groups, presents both opportunities and challenges. From navigating cultural differences to adapting to local regulatory environments, these complexities can impact our ability to measure progress, particularly where data collection on diversity, equity and inclusion metrics is restricted. We remain committed to finding innovative ways to advance inclusivity and tailor our approach to the needs of our global employees.

Keeping our focus on gender parity

Achieving gender parity in our Senior Leadership Team remains a top priority. In 2025, we made progress, increasing the representation of women in Senior Leadership Team from 35% to 44%. This marks our strongest year-on-year improvement to date.

While we are encouraged by this progress, we recognise that reaching true gender parity requires sustained focus and action. We remain committed to sustaining momentum, ensuring our Senior Leadership Team reflects the diversity of our global employees, and that we continue our progress toward gender parity in leadership by 2030.

Empowering employees through listening

In 2025, we conducted our biannual employee listening survey to assess inclusivity across our global organisation, inviting participation from all office, retail, distribution, and Crafting & Supply employees. The survey revealed an inclusiveness score of 8.9 on a scale from 0 to 10, up from 8.8 in 2024. These insights guide our actions and keep us aligned with our target of maintaining a score above 8.5 in 2026.

Embracing uniqueness

In 2025, we hosted a conversation about neurodivergence, self-acceptance and embracing individuality with Carsten Lassen, CEO of Specialisterne, Sarah Grunewald, Danish TV host, and Mads Twomey-Madsen, SVP Global Communication and Sustainability at Pandora.

EMPLOYEE CHARACTERISTICS

Number	2025	2024
Gender		
Women	33,759	33,243
Men	7,421	7,687
Other	1,020	272
Not reported	81	124
Total employees	**42,281**	**41,326**
Country		
Thailand	11,210	11,864
US	9,948	8,584
Other countries below 10% of total number of employees	21,123	20,878
Employee turnover		
Total employees who left Pandora, excl. seasonal and temporary employees	10,844	10,048
Total employee turnover, excl. seasonal and temporary employees, %	30.7%	30.1%
Total employees who left Pandora	18,846	15,889
Total employee turnover, %	48.3%	44.4%

ACCOUNTING POLICIES

Our employee characteristics are accounted for in accordance with ESRS S1-6. The number of employees includes all recorded individuals employed by Pandora, except external contractors, at year-end and is accounted for in headcount. The gender distribution is based on the total number of employees at year-end. The country data is presented in accordance with the ESRS standard, including countries with employees representing at least 10% of our total number of employees.

Total employee turnover is presented in two ways: excluding and including seasonal and temporary employees. This approach reflects the nature of our business, where we frequently hire employees for short-term assignments during peak seasons to meet increased operational demands. Since the turnover of these seasonal and temporary employees aligns with their employment terms, we exclude them from the first employee turnover calculation. This distinction ensures that our turnover metrics accurately represent trends in our workforce while taking the seasonal fluctuations of our business into account.

Employee turnover is calculated as the number of employees who left Pandora during the year divided by the average number of employees for the same period.

GENDER REPRESENTATION IN MANAGEMENT

Number	2025		2024	
Board of Directors				
Women	4	50%	4	57%
Men	4	50%	3	43%
Other	0	-	0	-
Not reported	0	-	0	-
Executive Management				
Women	0	-	0	-
Men	2	100%	2	100%
Other	0	-	0	-
Not reported	0	-	0	-
Executive Leadership Team				
Women	1	12.5%	1	12.5%
Men	7	87.5%	7	87.5%
Other	0	-	0	-
Not reported	0	-	0	-
Senior Leadership Team				
Women	41	44%	33	35%
Men	53	56%	60	65%
Other	0	-	0	-
Not reported	0	-	0	-

ACCOUNTING POLICIES

The gender representation in management is disclosed in accordance with ESRS S1-9. The data includes the total number of members in the Board of Directors (the Board), the total number of employees in both Executive Management and the Executive Leadership Team at year-end. The Senior Leadership Team comprises Vice Presidents, Senior Vice Presidents and members of the Executive Leadership Team, Executive Management and the Board at year-end.

EMPLOYEES BY CONTRACT TYPE

Number	2025	2024
Total number of permanent employees	**34,201**	**35,084**
Women	26,816	27,567
Men	6,965	7,310
Other	357	86
Not reported	63	121
Total number of temporary employees	**8,080**	**6,242**
Women	6,943	5,676
Men	456	377
Other	663	186
Not reported	18	3

ACCOUNTING POLICIES

The number of employees by contract type is disclosed in accordance with ESRS S1-6. The data includes all recorded individuals employed by Pandora at year-end and is accounted for in headcount. Permanent employees are regularly scheduled to work either part-time or full-time schedules without a specified end date, while temporary employees are regularly scheduled to work either part-time or full-time schedules with a specified end date at year-end. Pandora has no employees with a contract as non-guaranteed hours.

AGE SPLIT

%	2025	2024
Below 30 years	49%	48%
30-50 years	47%	48%
Above 50 years	4%	4%

ACCOUNTING POLICIES

The age split is disclosed in accordance with ESRS S1-9. The data includes all recorded individuals employed by Pandora at year-end and is accounted for in headcount, attributed to an age range based on their recorded date of birth.

DISABILITIES

%	2025	2024[2]
Employees with disabilities[1]	0.6%	0.5%

[1] Countries where the data is reported: Brazil, Chile, China, France, Germany, Hong Kong, Italy, Panama, Poland, Romania, Spain, Thailand and Turkey.
[2] In 2025, Pandora reassessed the reported share of employees with disabilities and identified that employees in Thailand were not included in the 2024 disclosure. This resulted in an adjustment of the reported share of employees with disabilities for 2024 from 0.2% to 0.5%.

ACCOUNTING POLICIES

The percentage of employees with disabilities is reported in accordance with ESRS S1-12. The share of employees with disabilities is compared to total number of employees at year-end and is accounted for in headcount.

The number of employees with disabilities employed by Pandora at year-end includes employees with disabilities in countries where this is being registered either for legal or other reasons. The legal definitions of individuals with disabilities by the respective countries are taken into consideration when reporting the data.

REMUNERATION METRICS

%	2025	2024
Gender pay gap	-1.1%[1]	1.9%
Total remuneration ratio	122.4	237.4[2]

[1] On average, women working in Pandora earn 1.1% more than men working in Pandora.
[2] The total remuneration ratio (CEO pay ratio) for 2024 has been adjusted using the value at grant for the year, rather than the expensed total fair value of all annual long-term incentives using IFRS 2 principles. This results in a reduction of the ratio of 51.

ACCOUNTING POLICIES

Gender pay gap and Total remuneration ratio (CEO pay ratio) are disclosed in accordance with ESRS S1-16. The gender pay gap is calculated by comparing the average gross hourly earnings of women and men across the workforce, expressed as a percentage of the average pay level of male employees. It is based on the average monthly headcount, attributed to the binary gender categories of women or men. Employees not registered with a binary gender have not been included. The average gross hourly earnings includes annual base salary and STIP payout.
The total remuneration ratio is calculated by comparing the annual total compensation of our highest paid employee, the CEO, to the median annual compensation of all other employees at year-end. The calculation is based on the total gross compensation figures, which include salary, bonuses and other financial benefits comprising the total fair value of all annual long-term incentives including share-based payments, assessed as the value at grant for the year. The total remuneration ratio is excluding the CEO exit agreement. For context see the Remuneration Report 2025.

ADEQUATE WAGE

TURNING INSIGHT INTO ACTION

At Pandora, we are committed to fair and responsible pay practices that reflect our values. In 2025, 99.9% of our employees are paid above or at the adequate wage that supports a decent standard of living, aligned with the actual cost of living in their respective countries.

IMPACTS, RISKS AND OPPORTUNITIES

Ensuring all employees are paid equitably and receive adequate wages is central to Pandora's commitment to social responsibility. By committing to adequate wages for all employees, we strengthen our brand, attract and retain the right talent and limit risks from decreased employee trust and retention.

The following impacts, risks and/or opportunities are associated with this material matter:

Own operations

- Minimum pay standards and living wage discrepancies (negative impact).

POLICIES

In 2025, we developed Pandora's Adequate Wage Policy, which was approved by the Board in January 2026. We are also developing an Adequate Wage Standard, which we aim to finalise in the first half of 2026.

The Adequate Wage Policy details our commitments regarding equitable and adequate wages. The Standard is an internal document which details our approach to adequate wage analysis and describes our proactive approach to avoiding wage gaps.

Building a responsible workplace
Ensuring all employees are paid equitably and receive adequate wages is central to Pandora's commitment to social responsibility.

The volatility of benchmarking data is a challenge, which is why we allow for some flexibility in our approach, enabling us to keep pace with changes and assess whether changes are sustained. This approach helps us avoid making premature or unnecessary large-scale adjustments.

The Adequate Wage Policy is available on our corporate website under Policies.

ACTIONS

Pandora works with a global partner, WageIndicator.org, for reliable adequate and living wage data. In our 2025 analysis, as in our 2024 analysis, we only included guaranteed pay provided to all employees and pay components that truly contribute to a higher standard of living in our benchmarking. In countries where adequate wage data is unavailable, we apply the living wage. For countries where both figures are available, we use the higher figure to ensure maximum fairness.

We adopt a proactive approach to adequate wage with the aim of avoiding gaps from occurring rather than closing gaps once identified. To that end, we reference the relevant adequate wage when creating our internal pay ranges for each country, ensuring that wages cover basic living needs and support a decent standard of living. Our internal pay ranges are reviewed annually to account for inflation and shifts in the cost of living as reflected in the WageIndicator data.

In 2026, we will continue to embed adequate wage into our reward policies and work with relevant stakeholders to further increase awareness and understanding on this topic.

TARGETS AND PERFORMANCE

Most gaps identified in our 2024 benchmark study have been closed. When repeating the assessment for 2025, we can see that 99.9% of our employees are paid at or above the adequate wage. The remaining 0.1% represents gaps in Denmark and Luxembourg, impacting 47 employees. We will closely monitor these gaps during 2026 and take action to close them where appropriate.

ADEQUATE WAGE

%	2025		2024	
Number and share of employees paid an adequate wage	**39,033**	**99.9%**	**34,508**	**97.6%**
Number and share of employees not paid an adequate wage by country[1]				
Chile			148	80%
Ireland			140	71%
Luxembourg	15	79%	14	70%
South Africa			60	63%
Colombia			103	59%
Peru			38	56%
Singapore			42	45%
Portugal			42	16%
Netherlands			34	15%
Denmark	32	2.8%	36	3.3%
Mexico			25	3.1%
US			130	2.0%
Brazil			13	2.2%
Belgium			4	1.8%
Czech Republic			2	1.3%
Romania			1	0.7%
Thailand			3	0.03%

[1] Data are presented only for countries where employees have been identified as not being paid an adequate wage. In all other countries, the adequate wage gap is zero.

ACCOUNTING POLICIES

Adequate wage data is disclosed in accordance with ESRS S1-10. The share of employees paid an adequate wage is the annual consolidation of the country-level assessments of base wage including qualifying allowances (housing, meal and transport allowances, free school for children, guaranteed bonus and paid private medical insurance) per employee, benchmarked against the adequate wage calculated for the country by WageIndicator.org as per the October 2024 update. Where a calculated adequate wage is not available in the external benchmark, the calculated living wage has been used. For countries, where both an adequate wage and a living wage are available, the highest calculated wage benchmark has been used. The wages of all employees which are accounted for in headcount excluding apprentices, student assistants and interns have been considered. The share of employees paid an adequate wage is calculated as the number of employees paid an adequate wage compared with the total number of employees in scope. Where employees by country are not paid an adequate wage, the number and share in those countries are detailed.

HUMAN RIGHTS IN OWN OPERATIONS

FOSTERING FAIR AND INCLUSIVE OPERATIONS

In 2025, we continued to strengthen workplace practices across our crafting facilities in Thailand – enhancing grievance mechanisms, engaging employees and fostering a culture of well-being and inclusion.

Our efforts align with international standards, including the UN Guiding Principles on Business and Human Rights (UNGPs), and focus on turning policy into practice.

IMPACTS, RISKS AND OPPORTUNITIES
Fair treatment and equal access to career progression and development are essential to Pandora's success. Secure employment includes being heard, having complaints handled equitably and having a workplace free from discrimination. Adhering to human rights standards involves managing risks, including those linked to data protection and employee privacy. Lapses in data handling and privacy could lead to financial penalties and erode employee trust.

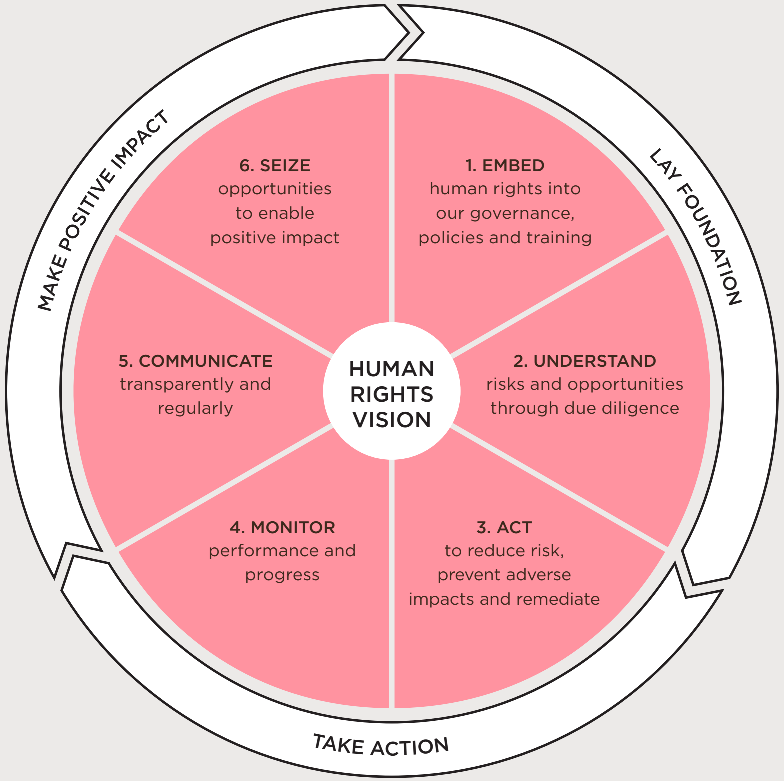
The following impacts, risks and/or opportunities are associated with this material matter:

Own operations
- Secure employment and protection of personal data (positive impact).

POLICIES
We evaluate human rights risks across our operations and in different parts of our value chain, to work towards positive and meaningful impact. This work is guided by Pandora's Global Human Rights Policy.

The Global Human Rights Policy outlines our commitment to adhering to international standards, including the UNGPs, the International Labour Organization's (ILO) Declaration on the Fundamental Principles and Rights at Work and other international instruments. It details our salient human rights issues, key stakeholder groups and engagement practices as well as implementation of human rights across the business and remediation mechanisms. Applicable to our direct operations and value chain, the policy has been approved by the Board.

Growth for every career
Fair treatment and equal opportunities for growth are vital to the success of our people - and Pandora. Every employee deserves the chance to flourish.



OUR APPROACH TO RESPECTING HUMAN RIGHTS

The actions illustrated above are guided by our human rights approach and by international standards for responsible business, such as the UN Guiding Principles on Business and Human Rights (UNGPs) and the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct (OECD guidelines).

We respect the human rights of everyone impacted by our business, ensuring fair treatment and an empowered voice for all. This approach highlights the importance of embedding human rights into our daily operations, addressing key human rights risks across our value chain and creating positive impact.

To ensure our Human Rights Policy and approach remains relevant, outcomes from our activities and engagements are centralised at a global level. We engage with key functions across the business dedicated to work on human rights, responsible sourcing and other areas of sustainability to ensure issues are addressed on a day-to-day basis within the business and value chain.

The Global Human Rights Policy is available on our corporate website under Policies. ↗

ACTIONS

Strengthening workplace culture through grievance mechanisms
Thailand is home to 27% of our employees and following insights from our 2021 corporate human rights impact assessment, we decided to first focus our human rights efforts at our crafting facilities.

To advance our grievance mechanism, we focus on strengthening users' trust by increasing transparency and communication to employees about how complaints are handled, and by ensuring consistent follow-ups.

Building on past efforts, in 2025 we held trainings primarily for employees involved in the grievance mechanism processes and governance, such as directors, managers and human resources. 59 employees across two sites participated in the full-day workshop, which aimed to improve the knowledge of the human rights perspective on effective grievance mechanisms.

In 2025, at our crafting facilities in Thailand, we improved the online grievance channel to enable two-way communication and introduced a clearer follow-up process, providing daily updates for seven consecutive days until cases are resolved or closed. Monthly reports are shared with management to highlight insights and potential risk areas. Some issues raised were general suggestions and others pertain to work schedule management and undesirable behaviour. All reported cases were investigated, including the ones, which fell into the insufficient information category. None of the issues raised where assessed as severe breaches of human rights.

To strengthen trust and encourage employee engagement, we also began collecting monthly employee feedback in 2025. This feedback provides Human Resources management in Thailand with better visibility into everyday concerns, requests and questions, helping identify trends, guide decision-making and relevant actions to consider.

Raising human rights awareness
We provided mandatory human rights training globally and observed key dates such as Human Rights Day and International Women's Day. In 2025, International Women's Day was marked at our Thailand crafting facilities with activities under the theme 'For ALL Women and Girls: Rights. Equality. Empowerment'. The programme included an inspiring keynote and wellness initiatives for all employees, reinforcing our commitment to fostering a culture that advances women in leadership.

In October, we launched an activity called the Power of Words Pilot Project in our crafting facilities. It promoted cultivating a respectful workplace through positive verbal communication and reflection. In total, 96 employees from the Quality Control Team participated over the four weeks of the project. The pilot was well received with almost all of the 96 participants agreeing that the activity should be extended and organised to other departments. From the pilot baseline, we learned that both appreciation towards colleagues and the belief that positive words create a better work environment increased.

Enabling worker representation in key locations
44% of Pandora employees are covered by collective bargaining agreements (CBA). While we do not have a global union framework, all employees in Thailand are covered by a CBA, and we regularly engage with the union to discuss wages, benefits and working environment. Over the course of 2025, meetings were held with labour representatives to share business updates, gather union feedback, address employee concerns and strengthen positive labour relations.

Our other significant employment market is the US, where employees are not covered by CBA, but all receive the same benefits. Concerns can be raised with our Employee Relations department or relevant government bodies as per federal regulations.

For more information on other human rights impacts, such as privacy, adequate wages and health and safety, refer to the chapters Corporate governance, Adequate wage and People. Further details on our approach to human rights in own operations are available in Pandora's Transparency in Supply Chain Statements 2025.

Assessing the workplace environment in retail
In 2025, we took the first steps in conducting onsite workplace assessments and visits in our owned and operated retail stores. Mexico was selected as one of the most relevant markets to begin this assessment, as approximately 36% of the country's population lives in poverty[1]. Additionally, Pandora's recent expansion of owned and operated stores in the country grew from under 100 in 2019 to more than 250 in 2025.

Through the visits and anonymous employee interviews, we gained insight into retail employees' contexts, covering recruitment, pay and benefits, grievance processes and the physical and psychological work environment. In 2026, we will continue to engage with retail at a global level, using insights from Mexico to guide future actions such as global policy reviews.

TARGETS AND PERFORMANCE

In 2025, we prioritised delivering on existing commitments that significantly advance our human rights agenda – such as employee wages and inclusion – rather than setting new external targets. We focused on gathering insights and building a strong foundation across operations at varying maturity levels. Our Human Rights Programme is tracked through internal KPIs, including health and safety, grievance resolution, attrition, inclusiveness and adequate wages for employees. We will continue to investigate setting additional human rights-related targets.

For more information on adequate wage and inclusiveness score, see the chapters on Adequate wage and the Inclusion and belonging chapters.

Completing the 19th My School Project in Thailand
On the International Day of Education, we celebrated the handover of a new building to Baan Phon Pra School in Nong Khai Province. Through the My School Project, Pandora supports rural schools with improved facilities, empowering communities and fostering better learning environments.

[1] World Bank, Poverty and Inequality Platform, Mexico Country Profile.

EMPLOYEES COVERED BY COLLECTIVE BARGAINING AGREEMENTS

%	2025	2024
Total employees covered	**44%**	**44%**
Coverage rate by country[1]		
0-19%	US	US
20-39%	-	-
40-59%	-	-
60-79%	-	-
80-100%	Thailand	Thailand

[1] We do not have significant countries (+10% of employees) in coverage rates between 20-79%.

ACCOUNTING POLICIES

Employees covered by collective bargaining agreements (CBA) is accounted for in accordance with ESRS S1-8 and includes the total number of employees covered by at least one collective bargaining agreement. The coverage rate for employees in non-EEA countries, where more than 10% of Pandora employees are located at year-end, is calculated as the percentage of employees in the respective country that is covered by at least one CBA.

INCIDENTS, COMPLAINTS AND SEVERE BREACHES OF HUMAN RIGHTS

Number	2025	2024
Complaints filed through channels to raise concerns	345	233
Incidents of discrimination (incl. harassment)	38	61
Incidents of severe breaches of human rights	0	0
Material fines, penalties and compensation as a result of above incidents, DKK	0	0

ACCOUNTING POLICIES

Complaints, incidents of discrimination and incidents of severe breaches of human rights are disclosed in accordance with ESRS S1-17. The number of complaints includes all complaints filed through our whistleblower hotline at year-end related to Pandora's employees. Incidents of discrimination refer to those complaints related to discrimination or harassment. Incidents of severe breaches of human rights refer to those complaints related to severe breach of human rights.

Material fines, penalties and compensation resulting from incidents of discrimination incl. harassment and severe breaches of human rights are expenses measured in DKK in the fiscal year in which they become probable and can be reliably estimated.

HEALTH AND SAFETY

Number	2025	2024
Employees covered by H&S management systems, %	99.8%	99.6%
Injuries		
Total work-related accidents with absence	142	114
Total rate of recordable work-related accidents with absence	2.10	1.72
Total work-related accidents	247	210
Total rate of recordable work-related accidents	3.65	3.18
Total fatalities	0	0
Total fatalities, other workers working on Pandora sites	0	0
Ill health		
Work-related ill health	25	8
Days lost to work-related accidents, ill health and fatalities	2,383	1,567

ACCOUNTING POLICIES

Health and safety data is disclosed in accordance with ESRS S1-14. The data covers all employees at year-end and is accounted for in headcount. Number of fatalities is reported separately for other workers working on Pandora's sites.

The number of employees in Pandora covered by a health and safety management system is disclosed as the number of employees at year-end.

The rate of recordable accidents is presented both for all recorded accidents and recorded accidents with at least one day of absence. This approach ensures that our reporting aligns with the nature of our business while remaining compliant with the ESRS standard. While our definition of material accidents includes those with at least one day of absence, we also record all accidents to enhance completeness and transparency in our reporting. The rate is calculated as the reported number of work-related accidents and fatalities with absence per million nominal working hours. Contractors, visitors, employees on unpaid leave and interns are not included.

Work-related ill health cases are health cases caused or aggravated by work conditions or practices. The number of days lost due to work-related accidents, fatalities and ill health cases counts the first full day and last day of absence with calendar days considered.

WORK-LIFE BALANCE

%	2025	2024
Total employees entitled to take family-related leave	**81%**	**83%**
Total entitled employees that took family-related leave	**4.3%**	**3.8%**
Women	4.4%	3.8%
Men	4.1%	3.9%
Other	0.3%	1.4%
Not reported	3.0%	-

ACCOUNTING POLICIES

The number of employees entitled to take family-related leave is disclosed in accordance with ESRS S1-15. The data includes the number of employees eligible for family-related leave, such as parental, maternity, paternity, or caregiving leave at year-end and is accounted for in headcount. The number of employees that took family-related leave is calculated as the share of the employees who took family-related leave compared to the number of employees who were entitled to take family-related leave at year-end. To read more about Pandora's offer of social protection (ESRS S1-11), see our People chapter.

WORKERS IN THE VALUE CHAIN

EMBEDDING RESPONSIBLE PRACTICES ACROSS OUR SUPPLY CHAIN

Respect for human rights remains central to our business. In 2025, we continued to embed responsible practices across our supply chain – shaping expectations, deepening supplier engagement and advancing worker well-being, with a clear focus on continuous improvement and long-term impact.

IMPACTS RISKS AND OPPORTUNITIES

Pandora supports many livelihoods through employment provided by our suppliers and partners. However, workers in these settings may face risks such as forced labour, excessive working hours and other human rights concerns. In addition, certain worker groups, such as migrants – who make up about 10% of the workers of our jewellery supply chain – face a higher risk of labour rights abuses. Insufficient oversight of labour standards could result in adverse impacts, financial and reputational damage.

The following impacts, risks and/or opportunities are associated with this material matter:

Upstream
- Supplier misconduct on human and labour rights (negative impact).

POLICIES

Supplier Code of Conduct
Pandora's Supplier Code of Conduct outlines our basic expectations of suppliers regarding environmental and social performance as well as legal compliance criteria. It addresses forced labour, compulsory labour and child labour and

Responsible supplier practices
At our recent Supplier Summit in Bangkok, we reinforced our shared responsibility for sustainability, highlighting our suppliers' vital role in reducing environmental impact and promoting ethical practices.

how supplier should ensure that all employees are working in voluntary situations. The Code aligns with international standards, including the Ethical Trading Initiative Base Code and International Labour Organization conventions.

Furthermore, our Supplier Code of Conduct requires suppliers to provide workers with access to grievance mechanisms without fear of retaliation. In addition, our whistleblower hotline is freely available to all relevant stakeholders.

Responsible Sourcing Policy
Pandora's Responsible Sourcing Policy outlines how we implement our Supplier Code of Conduct through risk assessment, management systems, traceability, audits, reporting and disclosure. It outlines the three core objectives for our Responsible Sourcing Programme: responsible, transparent and traceable. The policy is applicable to Pandora's suppliers and is approved by Pandora's Board.

The Supplier Code of Conduct and Responsible Sourcing Policy are available on our corporate website under Policies.

ACTIONS

Responsible sourcing through supplier engagement
To foster sustainable practices, we engage suppliers on human rights and environmental topics through initiatives like capability building. In 2025, we continued the e-learning programme for our suppliers that was launched last year, adding modules to raise awareness on evolving EU regulations, such as the EU Corporate Sustainability Reporting Directive and the EU Deforestation Regulation. At this year's in-person jewellery supplier summit, we emphasised performance beyond compliance, focusing on topics such as carbon and other metrics.

Sustainability has been continuously integrated into procurement through updated supplier contracts that include requirements for worker representation and grievance mechanisms. Colleagues are supported with guidance, coaching and practical tools to address human rights during supplier visits, with a particular attention to high-risk sectors such as third-party logistics.

Most of our product suppliers undergo audits to the SMETA (Sedex Members Ethical Trade Audit) standard or an equivalent accepted standard, as outlined in our Responsible Sourcing Policy, at least every two years. Conducted by independent third-party experts, these audits assess working conditions and compliance through site tours, document reviews and worker interviews.

Recognising that audits provide valuable insight, but represent only a snapshot in time, our responsible sourcing and procurement teams collaborate with suppliers to prepare, follow up, address root causes and engage with their workers on corrective action plans and remediation.

Further information on identified non-conformances and our approach to workers in the value chain is available in Pandora's Transparency in Supply Chains Statement 2025.

Improving labour conditions for vulnerable workers through capacity building
To continuously improve the recruitment of migrant workers, in 2025 we centred our efforts on capacity-building initiatives. We trained 13 of our own employees from the responsible sourcing, internal audit, supplier quality and human resources teams in our crafting facilities on best practices for hiring migrant workers and the repayment of recruitment fees. In 2025, we offered training to 25 participants from 14 suppliers in Thailand and will incorporate this into our monitoring process.

While constructing our crafting facility in Vietnam, we engaged the construction supplier to mitigate risks in a sector often characterised by informal and multi-layered recruitment practices. The collaboration with third-party experts has continued throughout the project which started in 2024 to identify the key stakeholders affected by Pandora's construction and to understand the human rights risk impact on these stakeholders.

A second on-site assessment was conducted in 2025 during a peak period by the third-party expert The Centre for Child Rights and Business. The Pandora responsible sourcing team conducted an on-site visit to follow up on progress and monitor key control measures. There have been significant improvements between the first assessment in 2024 and the second in 2025, particularly in the areas of maternity protection, legal and fair compensation, health and safety prevention and protection. Industry-related risks will continue to be monitored. While issues are raised, no high-risk grievances have been registered through the Pandora whistleblower hotline or the supplier's worker helpline via The Ethical Supply Chain Program (ESCP).

The ESCP has been instrumental in supporting the establishment of a worker helpline that enables all construction workers to raise grievances directly. Onboarding efforts are ongoing to ensure all new workers are equally aware and supported. This includes deploying operators to receive workers' grievances and providing training to workers on how to access and use the helpline effectively.

In 2025, 320 newly onboarded contractors were trained on the worker helpline grievance mechanism available to them.

TARGETS AND PERFORMANCE

We want to drive meaningful and positive impact for workers across our supply chain through our Responsible Sourcing Programme. In 2024, we planned to set targets for our Responsible Sourcing Programme. Instead, in 2025, we prioritised strengthening the programme's foundations – building supplier capabilities, upskilling internal teams and reviewing buying practices – to ensure the future direction is meaningful and achievable. This groundwork supports the launch of our updated Supplier Code of Conduct in 2026, which will reflect our evolving ambitions, better recognise sustainability performance and deepen supplier engagement. We will continue to investigate setting targets for our Responsible Sourcing Programme.

We will also continue to strengthen our responsible buying practices by looking into our procurement contractual clauses and introducing a phased responsible exit approach.

RESPONSIBLE MARKETING

MARKETING WITH INTEGRITY

We are committed to ensuring responsible marketing remains a core practice and are determined to uphold our responsible marketing practices through meaningful actions where it matters. In 2025, we welcomed more than 915 million visitors to our stores and digital platforms – a testament to our global reach and the strong connection we have built with our customers.

IMPACTS, RISKS AND OPPORTUNITIES

Pandora has a responsibility to uphold responsible marketing practices and to ensure a diverse and inclusive representation in front of and behind the camera. Failure to do so could lead to reputational damage, loss of consumer trust and increased scrutiny from stakeholders and industry regulators.

Inclusion and belonging are key aspects of bringing responsible marketing to life, giving us an opportunity to both reflect the diverse society in which we operate and project inclusive behaviour.

The following impacts, risks and/or opportunities are associated with this material matter:

Downstream

- Social inclusion and diversity through promotion channels (positive impact).
- Ethical and diverse marketing practices (sustainability-related opportunity).

POLICIES

Pandora has a Responsible Marketing Standard (RMS), which sets out principles and standards for the company and our partners when marketing our jewellery. The RMS outlines ethical guidelines that emphasise the importance of empowering, inclusive, diverse and transparent marketing practices. The scope covers all marketing activities and partnerships, ensuring that our practices align with our core values and resonate responsibly with our global audience.

The RMS is available on our corporate website under Policies. ↗

ACTIONS

The Responsible Marketing Committee includes key stakeholders from across Pandora and is chaired by the CMO office. In 2026, we will review the Committee's governance and update the 2023 RMS it oversees in line with CSRD guidance. This update was originally scheduled for 2025 postponed due to organisational changes.

To strengthen our accountability, in 2025, we continued our comprehensive end-to-end process to assess the effectiveness of our efforts. This was achieved through continuous review processes throughout the product and creative decision gates for each collection. In 2025, our campaign development process has undergone a 360-degree review and adjustment to ensure effectiveness and compliance.

TARGETS AND PERFORMANCE

We believe diversity and inclusion are essential to who we are as a brand and we recognise the importance of producing content responsibly.

In 2025, a decision was made to discontinue our two external targets to track progress on representation of underrepresented groups among brand ambassadors and marketing suppliers. It has proven challenging to obtain the data from our partners. However, this does not change our ambition to ensure diverse representation in our assets and among the creatives we work with and continue refining and updating our approach.

Therefore, training and capacity building will continuously be essential to further foster our ambitions and investigate relevant targets to support our work. When circumstances allow and we can viably and consistently retrieve the required data, we will introduce appropriate targets to monitor and report on the adoption of responsible marketing.

To advance this effort, we launched a mandatory RMS training module in 2024 for our Global Marketing team. By 2025, 96% of the team had completed the training, and we continue to target a 95% completion rate while preparing to roll it out to local cluster teams. The module not only builds awareness of the core principles in our RMS, but also guides employees on using Pandora's Whistleblower Hotline to report any negative impacts from marketing activities.

APPENDIX

The Appendix includes the Disclosure requirements by reference tables, the List of Incorporations by reference, the Statement of due diligence and the List of Non-material information.

Pandora styling suite at Copenhagen Fashion Week
To mark Copenhagen Fashion Week, Pandora hosted an exclusive styling suite at its flagship store, inviting select international influencers and media to explore the collection and curate jewellery looks that reflected their personal style and fashion week narratives.

DISCLOSURE REQUIREMENTS BY REFERENCE

The tables shown on the following pages provide an overview of our alignment with disclosure requirements as outlined in European Sustainability Reporting Standards (ESRS) 2 and our material matters that have guided the preparation of our Sustainability Statements.

Disclosure requirements in topical standards below our materiality threshold have been excluded. However, as we report on four entity-specific matters, we have sought guidance from the ESRS, where it is relevant to use comparable disclosure requirements, even though these were below our materiality thresholds.

The overview serves as a guide to the disclosure requirements, indicating whether they are included in the Sustainability Statements, other chapters of the Annual Report or in the separately published Remuneration Report 2025.

If a disclosure requirement is not considered material or is not applicable this year, it is not referenced, marked as '-'.

Pandora's flagship store in Copenhagen at the launch of the Pandora Talisman collection during Copenhagen Fashion Week 2025.

CROSS-CUTTING STANDARDS

GENERAL DISCLOSURES	DISCLOSURE REQUIREMENTS		SECTION	CHAPTER	PAGE	DERIVED FROM OTHER EU LEGISLATION
ESRS 2: General disclosures	ESRS 2 BP-1	General basis for preparation of Sustainability Statements	SS	Basis of preparation	49	
ESRS 2: General disclosures	ESRS 2 BP-2	Disclosures in relation to specific circumstances	SS	Basis of preparation	49	
ESRS 2: General disclosures	ESRS 2 GOV-1	The role of the administrative, management and supervisory bodies	MR	Corporate governance	30-31	x
ESRS 2: General disclosures	ESRS 2 GOV-2	Information provided to the above-mentioned bodies	MR	Corporate governance	33	
ESRS 2: General disclosures	ESRS 2 GOV-3	Sustainability-related performance in incentive schemes	MR, RM	Corporate governance, Incentive metrics	31, 29	
ESRS 2: General disclosures	ESRS 2 GOV-4	Statement on due diligence	SS	Statement on sustainability due diligence	97	x
ESRS 2: General disclosures	ESRS 2 GOV-5	Risk management and internal controls	MR	Risk, Corporate governance	26, 32	
ESRS 2: General disclosures	ESRS 2 SBM-1	Strategy, business model and value chain (business model)	MR	Business model	19	
ESRS 2: General disclosures	ESRS 2 SBM-1	Strategy, business model and value chain (products, markets, revenue)	MR	Executive summary	8-10	
ESRS 2: General disclosures	ESRS 2 SBM-1	Strategy, business model and value chain (sustainability strategy)	MR	Strategy	20-22	
ESRS 2: General disclosures	ESRS 2 SBM-1	Strategy, business model and value chain (headcount by country)	SS	Inclusion and belonging	76	
ESRS 2: General disclosures	ESRS 2 SBM-1	Strategy, business model and value chain (breakdown of revenue)	MR	Executive summary	9	x
ESRS 2: General disclosures	ESRS 2 SBM-2	Interests and views of stakeholders	SS	Double materiality assessment	51	
ESRS 2: General disclosures	ESRS 2 SBM-3	Material impacts, risks and opportunities (IROs) and business model interaction	SS	Double materiality assessment, Value chain	50-54	
ESRS 2: General disclosures	ESRS 2 IRO-1	Processes to identify IROs	SS	Double materiality assessment	51	
ESRS 2: General disclosures	ESRS 2 IRO-2	Disclosure requirements covered by Sustainability Statements	SS	Disclosure requirements by reference	89-95	

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GREENHOUSE GAS EMISSIONS	DISCLOSURE REQUIREMENTS		SECTION	CHAPTER	PAGE	DERIVED FROM OTHER EU LEGISLATION
ESRS 2: General disclosures	ESRS 2 GOV-3	Sustainability-related performance in incentive schemes	MR, RM	Corporate governance, Incentive metrics	31, 29	
ESRS E1: Climate change	ESRS E1-1	Transition plan for climate change mitigation	SS	Greenhouse gas emissions	57	x
ESRS 2: General disclosures	ESRS 2 SBM-3	Material IROs and business model interaction	SS	Value chain, Greenhouse gas emissions	52, 54	
ESRS 2: General disclosures	ESRS 2 IRO-1	Processes to identify IROs	SS	Double materiality assessment	50-51	
ESRS E1: Climate change	ESRS E1-2	Policies related to climate change mitigation and adaption	SS	Greenhouse gas emissions	54	
ESRS E1: Climate change	ESRS E1-3	Actions and resources in relation to climate change policies	SS	Greenhouse gas emissions	55	
ESRS E1: Climate change	ESRS E1-4	Targets related to climate change mitigation and adaptation	SS	Greenhouse gas emissions	56	x
ESRS E1: Climate change	ESRS E1-5	Energy consumption and mix	SS	Greenhouse gas emissions	60	x
ESRS E1: Climate change	ESRS E1-6	Gross Scopes 1, 2 and 3 and total GHG emissions	SS	Greenhouse gas emissions	58	x
ESRS E1: Climate change	ESRS E1-7	GHG removals and carbon credit-financed mitigation projects	-	-	-	x
ESRS E1: Climate change	ESRS E1-8	Internal carbon pricing	-	-	-	
ESRS E1: Climate change	ESRS E1-9	Anticipated financial effects	-	-	-	x

ENVIRONMENTAL IMPACTS OF MINING	DISCLOSURE REQUIREMENTS		SECTION	CHAPTER	PAGE	DERIVED FROM OTHER EU LEGISLATION
ESRS 2: General disclosures	ESRS 2 SBM-2	Interests and views of stakeholders	SS	Double materiality assessment	51	
ESRS 2: General disclosures	ESRS 2 SBM-3	Material IROs and business model interaction	SS	Value chain, Environmental impacts of mining	52, 61	
Entity specific	MDR-P	Policies related to environmental impacts of mining	SS	Environmental impacts of mining	61	
Entity specific	MDR-A	Actions related to environmental impacts of mining	SS	Environmental impacts of mining	61-62	
Entity specific	MDR-T	Targets related to environmental impacts of mining	SS	Environmental impacts of mining	62	
Entity specific	Not available	KPI for entity specific material matter: recycled silver and gold	SS	Environmental impacts of mining	62	
Entity specific	Not available	Anticipated financial effects related to environmental impacts of mining	-	-	-	
Entity specific	Not available	Contextual information related to environmental impacts of mining	SS	Environmental impacts of mining	61-62	

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ENVIRONMENTAL IMPACTS OF MATERIALS	DISCLOSURE REQUIREMENTS		SECTION	CHAPTER	PAGE	DERIVED FROM OTHER EU LEGISLATION
ESRS 2: General disclosures	ESRS 2 SBM-2	Interests and views of stakeholders	SS	Double materiality assessment	51	
ESRS 2: General disclosures	ESRS 2 SBM-3	Material IROs and business model interaction	SS	Value chain, Environmental impacts of materials	52, 63	x
Entity specific	MDR-P	Policies related to environmental impacts of materials	SS	Environmental impacts of materials	63	
Entity specific	MDR-A	Actions related to environmental impacts of materials	SS	Environmental impacts of materials	63-64	
Entity specific	MDR-T	Targets related to environmental impacts of materials	SS	Environmental impacts of materials	64	x
Entity specific	Not available	Anticipated financial effects related to environmental impacts of materials	-	-	-	
Entity specific	Not available	Contextual information related to environmental impacts of materials	SS	Environmental impacts of materials	63-64	

ENVIRONMENTAL IMPACTS OF INDIRECT PROCUREMENT	DISCLOSURE REQUIREMENTS		SECTION	CHAPTER	PAGE	DERIVED FROM OTHER EU LEGISLATION
ESRS 2: General disclosures	ESRS 2 SBM-2	Interests and views of stakeholders	SS	Double materiality assessment	51	
ESRS 2: General disclosures	ESRS 2 SBM-3	Material IROs and business model interaction	SS	Value chain, Environmental impacts of indirect procurement	52, 65	
Entity specific	MDR-P	Policies related to environmental impacts of indirect procurement	SS	Environmental impacts of indirect procurement	65	
Entity specific	MDR-A	Actions related to environmental impacts of indirect procurement	SS	Environmental impacts of indirect procurement	65	
Entity specific	MDR-T	Targets related to environmental impacts of indirect procurement	SS	Environmental impacts of indirect procurement	65	
Entity specific	Not available	Anticipated financial effects related to environmental impacts of indirect procurement	-	-	-	
Entity specific	Not available	Contextual information related to environmental impacts of indirect procurement	SS	Environmental impacts of indirect procurement	65	

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WATER MANAGEMENT IN OWN OPERATIONS	DISCLOSURE REQUIREMENTS		SECTION	CHAPTER	PAGE	DERIVED FROM OTHER EU LEGISLATION
ESRS 2: General Disclosures	ESRS 2 IRO-1	Processes to identify IROs	SS	Double materiality assessment	51	
ESRS E3: Water and marine resources	ESRS E3-1	Policies related to water and marine resources	SS	Water management in own operations	66	x
ESRS E3: Water and marine resources	ESRS E3-2	Actions and resources related to water and marine sources	SS	Water management in own operations	67	
ESRS E3: Water and marine resources	ESRS E3-3	Targets related to water and marine sources	SS	Water management in own operations	67	
ESRS E3: Water and marine resources	ESRS E3-4	Water consumption	SS	Water management in own operations	67	x
ESRS E3: Water and marine resources	ESRS E3-5	Anticipated financial effects from water and marine sources	-	-	-	

SOCIAL

INCLUSION AND BELONGING	DISCLOSURE REQUIREMENTS		SECTION	CHAPTER	PAGE	DERIVED FROM OTHER EU LEGISLATION
ESRS 2: General disclosures	ESRS 2 SBM-2	Interests and views of stakeholders	SS	Double materiality assessment	51	
ESRS 2: General disclosures	ESRS 2 SBM-3	Material IROs and business model interaction	SS	Value chain, Inclusion and belonging	52, 73	x
ESRS S1: Own workforce	ESRS S1-1	Policies related to own workforce	SS	Inclusion and belonging	73	x
ESRS S1: Own workforce	ESRS S1-2	Processes for engaging with own workforce	SS	Inclusion and belonging	75	
ESRS S1: Own workforce	ESRS S1-3	Remediation processes and channels to raise concerns	MR, SS	Business ethics, Inclusion and belonging	34, 75	x
ESRS S1: Own workforce	ESRS S1-4	Actions	SS	Inclusion and belonging	74	
ESRS S1: Own workforce	ESRS S1-5	Targets	SS	Inclusion and belonging	75	
ESRS S1: Own workforce	ESRS S1-6	Employee characteristics	SS	Inclusion and belonging	76	
ESRS S1: Own workforce	ESRS S1-9	Inclusion and belonging metrics	SS	Inclusion and belonging	76, 77	
ESRS S1: Own workforce	ESRS S1-12	Persons with disabilities	SS	Inclusion and belonging	77	
ESRS S1: Own workforce	ESRS S1-16	Remuneration metrics (pay gap and total remuneration)	SS	Inclusion and belonging	77	x
ESRS S1: Own workforce	ESRS S1-17	Incidents, complaints and severe human rights impacts	SS	Human rights in own operations	83	x

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ADEQUATE WAGE	DISCLOSURE REQUIREMENTS		SECTION	CHAPTER	PAGE	DERIVED FROM OTHER EU LEGISLATION
ESRS S1: Own workforce	Contextual information to S1-10	IROs related to adequate wage	SS	Value chain, Adequate wage	52, 78	
ESRS S1: Own workforce	Contextual information to S1-10	Policies related to adequate wage	SS	Adequate wage	78	
ESRS S1: Own workforce	Contextual information to S1-10	Actions related to adequate wage	SS	Adequate wage	79	
ESRS S1: Own workforce	Contextual information to S1-10	Targets related to adequate wage	SS	Adequate wage	79	
ESRS S1: Own workforce	ESRS S1-10	Adequate wage	SS	Adequate wage	79	

HUMAN RIGHTS IN OWN OPERATIONS	DISCLOSURE REQUIREMENTS		SECTION	CHAPTER	PAGE	DERIVED FROM OTHER EU LEGISLATION
ESRS 2: General disclosures	ESRS 2 SBM-2	Interests and views of stakeholders	SS	Double materiality assessment	51	
ESRS 2: General disclosures	ESRS 2 SBM-3	Material IROs and business model interaction	SS	Value chain, Human rights in own operations	52, 80	x
ESRS S1: Own workforce	ESRS S1-1	Policies related to own workforce	SS	Human rights in own operations	80	x
ESRS S1: Own workforce	ESRS S1-2	Processes for engaging with own workforce	SS	Human rights in own operations	81	
ESRS S1: Own workforce	ESRS S1-3	Remediation processes and channels to raise concerns	MR, SS	Business ethics, Human rights in own operations	34, 81	x
ESRS S1: Own workforce	ESRS S1-4	Actions	SS	Human rights in own operations	81-82	
ESRS S1: Own workforce	ESRS S1-5	Targets	SS	Human rights in own operations	82	
ESRS S1: Own workforce	ESRS S1-8	Collective bargaining coverage and social dialogue	SS	Human rights in own operations	83	
ESRS S1: Own workforce	ESRS S1-11	Social protection	MR	People	25	
ESRS S1: Own workforce	ESRS S1-14	Health and safety metrics	SS	Human rights in own operations	84	x
ESRS S1: Own workforce	ESRS S1-15	Work-life balance metrics	SS	Human rights in own operations	84	
ESRS S1: Own workforce	ESRS S1-17	Incidents, complaints and severe human rights impacts	SS	Human rights in own operations	83	x

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SOCIAL

WORKERS IN THE VALUE CHAIN	DISCLOSURE REQUIREMENTS		SECTION	CHAPTER	PAGE	DERIVED FROM OTHER EU LEGISLATION
ESRS 2: General Disclosures	ESRS 2 SBM-2	Interests and views of stakeholders	SS	Double materiality assessment	51	
ESRS 2: General Disclosures	ESRS 2 SBM-3	Material IROs and business model interaction	SS	Value chain, Workers in the value chain	52, 85	x
ESRS S2: Workers in the value chain	ESRS S2-1	Policies related to value chain workers	SS	Workers in the value chain	85	x
ESRS S2: Workers in the value chain	ESRS S2-2	Processes for engaging with value chain workers	SS	Workers in the value chain	86	
ESRS S2: Workers in the value chain	ESRS S2-3	Remediation processes and channels to raise concerns	SS	Workers in the value chain	86	
ESRS S2: Workers in the value chain	ESRS S2-4	Actions	SS	Workers in the value chain	86	x
ESRS S2: Workers in the value chain	ESRS S2-5	Targets	SS	Workers in the value chain	86	

RESPONSIBLE MARKETING	DISCLOSURE REQUIREMENTS		SECTION	CHAPTER	PAGE	DERIVED FROM OTHER EU LEGISLATION
ESRS 2: General disclosures	ESRS 2 SBM-2	Interests and views of stakeholders	SS	Double materiality assessment	51	
ESRS 2: General disclosures	ESRS 2 SBM-3	Material IROs and business model interaction	SS	Value chain, Responsible marketing	52, 87	
Entity specific	MDR-P	Policies related to responsible marketing	SS	Responsible marketing	87	
Entity specific	MDR-A	Actions related to responsible marketing	SS	Responsible marketing	87	
Entity specific	MDR-T	Targets related to responsible marketing	SS	Responsible marketing	87	
Entity specific	Not available	Contextual information related to responsible marketing	SS	Responsible marketing	87	

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LIST OF INCORPORATIONS BY REFERENCE

Overview of disclosure requirements in the ESRS partially or fully incorporated outside the Sustainability Statements.

ESRS DISCLOSURE REQUIREMENT	INCORPORATION BY REFERENCE	PAGE
ESRS 2 SBM-1 (40.a.i-ii)	See "Management Review, Executive Summary, Brand evolution sparks solid growth". Here, required information about significant products and markets is covered.	9-10
ESRS 2 SBM-1 (42.a-c)	See "Management Review, Business Model, A fully integrated business". Here, required descriptive information about Pandora's business model and value chain is covered.	19
ESRS 2 SBM-1 (40.e)	See "Management Review, Strategy, Phoenix, Sustainability – A cornerstone of our strategy". Here, required information about the elements of Pandora's strategy that relate to or impact sustainability matters, its business model and its value chain is covered.	22
ESRS S1-11 (74.a-e;75)	See "Management Review, People, People at the heart of our brand, Providing a safe and healthy workplace". Here, required information about social protection is covered.	25
ESRS 2 GOV-5 (36.a-b)	See "Management Review, Risk, Managing Risks, Sustainability risk assessment". Here, required information about the main features of Pandora's risk management system is covered.	26
ESRS 2 GOV-1 (20.a-23.b)	See "Management Review, Corporate Governance, Responsible business practices for sustained long-term value creation, Governance structure, Board of Directors, and Board of Directors CVs". Here, required information about the role of the administrative and supervisory bodies of Pandora is covered.	30-31 and 36
ESRS 2 GOV-3 (29.a-e)	See "Management Review, Corporate Governance, Responsible business practices for sustained long-term value creation, Board committees" and "Remuneration Report" . Here, required information about the integration of sustainability-related incentive schemes is covered.	31 (MR) 12-15 (RM)
ESRS 2 GOV-2	See "Management Review, Corporate Governance, Responsible business practices for sustained long-term value creation, Sustainability integration and governance". Here, required information about how the administrative, management and supervisory bodies of Pandora are informed about sustainability matters is covered.	32
ESRS 2 GOV-5 (c-e)	See "Management Review, Corporate Governance, Responsible business practices for sustained long-term value creation, Control environment". Here, required information about the main features of Pandora's internal control system is covered.	33
ESRS S1-3 (32.a-e)	See "Management Review, Business ethics, Strengthening our business integrity". Here, required information about processes to remediate negative impacts and channels for employees to raise concerns is covered.	34-35

STATEMENT ON SUSTAINABILITY DUE DILLIGENCE

The table below outlines where in our Management Report we detail our sustainability due diligence process, including an explanation of how we implement its key aspects and steps.

CORE ELEMENTS OF DUE DILLIGENCE	CHAPTER	PAGE
a) Embedding due diligence in governance, strategy and business model	• Corporate governance • Double materiality assessment • Human rights in own operations	32 50-51 94-95
b) Engaged with affected stakeholders in all key steps of the due diligence	• Double materiality assessment • Human rights in own operations • Workers in the value chain	50-51 94-95 98-99
c) Identifying and assessing adverse impacts	• Double materiality assessment • Human rights in own operations • Workers in the value chain • EU Taxonomy	50-51 94-95 98-99 81
d) Taking actions to address those adverse impacts	• Human rights in own operations • Workers in the value chain • EU Taxonomy	94-95 98-99 81
e) Tracking the effectiveness of these efforts and communicating	• Human rights in own operations • Workers in the value chain • EU Taxonomy	94-95 98-99 81

LIST OF NON-MATERIAL INFORMATION

Overview of information included in the Sustainability Statements for strategic purposes.

INFORMATION	REASONING	PAGE
Climate-related and Nature-related Financial Disclosures	While climate-related information is material to Pandora, applying the frameworks provided by TCFD and TNFD is not. We choose to continue to rely on these for reporting climate- and nature-related risks because we wish to ensure standardisation and comparability – also with companies not in scope for CSRD.	68
UNICEF partnership and Thai School Project	Pandora has partnered with UNICEF since 2019, supporting initiatives that reach millions of children worldwide. While our contribution is not material in monetary terms, the partnership represents an important aspect of our general strategic sustainability approach. In 2025, Pandora completed the 19th My School Project in Thailand.	73, 82

Styled by Tyla
Brand Ambassador Tyla mixes metals and charm styles to design one-of-a-kind jewellery that truly reflects her style.

FINANCIAL STATEMENTS

KAREN ELSON
Renowned English supermodel, singer-songwriter and author

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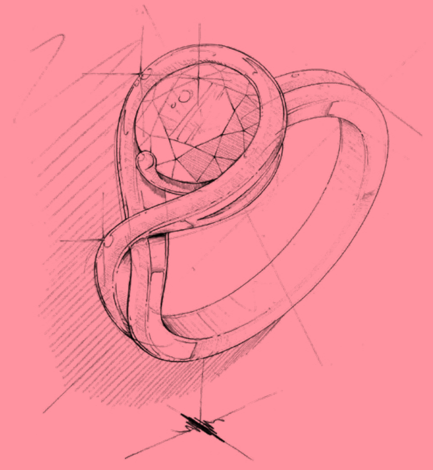
FINANCIAL STATEMENTS



Notes
The notes are grouped into five sections. The notes contain the relevant financial information as well as a description of accounting policies, judgements and estimates applied for the topics of the individual notes.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER

CONSOLIDATED INCOME STATEMENT

DKK million	Notes	2025	2024
Revenue	2.1	32,549	31,680
Cost of sales	2.2, 3.1, 3.2	-6,802	-6,391
Gross profit		**25,747**	**25,289**
Sales, distribution and marketing expenses	2.2, 3.1, 3.2	-15,469	-14,844
Administrative expenses	2.2, 3.1, 3.2	-2,495	-2,471
Operating profit	2.1	**7,783**	**7,974**
Finance income	4.6	279	248
Finance costs	4.6	-1,149	-1,297
Profit before tax		**6,913**	**6,926**
Income tax expense	2.4	-1,671	-1,699
Net profit for the year		**5,241**	**5,227**
Earnings per share, basic (DKK)	4.2	68.1	64.8
Earnings per share, diluted (DKK)	4.2	67.9	64.6

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

DKK million	Notes	2025	2024
Net profit for the year		**5,241**	**5,227**
Other comprehensive income:			
Items that have been or may be reclassified to profit/loss for the year			
Exchange rate adjustments of investments in subsidiaries		-710	167
Commodity hedging instruments:			
- Realised in cost of sales		-	2
- Realised in net financials		-2	-26
- Realised in inventories		-827	-298
- Fair value adjustments		2,316	300
Interest rate hedging instruments:			
- Realised in net financials		-16	-
- Fair value adjustments		19	7
Foreign exchange hedging instruments:			
- Realised in net financials		-115	137
- Fair value adjustments		50	-70
Tax on other comprehensive income	2.4	-308	21
Items that have been or may be reclassified to profit/loss for the year, net of tax		**406**	**239**
Items not to be reclassified to profit/loss for the year			
Actuarial gain/loss on defined benefit plans, net of tax	2.2	-23	-12
Items not to be reclassified to profit/loss for the year, net of tax		**-23**	**-12**
Other comprehensive income, net of tax		**383**	**227**
Total comprehensive income for the year		**5,624**	**5,454**

CONSOLIDATED BALANCE SHEET
AT 31 DECEMBER

ASSETS

DKK million	Notes	2025	2024
Goodwill		5,020	5,126
Brand		1,057	1,057
Distribution		1,034	1,034
Other intangible assets		1,252	1,015
Total intangible assets	3.1	**8,364**	**8,232**
Property, plant and equipment	3.2	3,817	3,475
Right-of-use assets	3.3	5,335	4,997
Deferred tax assets	2.4	1,566	1,530
Other financial assets		296	298
Total non-current assets		**19,377**	**18,532**
Inventories	3.5	4,883	4,426
Trade receivables	3.6	1,163	1,217
Contract assets	3.8	72	91
Derivative financial instruments	4.4, 4.5	1,709	162
Income tax receivable	2.4	158	153
Other receivables		936	782
Cash		1,305	2,394
Total current assets		**10,226**	**9,226**
Total assets		**29,603**	**27,758**

EQUITY AND LIABILITIES

DKK million	Notes	2025	2024
Share capital	4.1	79	82
Treasury shares	4.1	-4,236	-3,228
Reserves		1,263	858
Dividend proposed		1,641	1,576
Retained earnings		6,535	6,219
Total equity		**5,282**	**5,508**
Provisions	3.7	558	494
Loans and borrowings	4.3, 4.4	11,922	11,625
Deferred tax liabilities	2.4	462	102
Other payables		128	152
Total non-current liabilities		**13,069**	**12,374**
Provisions	3.7	33	49
Refund liabilities	3.8	793	840
Contract liabilities	3.8	271	237
Loans and borrowings	4.3, 4.4	3,102	1,776
Derivative financial instruments	4.4, 4.5	35	152
Trade payables	3.9, 4.4	4,623	3,894
Income tax payable	2.4	685	871
Other payables	4.4	1,710	2,057
Total current liabilities		**11,252**	**9,877**
Total liabilities		**24,321**	**22,250**
Total equity and liabilities		**29,603**	**27,758**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER

DKK million	Notes	Share capital	Treasury shares	Translation reserve	Hedging reserve	Dividend proposed	Retained earnings	Total equity
2025								
Equity at 1 January		82	-3,228	851	8	1,576	6,219	5,508
Net profit for the year		-	-	-	-	-	5,241	5,241
Other comprehensive income, net of tax		-	-	-706	1,111	-	-22	383
Total comprehensive income for the year		**-**	**-**	**-706**	**1,111**	**-**	**5,220**	**5,624**
Share-based payments	2.2, 2.3	-	180	-	-	-	-107	74
Purchase of treasury shares	4.1	-	-4,356	-	-	-	-	-4,356
Cancellation of treasury shares	4.1	-3	3,168	-	-	-	-3,165	-
Dividend paid	4.2	-	-	-	-	-1,576	10	-1,567
Dividend proposed	4.2	-	-	-	-	1,641	-1,641	-
Equity at 31 December		**79**	**-4,236**	**145**	**1,118**	**1,641**	**6,535**	**5,282**
2024								
Equity at 1 January		89	-4,353	642	-33	1,480	7,530	5,355
Net profit for the year		-	-	-	-	-	5,227	5,227
Other comprehensive income, net of tax		-	-	208	41	-	-22	227
Total comprehensive income for the year		**-**	**-**	**208**	**41**	**-**	**5,205**	**5,454**
Share-based payments	2.2, 2.3	-	209	-	-	-	-4	205
Purchase of treasury shares	4.1	-	-4,036	-	-	-	-	-4,036
Cancellation of treasury shares	4.1	-7	4,952	-	-	-	-4,945	-
Dividend paid	4.2	-	-	-	-	-1,471	-	-1,471
Dividend proposed	4.2	-	-	-	-	1,568	-1,568	-
Equity at 31 December		**82**	**-3,228**	**851**	**8**	**1,576**	**6,219**	**5,508**

The Board of Directors will propose at the Annual General Meeting that an ordinary dividend of DKK 22 per share, corresponding to DKK 1.6 billion (2024: DKK 20 per share, corresponding to DKK 1.6 billion), be distributed for 2025.

In 2025, Pandora continued share buyback programmes, which resulted in repurchases of 4,406,713 treasury shares, corresponding to DKK 4.4 billion (2024: 3,704,669 treasury shares, corresponding to DKK 4.0 billion).

For further shareholder information on dividend payments, see page 38.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER

DKK million	Notes	2025	2024
Operating profit		7,783	7,974
Depreciation and amortisation, etc.		2,586	2,353
Share-based payments	2.3	103	166
Change in inventories	3.5	-565	-126
Change in receivables	3.6	-424	106
Change in payables and other liabilities	3.9	559	932
Other non-cash adjustments[1]		33	-44
Finance income received	4.6	174	19
Finance costs paid	4.6	-1,009	-922
Income tax paid	2.4	-1,881	-1,738
Cash flows from operating activities, net		**7,361**	**8,721**
Acquisition of subsidiaries and activities, net of cash acquired	3.4	-373	-194
Purchase of intangible assets		-462	-343
Purchase of property, plant and equipment		-1,449	-1,336
Change in other assets		-10	-29
Proceeds from sale of property, plant and equipment		7	14
Cash flows from investing activities, net		**-2,286**	**-1,889**
Dividend paid	4.2	-1,567	-1,471
Purchase of treasury shares		-4,384	-4,013
Proceeds from loans and borrowings	4.3	1,200	3,674
Repayment of loans and borrowings	4.3	-108	-2,729
Repayment of lease commitments	4.3	-1,260	-1,162
Cash flows from financing activities, net		**-6,119**	**-5,701**
Net increase/decrease in cash		**-1,044**	**1,131**

[1] "Other non-cash adjustments" mainly comprise obligation to restore leased property.

DKK million	Notes	2025	2024
Cash and cash equivalents at 1 January		2,303	1,183
Exchange gains/losses on cash and cash equivalents		-65	-11
Net increase/decrease in cash		-1,044	1,131
Cash and cash equivalents at 31 December		**1,194**	**2,303**
Cash balances		1,305	2,394
Overdrafts		-111	-90
Cash and cash equivalents at 31 December		**1,194**	**2,303**
Cash flows from operating activities, net		7,361	8,721
- Finance income received		-174	-19
- Finance costs paid		1,009	922
Cash flows from investing activities, net		-2,286	-1,889
- Acquisition of subsidiaries and activities, net of cash acquired		373	194
Repayment of lease commitments		-1,260	-1,162
Free cash flows incl. lease payments		**5,022**	**6,767**
Unutilised committed credit facilities	4.4	**7,095**	**7,087**

The above cannot be derived directly from the income statement and the balance sheet.

ACCOUNTING POLICIES

Cash flows from operating activities are presented using the indirect method.

Cash flows in currencies other than the functional currency are translated at the average exchange rates for the month in question, unless these differ significantly from the rates at the transaction dates.

SECTION 1

BASIS OF PREPARATION

This section introduces Pandora's accounting policies and significant accounting estimates and judgements.

A more detailed description of accounting policies and significant estimates and judgements related to specific reported amounts is presented in the respective notes. The purpose is to provide transparency on the disclosed amounts and to describe the relevant accounting policy, significant estimates and numerical disclosure for each note.

Oxford Street West store unveiled
Pandora's new Oxford Street West store in London, UK, features a fully tiled façade and transparent display, creating a striking showcase of our complete jewellery range in the city's iconic shopping district.

NOTE 1.1

GENERAL ACCOUNTING POLICIES

Pandora A/S is a public limited company with its registered office in Denmark.

The Annual Report for the period 1 January to 31 December 2025 comprises the consolidated financial statements of Pandora A/S and its subsidiaries (the Group) as well as separate Financial Statements for the Parent Company, Pandora A/S. The Financial Statements have been prepared in accordance with IFRS® Accounting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act for class D companies.

The consolidated financial statements have been prepared on a historical cost basis, except for derivative financial instruments, which have been measured at fair value.

The Annual Report is presented in Danish kroner (DKK), and all amounts are in millions unless otherwise stated. Due to rounding, numbers presented throughout this report may not add up precisely to the totals, and percentages may not precisely reflect the absolute figures.

Apart from changes due to the implementation of new or amended standards and interpretations as described in *note 1.2 New accounting policies and disclosures*, accounting policies are unchanged from last year.

iXBRL REPORTING

Pandora A/S has filed the Annual Report 2025 in the European Single Electronic Format (ESEF), XHTML, which can be displayed in a standard browser. The consolidated financial statements are tagged using eXtensible Business Reporting Language (iXBRL), which complies with the ESEF taxonomy included in the ESEF Regulation. The Annual Report submitted to the Danish Financial Supervisory Authority consists of the XHTML document together with certain technical files, all included in a zip file named PAND-2025-12-31-en.zip.

ALTERNATIVE PERFORMANCE MEASURES

Pandora presents financial measures in the Annual Report that are not defined according to IFRS Accounting Standards. Pandora believes that these non-GAAP measures provide valuable information to investors and Pandora's management when evaluating performance. Since other companies may calculate these differently from Pandora, they may not be comparable to the measures used by other companies. These financial measures should therefore not be considered to be a replacement for measures defined under IFRS Accounting Standards. For definitions of the performance measures used by Pandora, see *note 5.6 Financial definitions*.

ACCOUNTING POLICIES

The general accounting policies applied in the Annual Report as a whole are described below. The accounting policies related to specific line items are described in the notes to which they relate. The description of accounting policies in the notes forms part of the general description of Pandora's accounting policies.

NOTES

- 2.1 Segment and revenue information
- 2.2 Staff costs
- 2.3 Share-based payments
- 2.4 Taxation
- 3.1 Intangible assets
- 3.2 Property, plant and equipment
- 3.3 Leases
- 3.4 Business combinations
- 3.5 Inventories
- 3.6 Trade receivables
- 3.7 Provisions
- 3.8 Contract assets and liabilities
- 4.2 Earnings per share and dividend
- 4.3 Liabilities from financing activities
- 4.5 Derivative financial instruments
- 4.6 Net financials

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements comprise the Financial Statements of the Parent Company and its subsidiaries. Subsidiaries are fully consolidated from the date of acquisition, being the date on which Pandora obtains control, until the date that such control ceases. All intercompany balances, income and expenses, unrealised gains and losses and dividends resulting from intercompany transactions are eliminated in full.

FUNCTIONAL AND PRESENTATION CURRENCY

The consolidated financial statements are presented in DKK, which is also the functional currency of the Parent Company. Each subsidiary determines its own functional currency, and items recognised in the Financial Statements of each entity are measured using that functional currency.

Transactions and balances

Transactions in foreign currencies are initially recognised in the Group entities at their respective functional currency rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchange prevailing at the reporting date. All adjustments are recognised in the income statement.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Foreign exchange rate adjustments arising on monetary items which are considered part of the net investment in foreign entities are recognised in other comprehensive income.

NOTE 1.1
GENERAL ACCOUNTING POLICIES (CONTINUED)

Group companies with a functional currency other than DKK
The assets and liabilities of foreign subsidiaries are translated into DKK at the rate of exchange prevailing at the reporting date, and their income statements are translated at the exchange rates prevailing at the dates of the transactions.

Exchange rate adjustments arising on translation are recognised in other comprehensive income. On disposal of a foreign subsidiary, the component of other comprehensive income relating to that particular foreign operation is recognised in the income statement.

CONSOLIDATED INCOME STATEMENT
The consolidated income statement is presented based on costs classified by function. Cost of sales comprises direct and indirect expenses incurred to generate revenue for the year, comprising raw materials, consumables, production staff, depreciation, amortisation and impairment losses in respect of production equipment.

Sales, distribution and marketing expenses comprise expenses related to the distribution of goods sold and sales campaigns, including packaging materials, brochures, wages and salaries and other expenses related to sales and distribution staff as well as depreciation, amortisation and impairment losses in respect of distribution equipment and stores.

Administrative expenses comprise expenses incurred in the year to manage Pandora, including expenses related to administrative staff and depreciation, amortisation and impairment losses in respect of assets used in the administration.

The allocation of amortisation and impairment losses from intangible assets is presented in *note 3.1 Intangible assets* and the allocation of depreciation and impairment losses from property, plant and equipment in *note 3.2 Property, plant and equipment*.

NOTE 1.2
NEW ACCOUNTING POLICIES AND DISCLOSURES

IMPLEMENTATION OF NEW OR AMENDED STANDARDS AND INTERPRETATIONS
Pandora has adopted all new or amended IFRS Accounting Standards and interpretations (IFRS IC) as adopted by the EU and which are effective for the financial year 1 January to 31 December 2025. The implementation of these new or amended standards and interpretations had no material impact on the consolidated financial statements for the year.

Standards issued but not yet effective
The new standards that are not yet effective are not expected to have any material impact on Pandora, except for IFRS 18 Presentation and Disclosure in Financial Statements, which was issued in April 2024 and will be effective from 2027, impacting presentation and disclosure of the Financial Statements.

IFRS 18 introduces new requirements for presentation within the income statement, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the income statement into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new. The standard requires disclosure of management-defined performance measures and new requirements for aggregation and disaggregation of financial information.

In addition, consequential narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from ‘profit or loss’ to ‘operating profit or loss’ and removing the optionality around classification of cash flows from interest paid, which will be presented in the financing category. In addition, there are consequential amendments to several other standards.

Pandora is currently working to identify all impacts the requirements will have on the financial statements. The initial expected material impacts relate to the reclassification of foreign exchange differences into the category where the respective item giving rise to the foreign exchange difference is classified as well as foreign currency hedges relating to operating income and expenses. Furthermore, new disclosures on management-defined performance measures and new notes regarding specification of expenses by nature including reconciliation to the primary financial statements as required by IFRS 18, will be added in the first year of implementation.

Pandora intends to adopt the standard on 1 January 2027 and is currently assessing the impact and closely monitoring the implementation guidance.

NOTE 1.3

MANAGEMENT'S JUDGEMENTS AND ESTIMATES UNDER IFRS ACCOUNTING STANDARDS

NOTES

2.1 Segment and revenue information
2.4 Taxation
3.5 Inventories
3.8 Contract assets and liabilities
5.1 Contingent assets and liabilities

SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

In preparing the consolidated financial statements, management makes various judgements, accounting estimates and assumptions that form the basis of the presentation, recognition and measurement of Pandora's assets and liabilities.

Determining the carrying amounts of some assets and liabilities requires judgement, estimates and assumptions concerning future events. Judgements, estimates and assumptions are based on historical experience and other factors, which management assesses to be reasonable, but which by their nature involve uncertainty and unpredictability. These assumptions may have to be revised, and unexpected events or circumstances may occur.

Pandora is subject to risks and uncertainties that may lead to actual results differing from these estimates, both positively and negatively.

CLIMATE CHANGE

As a global business, Pandora is exposed to risks associated with climate change comprising both transitional risks and physical risks. The transition from a linear economy to a circular economy entails a range of transitional risks to Pandora, such as the demand for more green products and packaging and further legal requirements with focus on sustainability for the supply chain.

Pandora is subject to the reporting requirements under the Corporate Sustainability Reporting Directive (CSRD), which are integrated into the Annual Report in the separate Sustainability Statements. The European Commission's 2025 Omnibus amendments to the CSRD and ESRS do not have a material impact on the Group's accounting estimates or judgments, as climate and other sustainability risks are embedded in the Group's strategic and financial planning.

In preparing the consolidated financial statements for 2025, management has considered the impact of climate change, particularly in the context of the Group's sustainability targets, to the extent possible. Pandora's targets to reduce its greenhouse gas emissions by 50% by 2030 and achieve net zero emissions by 2040 are included in the Group's financial budgets and forecasts.

Sustainability-related investments as well as costs of sourcing 100% recycled silver and gold and using only man-made stones incl. lab-grown diamonds in our jewellery, as well as other potential impact of climate change (such as costs to source renewable electricity), have been considered in the budget and forecast applied as basis for impairment testing of goodwill, see *note 3.1 Intangible assets*.

The potential consequences on the value and useful life of production facilities becoming outdated in the sustainability transformation was assessed as having currently no significant financial impact. Our investments related to expansion of production facilities are aligned with our sustainability agenda in this respect.

While sustainability is an embedded part of Pandora's business model, including but not limited to sustainability targets in our incentive programmes for senior leadership, see *note 2.3 Share-based payments*, and in all of Pandora's loan facilities, see *note 4.4 Financial risks*, management does not consider sustainability targets and climate change to have a material impact on the accounting estimates and judgements prepared by management in relation to the 2025 consolidated and Parent Company financial statements.

MACROECONOMIC UNCERTAINTY

The geopolitical tensions and the significant shifts in the U.S. trade policy, including the introduction of new tariffs continues to impact macroeconomic conditions, contributing to inflationary pressures, rising commodity prices, and adverse foreign exchange movements, which in turn influence consumer sentiment. Pandora remains focused on assessing the value of intangible assets, and property, plant and equipment. Internal forecasts have considered the ongoing impacts of volatile and increasing commodity prices as well as lower consumer sentiment, inflationary pressures, and changes in the interest and tax environment on income and expenses. Changes in selling prices and direct costs are based on experience and management's expectation of future changes in the markets where the Group operates.

Specific risks for Pandora are discussed in the relevant sections of the Management Review and specifically in the notes *3.1 Intangible assets* and *4.4 Financial risks*. The areas that involve a high degree of judgement and estimation and that are material to the Financial Statements are described in more detail in the related notes.

SECTION 2

RESULTS FOR THE YEAR

This section comprises notes related to the results for the year, including reporting segment disclosures, and provides additional information related to two of Pandora's performance measures: revenue and EBIT.

A detailed description of the results for the year is given in the Performance review chapter.

REVENUE
DKK MILLION

32,549

2024: 31,680

EBIT MARGIN

23.9%

2024: 25.2%

NET PROFIT
DKK MILLION

5,241

2024: 5,227

EFFECTIVE TAX RATE

24.2%

2024: 24.5%

NOTE 2.1
SEGMENT AND REVENUE INFORMATION

Pandora's activities are segmented into two reportable segments, each responsible for the end-to-end performance of collections. One includes our *Core* collections, while the other, *Fuel with more*, covers newer collections and innovations.

Core includes charms and carriers which focus on collectability. *Fuel with more* includes the Modern Classics (Pandora Timeless, Pandora Signature and PANDORA ESSENCE) and Pandora Lab-Grown Diamonds and targets both existing and new customers who may have a different aesthetic preference than the *Core* jewellery design.

The two operating segments include all channels relating to the distribution and sale of Pandora products.

Executive Management monitors the profitability of the operating segments separately for the purpose of making decisions about resource allocation and performance management. Segment results are measured at gross profit as presented in the table to the right.

INCOME STATEMENT BY SEGMENTS

DKK million	Core	Fuel with more	Group
2025			
Revenue	24,235	8,314	32,549
Cost of sales	-5,368	-1,434	-6,802
Gross profit	**18,867**	**6,880**	**25,747**
Gross margin, %	**77.9%**	**82.8%**	**79.1%**
Operating expenses			-17,964
Consolidated operating profit (EBIT)			**7,783**
Profit margin (EBIT margin), %			**23.9%**
2024			
Revenue	23,542	8,139	31,680
Cost of sales	-5,077	-1,315	-6,391
Gross profit	**18,465**	**6,824**	**25,289**
Gross margin, %	**78.4%**	**83.8%**	**79.8%**
Operating expenses			-17,315
Consolidated operating profit (EBIT)			**7,974**
Profit margin (EBIT margin), %			**25.2%**

REVENUE BY COLLECTIONS

DKK million	2025	2024
Core	**24,235**	**23,542**
- Moments	19,812	19,934
- Collabs	3,114	2,564
- ME	1,309	1,044
Fuel with more	**8,314**	**8,139**
- Timeless	6,516	6,339
- Signature	623	910
- PANDORA ESSENCE[1]	819	574
- Pandora Lab-Grown Diamonds	357	315
Total revenue	**32,549**	**31,680**
Goods transferred at a point in time	32,500	31,622
Services transferred over time	50	58
Total revenue	**32,549**	**31,680**

[1] PANDORA ESSENCE was launched in 2024 following a pilot in the Netherlands in 2023.

Non-unit-driven revenue, comprising mainly engraving and franchise fees, is allocated proportionately to the different revenue categories.

NOTE 2.1
SEGMENT AND REVENUE INFORMATION (CONTINUED)

The use of sales channels for the distribution of Pandora jewellery depends on the underlying market maturity and varies within markets, but is consistent when viewed between segments.

REVENUE BY SALES CHANNEL

DKK million	2025	2024
Pandora physical stores	20,493	19,015
Pandora online stores	7,440	7,120
Wholesale and third-party distribution	4,616	5,545
Total revenue	**32,549**	**31,680**

GEOGRAPHIC INFORMATION, REVENUE

DKK million	2025	2024
EMEA	16,149	15,839
– of which UK	3,740	3,929
North America	11,762	11,003
– of which US	10,386	9,709
Latin America	2,129	2,357
Asia Pacific	2,509	2,481
Total revenue[1]	**32,549**	**31,680**

[1] The country of domicile is Denmark, which is part of the EMEA region. Denmark is immaterial to Pandora's operations in terms of sales, as the majority of revenue, 99.8%, is generated outside of the country (99.8% in 2024). In 2025, Pandora simplified its geographical disclosure to four regions. Individually material countries are disclosed separately when revenue exceeds 10% of total revenue.

GEOGRAPHIC INFORMATION, ASSETS

DKK million	2025	2024
EMEA	8,878	8,306
– of which Denmark	2,856	2,660
North America	5,224	4,959
– of which US	4,739	4,541
Latin America	419	398
Asia Pacific[2]	2,995	3,041
Total non-current assets[1]	**17,515**	**16,704**

[1] Comprise intangible assets, property, plant and equipment and right-of-use assets. In 2025, Pandora simplified its geographical disclosure to four regions. Individually material countries are disclosed separately when non-current assets exceed 10% of total non-current assets.

[2] Asia Pacific includes Thailand and Vietnam where the Group's crafting facilities, are located with total non-current assets for the two countries totalling DKK 1,817 million (2024: DKK 1,693 million).

SIGNIFICANT ACCOUNTING ESTIMATES

Recognition and measurement of revenue is based on estimates relating to expected sales returns allowed by customers in most markets. These estimates can have a material impact on the timing and measurement of recognised revenue as well as the level of the refund liability. Reductions in revenue from expected sales returns are calculated based on historical return patterns and on a case-by-case basis for commercial and other reasons, see *note 3.8 Contract assets and liabilities*.

NOTE 2.1
SEGMENT AND REVENUE INFORMATION (CONTINUED)

ACCOUNTING POLICIES

RETAIL SALES – PRODUCTS
Revenue from the sale of products through stores owned and operated by Pandora is recognised when a store sells a product to the customer. Payment is usually due when the customer picks up the product in the store or the product is delivered from an online store. However, in some instances collection is delayed and a receivable recognised, see *note 3.6 Trade receivables*.

A refund liability and a right-of-return asset are recognised for products expected to be returned, see *note 3.8 Contract assets and liabilities*. The estimate for returned products is based on historical experience and expectations. Based on knowledge of the nature of returns, it is considered highly probable that a significant reversal of cumulative revenue recognised will not occur. Rebates and discounts granted to customers are recognised as a reduction in revenue.

The Group's obligation to repair or replace faulty products is part of the standard terms and is therefore recognised as a contract liability, see *note 3.8 Contract assets and liabilities*. Revenue is further measured excluding sales taxes and duties when these are passed on to customers. Sales taxes and duties incurred on sales, that are not recoverable from the local taxation authorities, are reported gross as part of revenue and cost of sales.

WHOLESALE AND THIRD-PARTY DISTRIBUTORS – PRODUCTS
Pandora manufactures and sells jewellery to wholesalers and third-party distributors. Revenue is recognised when control of the products has been transferred to the wholesaler or third-party distributor. Change of control of the products occurs when they have been delivered to the wholesaler or distributor and no further obligation exists that can affect the transfer of control. Delivery has taken place when the products have been shipped to the location of the wholesaler or distributor and control of the goods has been transferred to the buyer. Revenue from the sale is recognised based on the price specified in the contract.

Revenue is only recognised to the extent it is highly probable that a significant reversal will not occur. A refund liability and a right-of-return asset are recognised for products expected to be returned, see *note 3.8 Contract assets and liabilities*. The estimate for returned products is based on historical experience and expectations. Based on knowledge of the nature of returns in the wholesale and distributor channels, it is considered highly probable that a significant reversal of cumulative revenue recognised will not occur. Provisions for rebates and discounts granted to wholesalers and franchisees are recognised as a reduction in revenue. The performance obligation has an initial duration of less than 12 months.

The Group's obligation to repair or replace faulty products is recognised on a gross basis in the income statement as both a reduction in revenue and a decrease in cost of goods sold. This is due to the handling of warranty claims, which leads to replacements instead of repairs.

Revenue is further measured excluding sales taxes and duties when these are passed on to customers. Sales taxes and duties incurred on sales that are not recoverable from the local taxation authorities are reported gross as part of revenue and cost of sales.

When control has been transferred, a receivable is recognised, as the consideration to be paid is conditional only on the passage of time. The price specified in the contract is not adjusted for any financing element, as payment terms never exceed 12 months.

LOYALTY PROGRAMME
Revenue related to the loyalty programme points value is deferred up to the time the points are used. The stand-alone selling price of loyalty points issued is calculated by multiplying the estimated redemption rate and the monetary value assigned to the loyalty points. In estimating the redemption rate, Pandora considers breakage, which represents the portion of loyalty points issued that will never be redeemed.

NOTE 2.2
STAFF COSTS

The Group's pension plans are primarily defined contribution plans. Pandora has defined benefit plans relating to employees in Thailand. The defined benefit plans are recognised at the present value of the actuarially measured obligations. In 2025, these obligations amounted to DKK 187 million (2024: DKK 145 million).

In 2025, the actuarial loss was DKK 23 million (2024: loss of DKK 12 million) recognised in other comprehensive income.

STAFF COSTS **DKK million**	2025	2024
Wages and salaries	6,394	6,251
Pensions	329	293
Share-based payments	103	166
Social security costs	537	487
Other staff costs	801	599
Total staff costs	**8,164**	**7,795**
Staff costs have been recognised in the income statement as follows:		
Cost of sales	1,125	1,072
Sales, distribution and marketing expenses	5,561	5,240
Administrative expenses	1,478	1,483
Total staff costs	**8,164**	**7,795**
Average number of full-time employees during the year	29,563	28,190

NOTE 2.2
STAFF COSTS (CONTINUED)

TOTAL REMUNERATION

DKK million	Base pay	Bonus	Shares	Benefits	Other	Total
2025						
Executive Management	20.3	-	26.4	2.7	44.0	93.4
Executive Leadership Team	48.0	-	51.0	8.5	51.5	159.0
2024						
Executive Management	18.8	18.0	49.3	2.4	-	88.5
Executive Leadership Team	44.4	55.6	80.3	7.4	2.4	190.2

The 2025 compensation to Executive Management includes a retirement package to the former CEO of DKK 56 million, comprising DKK 25 million and DKK 19 million related to base pay and bonus in the notice period, as well as, DKK 12 million related to share-based payments for which vesting has been accelerated. The amount has been estimated based on current vesting assumptions and may change over the remaining vesting period. Furthermore, the 'Other' category under the Executive Leadership Team includes DKK 7.5 million related to a position allowance and a one-time payment required under local labour regulations.
Executive Leadership Team is reported including Executive Management. Executive Management, together with other members of the Executive Leadership Team, is considered key management personnel in Pandora.

TOTAL REMUNERATION

DKK million	2025	2024
Board of Directors	10.6	10.2

Board members receive a fixed travel fee when attending Board meetings abroad. Total travel fee for 2025 amounted to DKK 1.7 million (2024: DKK 1.6 million). For further details, see our Remuneration Report 2025.

ACCOUNTING POLICIES

Wages and salaries, social security contributions, leave and sick leave, bonuses and non-monetary benefits are recognised in the financial year in which services are rendered by Pandora employees. Whenever Pandora provides long-term employee benefits, the costs are accrued to match the rendering of the services by the employees.

Termination benefits are recognised at the time an agreement between Pandora and the employee is made and no future service is rendered by the employee in exchange for the benefits.

NOTE 2.3
SHARE-BASED PAYMENTS

Decisions to grant share-based incentive programmes are made by the Board of Directors in accordance with general guidelines on incentive pay for Pandora.

The cost related to share-based payments was DKK 103 million (2024: DKK 166 million). The 2023 programme was recorded at the maximum level. The 2024 programme was recorded at target for financial performance and above target for sustainability performance, while the programme for 2025 was recorded at target for both the financial and sustainability metrics. The cost of share-based payments is included in staff costs. In the remaining vesting periods, an amount of DKK 83 million (2024: DKK 142 million) is expected to be recognised in respect of the current programmes. The weighted average remaining contractual life of the shares at the end of the period was 1.1 year (2024: 1.1 year).

For shares exercised in 2025, the average share price at the time of exercise was DKK 1,342 (2024: DKK 1,040).

LONG-TERM INCENTIVE PLANS

Pandora is launching annual incentive programmes targeting Executive Management and other employees. The calculated value of each programme is recognised over the vesting period (three years) based on the likelihood that programme targets will be met. For Executive Management, a further two-year holding period applies.

Vesting of the performance shares granted in 2025 is subject to achievement of Pandora's earnings per share (EPS) target for the financial year 2027 and the achievement of sustainability targets, which will be assessed against objectives based on Pandora's internal projections. As financial KPIs are commercially sensitive, Pandora's practice is to communicate these after the end of the performance period. For further details, see our Remuneration Report 2025.

NOTE 2.3
SHARE-BASED PAYMENTS (CONTINUED)

ASSUMPTIONS ON FAIR VALUE OF SHARES
The volatility of the shares is based on the historical volatility of the price of Pandora A/S shares. The risk-free interest rate is based on a Danish government bond with similar maturity. The dividend yield applied is equal to 1.89% for the 2025 programme and is based on the assumed future dividend over the vesting period and the share price on the date of the grant. Actual paid dividends may differ from the assumptions applied in the valuation of the market value.

ACCOUNTING POLICIES

Selected Pandora employees receive remuneration in the form of share-based payment transactions, whereby programme participants render services as consideration for equity instruments (equity-settled transactions).

EQUITY-SETTLED TRANSACTIONS
The cost of equity-settled transactions with employees is measured by reference to the fair value at the grant date. The calculated fair values are based on the Black-Scholes model. The cost of equity-settled transactions is recognised as staff costs together with a corresponding increase in equity over the period in which the performance and/or service conditions are fulfilled.

The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and management's best estimate of the number of equity instruments that will ultimately vest. The income statement expenses or income for a period represents the movement in cumulative expenses recognised at the beginning and end of that period.

SHARES OUTSTANDING	Executive Management	Other employees	Total	Average exercise price per performance share, DKK
2025				
Shares outstanding at 1 January	155,516	457,377	612,893	-
Shares granted during the year	41,348	173,131	214,479	-
Shares exercised during the year	-40,791	-132,828	-173,619	-
Shares lapsed during the year	-1,315	-33,162	-34,477	-
Shares outstanding at 31 December	**154,758**	**464,518**	**619,276**	**-**
2024				
Shares outstanding at 1 January	254,284	550,498	804,782	0.3
Shares granted during the year	57,182	125,163	182,345	-
Shares exercised during the year	-153,588	-158,650	-312,238	0.9
Shares lapsed during the year	-2,362	-59,634	-61,996	-
Shares outstanding at 31 December	**155,516**	**457,377**	**612,893**	**-**

NUMBER OF OUTSTANDING SHARES IN PANDORA A/S	Vesting date	Shares at 31 December 2025	Maximum cost at launch (DKK million)	Accumulated cost recognised (DKK million)	Remaining value to be expensed (DKK million)
Programme start date					
April 2023[2]	2026	174,871	137	109	-
April 2023[1]	2026	56,228	34	34	-
April 2024[2]	2027	116,516	133	59	11
April 2024[1]	2027	57,182	61	22	2
April 2025[2]	2028	173,131	165	26	63
April 2025[1]	2028	41,348	42	14	7
Total number of shares outstanding		**619,276**	**572**	**263**	**83**

[1] Programme related to Executive Management, where a two-year holding period applies.
[2] Programme related to other employees.

NOTE 2.4
TAXATION

INCOME TAXES

Income tax expense
The tax expense was DKK 1.7 billion in 2025, corresponding to an effective tax rate of 24.2% (2024: DKK 1.7 billion, 24.5%).

In 2025, some of Pandora's tax incentives in Thailand relating to income tax and withholding tax on dividends under Board of Investment (BOI) agreements reduced. Consequently, witholding tax on dividends from Thailand increased, and no minimum tax is payable in respect of Thailand for 2025.

The effective tax rate was reduced as a result of a bilateral advanced pricing agreement between Australia and Denmark that was agreed during 2025 in respect of the years from 2022 to 2027.

INCOME TAX EXPENSE

DKK million	2025	2024
Current income tax charge for the year[1]	1,777	2,023
Change in deferred tax for the year	-3	-325
Adjustment to current tax for prior years	-81	-14
Adjustment to deferred tax for prior years	-22	15
Total income tax expense	**1,671**	**1,699**
Deferred tax on other comprehensive income	313	11
Current income tax on other comprehensive income	-5	-32
Total tax on other comprehensive income	**308**	**-21**

[1] Withholding taxes are included in current income tax charge for the year.

RECONCILIATION OF EFFECTIVE TAX RATE AND TAX	2025 %	2025 (DKK million)	2024 %	2024 (DKK million)
Profit before tax		6,913		6,926
Income tax rate in Denmark, 22%	22.0%	1,521	22.0%	1,524
Deviation in foreign subsidiaries' tax rates compared with the Danish rate	1.2%	83	0.2%	12
Non-deductible expenses	3.3%	231	2.5%	176
Tax incentives	-1.8%	-121	-2.3%	-159
Adjustment to tax for prior years	-1.5%	-103	0.0%	1
Non-capitalised tax assets, net	-0.2%	-15	-0.2%	-12
Withholding taxes/other taxes	1.1%	75	0.7%	46
OECD Pillar II Global Minimum Tax	0.0%	-	1.6%	111
Effective income tax rate/income tax expense	**24.2%**	**1,671**	**24.5%**	**1,699**

ACCOUNTING POLICIES

Income tax expense for the year comprises current tax and changes in deferred tax, including changes in tax rate, adjustment to prior years and changes in provisions for uncertain tax positions. Tax is recognised in the income statement, except to the extent that it is related to items recognised in equity or other comprehensive income. The tax rates and tax laws used to compute the amounts are those enacted or substantively enacted, by the reporting date, in the countries in which Pandora operates and generates taxable income.

SIGNIFICANT ACCOUNTING JUDGEMENTS

Pandora is subject to income tax in the countries in which the Group operates, comprising various tax rates worldwide. Significant judgements are required in determining the accrual for income taxes, deferred tax assets and liabilities, and provisions for uncertain tax positions. Provisions for uncertain tax positions are measured according to IFRIC 23.

As part of Pandora conducting business globally, tax and transfer pricing disputes with tax authorities may occur. Any unresolved disputes with local tax authorities are recognised as income tax payable/receivable based on the expected value method or the most likely amount. Management believes that the provisions made for uncertain tax positions are adequate. However, the actual obligation may deviate from this and is dependent on the result of litigation and settlements with the relevant tax authorities.

NOTE 2.4

TAXATION (CONTINUED)

OECD Pillar Two minimum tax

The OECD introduced a global minimum tax rate of 15%, based on group accounting income per jurisdiction, that has applied to Pandora since 2024. The minimum tax rules apply to entities that are a member of a multinational group with annual revenue of EUR 750 million or more in the consolidated financial statements. If the effective tax rate is lower than 15% in any jurisdiction, a top-up or minimum tax must be paid.

Pandora has no minimum tax costs in respect of 2025 (2024: DKK 111 million, mainly relating to Thailand).

ACCOUNTING POLICIES

Pandora is subject to global minimum tax (OECD BEPS Pillar Two rules) primarily in respect of jurisdictions with income tax rates lower than 15% or in which we receive tax incentives. Where qualifying domestic minimum taxes are implemented in applicable jurisdictions, Pandora will pay the minimum tax in those jurisdictions. Where no qualifying domestic minimum tax has been implemented, tax will be paid in Denmark.

Deferred tax

At the end of 2025, deferred tax assets amounted to DKK 1,566 million (2024: DKK 1,530 million), and deferred tax liabilities amounted to DKK 462 million (2024: DKK 102 million). Net deferred tax assets amounted to DKK 1,103 million (2024: DKK 1,428 million).

Of the total deferred tax assets recognised, DKK 21 million (2024: DKK 27 million) related to tax loss carryforwards, the utilisation of which depends on future positive taxable income exceeding realised deferred tax liabilities. It is management's opinion that these tax loss carryforwards can be utilised.

DEFERRED TAX

DKK million	2025	2024
Deferred tax at 1 January	1,427	1,096
Exchange rate adjustments	-7	-6
Recognised in the income statement	25	310
Recognised in other comprehensive income	-313	-11
Recognised in equity, share-based payments	-29	39
Deferred tax at 31 December	**1,103**	**1,428**
Deferred tax assets	1,566	1,530
Deferred tax liabilities	-462	-102
Deferred tax, net	**1,103**	**1,428**

BREAKDOWN OF DEFERRED TAX

DKK million	2025	2024
Intangible assets	-742	-699
Property, plant and equipment	-26	-85
Right-of-use assets	139	105
Current assets	1,330	1,704
Non-current assets and liabilities	381	376
Tax loss carryforwards	21	27
Deferred tax, net	**1,103**	**1,428**

ACCOUNTING POLICIES

With respect to global minimum tax, the Group applies the mandatory exception to the accounting requirements for deferred taxes in IAS 12, so that an entity neither recognises nor discloses information about deferred tax assets and liabilities related to minimum taxes. Deferred tax on all the remaining temporary differences between the carrying amounts for financial reporting purposes and the tax base of assets and liabilities are measured using the balance sheet liability method. No deferred tax is recognised on temporary differences that arise from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit or loss.

The recognition of deferred tax assets includes the expected tax value of tax loss carryforwards to the extent that these tax assets can be offset against positive taxable income in the foreseeable future. The same applies to deferred tax assets related to investments in subsidiaries. Management has considered future taxable income and applied judgements to determine whether deferred tax assets should be recognised.

Deferred tax assets and liabilities are measured according to current tax rules and at the tax rates expected to be effective on elimination of the temporary differences. Deferred tax assets and liabilities are offset if the Group has a legally enforceable right to offset current tax assets against current tax liabilities and the deferred tax relates to the same taxable entity and the same tax authority.

NOTE 2.4
TAXATION (CONTINUED)

Tax assets not recognised were DKK 217 million (2024: DKK 230 million), of which DKK 80 million (2024: DKK 89 million) relate to tax loss carryforwards that are not expected to be utilised in the foreseeable future. Tax losses that can expire amounted to DKK 14 million (2024: DKK 25 million).

The Group recognises deferred tax liabilities in respect of earnings that are intended for distribution in the short term where the tax expense on distribution would be material.

Only insignificant latent tax liabilities remained at 31 December 2025. These liabilities are not recognised as the Group is able to control this liability and it is considered probable that the liability will not crystallise in the foreseeable future.

OUR APPROACH TO TAXES AND TAXES PAID

Our sustainability strategy is reflected in our tax approach, and we aim at paying a fair tax in all markets where we operate. Pandora is committed to ensure compliance with the letter and spirit of tax law in the markets where we operate, while striving to maximise shareholder value in a responsible way. The Group Tax Policy, which has been approved by the Board of Directors of Pandora, is available at pandoragroup.com/investor/corporate-governance/tax-information ↗ and includes more information on our approach to taxes.

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 principal operating 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 and also assumes the majority of business risks. Other entities in the Group achieve a profit margin, based on benchmark studies, and the residual profit (or loss) in the value chain remains with Pandora A/S. With a principal operating model, Pandora by nature has a significant number of intercompany transactions.

Intercompany transactions are in general made on arm's length basis and therefore priced on a basis consistent with the way unrelated parties would have priced such transactions. This impacts the taxes we pay in the countries in which we do business. Pandora understands the need for transparency by both taxpayers and tax administrations, and the need to provide clarity about Pandora's position on tax. In doing so, we provide our full country-by-country report for all markets, including definitions, available at pandoragroup.com/investor/corporate-governance/tax-information. ↗

PAID INCOME TAX

In 2025, we paid income taxes in the amount of DKK 1,881 million (2024: DKK 1,738 million). The major part of the taxes paid is attributable to Denmark and Pandora's key markets, and mainly relates to the current year. Tax payments in respect of prior years increased in 2025.

Income tax paid reflects the cash tax payments made in the year and relates to taxes on account for the current year as well as payments regarding prior years. For the majority of the countries, the final taxes are paid in the year following the financial year, creating a timing difference in cash tax payments.

In 2025, the net income tax payable decreased to DKK 528 million, as shown in the bridge "Movement in net tax payable" on the next page. The decrease mainly relates to the lower current tax charge for 2025.

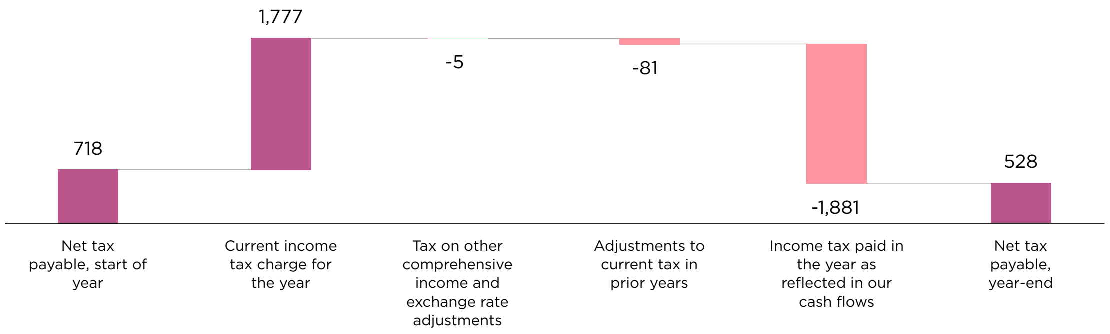
The difference between income tax expense in the income statement and income tax paid is explained in the bridge "From income tax expense to tax paid" on the next page.

CASH INCOME TAX PAID

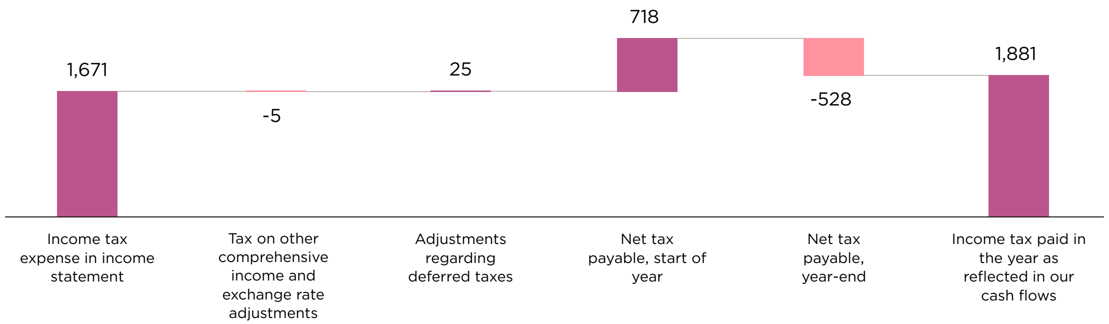
DKK million	2025	2024
Income tax expense in income statement	-1,671	-1,699
Tax on other comprehensive income and exchange rate adjustments	5	32
Adjustments regarding deferred taxes	-25	-310
Movement in income tax receivable/payable	-190	239
Income tax paid in the year	**-1,881**	**-1,738**
- of which relates to prior years	-368	-183
- of which relates to current year	-1,513	-1,555
Income tax paid in the year	**-1,881**	**-1,738**

NOTE 2.4
TAXATION (CONTINUED)

MOVEMENT IN NET TAX PAYABLE
DKK million



FROM INCOME TAX EXPENSE TO TAX PAID
DKK million



SECTION 3

INVESTED CAPITAL AND WORKING CAPITAL ITEMS

The notes in this section describe the assets that form the basis for the activities of Pandora and the related liabilities. Financial risks are described in *note 4.4 Financial risks*.

In 2025, net working capital excl. derivatives ended at -1.1% of revenue (2024: -1.6%).

NET WORKING CAPITAL EXCL. DERIVATIVES/REVENUE

-1.1%

2024: -1.6%

CAPITAL EXPENDITURE/REVENUE

6.0%

2024: 6.1%

WORKING CAPITAL

DKK million	Notes	2025	2024
Inventories	3.5	4,883	4,426
Trade receivables	3.6	1,163	1,217
Trade payables	3.9	-4,623	-3,894
Operating working capital		**1,423**	**1,749**
Other receivables[1]		1,008	874
Current provisions	3.7, 3.8	-826	-889
Commodity derivatives, net	4.5	1,688	-39
Contract liabilities	3.8	-271	-237
Other payables	4.4	-1,687	-2,006
Net working capital		**1,336**	**-549**
Net working capital excl. derivatives[2]		**-352**	**-510**

[1] Including right-of-return assets.
[2] Derivative financial instruments are measured at fair value. See note 4.5 Derivative financial instruments

INVESTED CAPITAL

DKK million	Notes	2025	2024
Intangible assets	3.1	8,364	8,232
Property, plant and equipment	3.2	3,817	3,475
Right-of-use assets	3.3	5,335	4,997
Other non-current financial assets		296	298
Non-current provisions	3.7	-558	-494
Net working capital		1,336	-549
Deferred tax, net	2.4	1,103	1,428
Currency derivatives, net	4.5	-14	49
Income tax receivables/ payables, net	2.4	-528	-718
Other liabilities		-151	-203
Invested capital		**19,001**	**16,515**

NOTE 3.1
INTANGIBLE ASSETS

INTANGIBLE ASSETS DKK million	Goodwill	Brand	Distribution	Other intangible assets[1]	Total
2025					
Cost at 1 January	5,126	1,057	1,614	3,041	10,838
Acquisition of subsidiaries and activities	164	-	-	-	164
Additions	-	-	-	460	460
Disposals	-	-	-	-44	-44
Exchange rate adjustments	-270	-	-8	-28	-306
Cost at 31 December	**5,020**	**1,057**	**1,606**	**3,429**	**11,113**
Amortisation and impairment losses at 1 January	-	-	580	2,027	2,606
Amortisation for the year	-	-	-	233	233
Reversal of impairment for the year	-	-	-	-30	-30
Disposals	-	-	-	-30	-30
Exchange rate adjustments	-	-	- 8	-22	-30
Amortisation and impairment losses at 31 December	**-**	**-**	**572**	**2,177**	**2,750**
Carrying amount at 31 December	**5,020**	**1,057**	**1,034**	**1,252**	**8,364**
2024					
Cost at 1 January	4,914	1,057	1,610	2,678	10,259
Acquisition of subsidiaries and activities	98	-	-	-	98
Additions	-	-	-	499	499
Disposals	-	-	-	-171	-171
Exchange rate adjustments	114	-	4	35	153
Cost at 31 December	**5,126**	**1,057**	**1,614**	**3,041**	**10,838**
Amortisation and impairment losses at 1 January	-	-	572	1,887	2,459
Amortisation for the year	-	-	4	276	280
Disposals	-	-	-	-166	-166
Exchange rate adjustments	-	-	4	29	33
Amortisation and impairment losses at 31 December	**-**	**-**	**580**	**2,027**	**2,606**
Carrying amount at 31 December	**5,126**	**1,057**	**1,034**	**1,015**	**8,232**

[1] Other intangible assets include assets that are not yet in use of DKK 559 million (2024: DKK 556 million), mainly related to software applications, including ERP systems.

DKK million	2025	2024
Amortisation and impairment loss has been recognised in the income statement as follows:		
Cost of sales	-17	14
Sales, distribution and marketing expenses	101	144
Administrative expenses	119	122
Total	**203**	**280**

GOODWILL
Additions in 2025 relate to acquisitions of activities. *Note 3.4 Business combinations* includes an overview of acquired goodwill for the year.

BRAND
The “Pandora” brand is the only brand of the Group that is capitalised in the consolidated financial statements. It comprises a group of complementary intangible assets relating to the brand, domain name, products, image and customer experience of products sold under the Pandora brand. The brand was acquired as part of the Pandora core business in 2008.

DISTRIBUTION
Distribution includes distribution network and distribution rights acquired. The distribution network covers Pandora’s relations with its distributors. The main part of the distribution network was acquired with the Pandora core business in 2008. Distribution rights mainly relate to the distribution rights for Pandora products in North America with indefinite-life. These were acquired from the American distributor in 2008, and the carrying amount at 31 December 2025 was DKK 1.0 billion (2024: DKK 1.0 billion).

OTHER INTANGIBLE ASSETS
Other intangible assets mainly comprise software, including ERP systems and other operational applications supporting business processes.

NOTE 3.1
INTANGIBLE ASSETS (CONTINUED)

ACCOUNTING POLICIES

GOODWILL
Goodwill is initially recognised at the amount by which the purchase price for a business combination exceeds the recognised value of the identifiable assets and liabilities acquired. Goodwill comprises future growth expectations, buyer-specific synergies, the workforce in place and know-how. After initial recognition, goodwill is measured at cost less accumulated impairment losses. Goodwill is not amortised, but is tested for impairment annually or if an impairment indication arises. Impairment losses charged in previous years cannot be reversed.

BRAND
Brand is initially recognised at cost based on the “Relief from Royalty” method, which is considered to have an indefinite useful life and is tested for impairment annually.

DISTRIBUTION
The distribution network is initially recognised at fair value based on an estimation of the costs the entity avoids by owning the intangible assets and therefore does not need to rebuild the network (the cost approach).

The distribution network is amortised over an expected useful life of 15 years.

The distribution rights for Pandora products in the North American market are measured based on a residual model, since the distribution agreement underlying the distribution rights is non-terminable. Consequently, the distribution rights are considered to have an indefinite useful life.

Other acquired distribution rights are initially recognised at cost based on the “Multi-period Excess Earnings” model and amortised over their expected useful lives.

OTHER INTANGIBLE ASSETS
Software is initially recognised at cost and amortised over 2-10 years. Software obtained through a Software-as-a-Service (SaaS) arrangement is capitalised to the extent that the IAS 38 criteria are met, and amortised over the contract period. Costs directly attributable to prepare the software for its intended use, such as costs related to implementation and configuration, is capitalised together with the software. Any cost not directly attributable to the assets recorded is expensed as incurred.

Amortisation is allocated to segments on a pro rata basis based on the standard cost per segment. Intangible assets that are not yet in use are tested for impairment annually or if an impairment indication arises.

IMPAIRMENT
At each reporting date, Pandora assesses whether there are any indications that an asset may be impaired.

If any such indication exists, or when annual impairment testing of an asset is required, Pandora estimates the recoverable amount of the asset.

The recoverable amount of an asset is the higher of the fair value of the asset or cash-generating unit (CGU) less costs to sell and its value in use. The recoverable amount is determined for the smallest group of assets that is independent from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is written down to its recoverable amount.

In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used.

The most significant factors when assessing the potential need for impairment are:

- decreasing revenue;
- increasing production costs, mainly linked to rising silver prices;
- decreasing brand value;
- changes to the product mix.

The indicators above should be viewed in the context of Pandora’s relatively high margins and low asset base.

The brand is applied and supported globally in all of the Group’s entities. The brand is maintained and preserved through common strategy and product development at Group level and marketing in the individual sales entities. The brand is consequently tested for impairment at Group level.

Like the brand described above, goodwill is reported and managed internally at Group level. Due to the constraint in IAS 36, goodwill is allocated to the two operating segments for impairment testing purposes. It is management’s opinion that this best reflects Pandora’s value creation.

The intangible assets not yet in use, which are classified as corporate assets, are reported and managed at Group level and allocated to the two operating segments for impairment testing purposes.

NOTE 3.1
INTANGIBLE ASSETS (CONTINUED)

METHOD FOR IMPAIRMENT TESTING
In the impairment test, the recoverable amount is compared with the carrying amount. The recoverable amount is based on a calculation of the value in use using cash flow projections based on the budget for 2026 and a forecast for the two subsequent years.

ALLOCATION OF INTANGIBLE ASSETS TO CGUs

DKK million	Goodwill	Brand	Distribution
2025			
Core	3,665	766	749
Fuel with more	1,355	291	285
Total	**5,020**	**1,057**	**1,034**
2024			
Core	3,748	766	749
Fuel with more	1,377	291	285
Total	**5,126**	**1,057**	**1,034**

DISCOUNT RATES AND GROWTH RATES IN TERMINAL PERIOD (%)	Discount rate before tax	Growth rate in terminal period
2025		
Core	13.2%	2%
Fuel with more	13.2%	2%
Group	**13.2%**	**2%**
2024		
Core	12.9%	2%
Fuel with more	12.9%	2%
Group	**12.9%**	**2%**

All intangible assets are tested for impairment if there is any indication of impairment. Intangible assets with indefinite useful lives and assets not yet in use are tested at least annually.

ASSUMPTIONS
The calculations of the recoverable amounts of CGUs or groups of CGUs are based on the following key assumptions.

Discount rates reflect the current market assessment of the time value of money and the risks specific to each CGU or group of CGUs. The Group discount rates are estimated based on a weighted average cost of capital for the industry and adjusted to reflect the market assessment of any risk specific to each group of CGUs.

The cash flows used in the impairment test are based on the budget for next year, prepared and approved by management, and a forecast for the two subsequent years.

High inflation rates continued in 2025, and commodity prices - particularly silver - increased substantially during the year, both affecting the estimates for the upcoming years. Pandora expects the long-term inflation rate to stabilise and has applied a 2% growth rate in the terminal period (2024: 2%). As such, no real growth has been applied to the terminal period when calculating the recoverable amounts. While Pandora expects long-term commodity prices to stabilise at lower levels than current spot prices, a further increase in commodity prices has been applied in the sensitivity analysis of the recoverable amounts to assess the potential impact of possible changes in key assumptions, including higher production costs.

The cash flows projections for each group of CGUs are based on historical experience and management's expectations concerning:

- revenue development, taking into account development in network (stores, retail/wholesale share), product mix, market share and changes in consumer behaviour;
- cost of sales based on raw materials consumption affected by the mix of materials (man-made stones, silver and gold), salaries, and average lagged hedge commodity prices at the time the budget is prepared;
- development in operating expenses;
- currency rates, based on spot rates at the time the budget is prepared;
- interest rates;
- import duties and tariffs;
- increasing climate-related risks and geographical exposure; and
- the transition to a circular economy and to net zero impact, including investments required, and impact on the useful economic life of the assets.

For more information, see *note 1.3 Management's judgements and estimates under IFRS Accounting Standards*.

Net working capital in the budget for next year, relative to the revenue of each group of CGUs, is based on historical experience and is maintained for the remainder of the expected useful economic lives. Net working capital thus increases on a linear basis as the level of activity increases.

The impairment test of the brand at Group level is based on the "Relief from Royalty" method. The impairment tests did not identify any need for impairment losses to be recognised. Based on sensitivity analysis, it is management's opinion that no probable change in any key assumptions would cause the carrying amounts of the two operating segments or the Group as a whole to exceed their recoverable amounts.

Even with a significant reduction in the growth rate, higher production costs, and an increase in the discount rate, management has not identified any likely impairment.

NOTE 3.2

PROPERTY, PLANT AND EQUIPMENT

PROPERTY, PLANT AND EQUIPMENT DKK million	Land and buildings	Plant and equipment	Assets under construction[1]	Total
2025				
Cost at 1 January	1,389	5,274	396	7,059
Acquisition of subsidiaries and activities	-	28	-	28
Additions	12	80	1,387	1,479
Disposals	-1	-218	-	-219
Transfers	425	1,017	-1,442	-
Exchange rate adjustments	-61	-266	-72	-398
Cost at 31 December	**1,765**	**5,914**	**269**	**7,949**
Depreciation and impairment losses at 1 January	620	2,964	-	3,584
Depreciation for the year	102	738	-	840
Impairment for the year[2]	-	11	54	65
Disposals	-1	-205	-	-206
Exchange rate adjustments	-25	-126	-	-151
Depreciation and impairment losses at 31 December	**697**	**3,382**	**54**	**4,132**
Carrying amount at 31 December	**1,069**	**2,532**	**216**	**3,817**
2024				
Cost at 1 January	1,286	4,661	263	6,210
Acquisition of subsidiaries and activities	-	25	-	25
Additions	15	174	1,252	1,441
Disposals	-11	-789	-	-800
Transfers	16	1,109	-1,124	-
Exchange rate adjustments	85	93	5	184
Cost at 31 December	**1,389**	**5,274**	**396**	**7,059**
Depreciation and impairment losses at 1 January	511	2,953	-	3,464
Depreciation for the year	80	650	-	730
Disposals	-10	-694	-	-704
Exchange rate adjustments	38	55	-	93
Depreciation and impairment losses at 31 December	**620**	**2,964**	**-**	**3,584**
Carrying amount at 31 December	**769**	**2,310**	**396**	**3,475**

DKK million	2025	2024
Depreciation and impairment losses have been recognised in the income statement as follows:		
Cost of sales	187	122
Sales, distribution and marketing expenses	673	565
Administrative expenses	45	43
Total	**906**	**730**

ACCOUNTING POLICIES

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses. Depreciation is calculated on a straight-line basis over the estimated useful life according to the list below.

Asset	Useful life
Land	Indefinite
Buildings	20-50 years
Leasehold improvements	Lease term
Plant and equipment[1]	5-15 years
Other fixtures and fittings	5-7 years

[1] The estimated useful lives of plant and equipment have been revised from 3-5 years to 5-15 years to reflect the commissioning of the new crafting facilities in Vietnam. This change has been applied prospectively and no reassessment or restatement has been performed for plant and equipment acquired in prior periods.

[1] The additions mainly relate to the crafting facilities in Vietnam and to the network expansion, where Pandora has capital commitments of DKK 84 million (2024: DKK 269 million).

[2] Impairment loss of DKK 54 million relates to write-down of the Lamphun North construction site, which has been discontinued due to macroeconomic and geopolitical uncertainties. The loss is recognised in cost of sales in the income statement.

NOTE 3.3
LEASES

RIGHT-OF-USE ASSETS

DKK million	2025	2024
Cost at 1 January	4,997	3,779
Acquisition of subsidiaries and activities	69	60
Additions	2,102	2,541
Disposals	-97	-132
Depreciation for the year	-1,466	-1,343
Impairment	-11	-
Exchange rate adjustments	-259	93
Carrying amount at 31 December	**5,335**	**4,997**

LEASE LIABILITIES

DKK million	2025	2024
Non-current	4,193	3,794
Current	1,475	1,379
Total lease liabilities	**5,668**	**5,173**

Lease liabilities are recognised in loans and borrowings.

Pandora leases stores, offices, office equipment and cars. Depreciation mainly relates to leased stores and is presented in the sales, distribution and marketing expenses.

Many of the Group's property leases contain terms on variable lease payments that are linked to store sales performance according to normal market practice.

In 2025, around 23% (2024: 26%) of the lease payments were recognised as variable rent in the income statement. Pandora has estimated that a 1% increase in annual physical owned and operated store revenue would result in a 0.4% (2024: 0.5%) increase in total lease payments. The average standard store lease term ranges from 4 to 5 years with an option to extend for an additional 4 to 5 years in approximately 13% (2024: 14%) of current leases, typically with one or more termination options. Approximately 26% of current leases are up for renegotiation in 2026. The estimated value of lease options that Pandora is not reasonably certain of executing is around DKK 0.5 billion (2024: DKK 0.4 billion).

OTHER ITEMS RELATING TO LEASES

DKK million	2025	2024
Interest expenses	422	381
Total interest for the period	**422**	**381**

TOTAL CASH FLOWS RELATING TO LEASES

DKK million	2025	2024
Fixed lease payments	1,260	1,162
Interest payments	422	381
Variable leases linked to revenue	542	588
Short-term and low-value leases	92	88
Total cash flows relating to leases	**2,316**	**2,219**

ACCOUNTING POLICIES

Pandora applies a single recognition and measurement approach to all leases, except for short-term leases and low-value leases. Pandora recognises right-of-use assets at the commencement date of the lease when the asset is available for use. Right-of-use assets are measured at cost less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date, key money, dilapidation assets, less any lease incentives received. Key money and dilapidation assets are measured at cost and amortised over the term of the contract. Right-of-use assets are depreciated on a straight-line basis over the shorter of the asset's useful life and the lease term. At each reporting date, Pandora assesses whether there is any indication that a right-of-use asset may be impaired. If any such indication exists, Pandora carries out impairment testing for the relevant CGU.

Pandora recognises lease liabilities at the commencement date of the lease, measured at the present value of lease payments to be made over the lease term. Lease payments include fixed payments less any lease incentives receivable. Some leases are exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. Payments relating to services are not included in lease liabilities. Some property leases contain variable payment terms that are linked to sales generated from a store. Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs and are not included in the lease liability.

NOTE 3.3
LEASES (CONTINUED)

In calculating the present value of lease payments, Pandora uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, for example a change in the lease term or a change in the lease payments. Lease payments are classified in financial activities in the statement of cash flows. Pandora applies the short-term lease recognition exemption to its short-term leases. Payments related to short-term leases and leases of low-value assets continue to be recognised on a straight-line basis as an expense in the income statement. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise some IT equipment and other office equipment.

ACCOUNTING ESTIMATES

When assessing the lifetime of leases, Pandora considers the non-cancellable lease term and options to extend or terminate the lease where Pandora is reasonably certain to extend or not to terminate. Leases in Pandora mainly comprise stores and office buildings. The lease term for stores has been assessed to be up to 10 years, depending on factors such as location, revenue and earnings. For office buildings, the lease term is usually 5 to 15 years.

NOTE 3.4
BUSINESS COMBINATIONS

ACQUISITIONS IN 2025

In 2025, Pandora took over 46 concept stores (37 concept stores in the US, 4 concept stores in Italy, 4 concept stores in Canada, and 1 concept store in Puerto Rico) in 12 business combinations. Net assets acquired mainly consisted of store properties, inventories and related liabilities. The total purchase price for the acquisitions was DKK 377 million. Based on the purchase price allocations, goodwill was DKK 164 million, fully deductible for income tax purposes. Goodwill from the acquisitions was mainly related to the synergies from converting the stores from wholesale and distribution to Pandora-operated retail. Cost relating to the acquisitions was immaterial and has been recognised as operating expenses in the income statement.

Excluding the temporary drag on gross margin from inventory buybacks, incremental contribution to Group revenue and net profit from acquisitions for the period 1 January – 31 December 2025 was DKK 213 million and DKK 73 million, respectively. On a pro forma basis, if the acquisitions had been effective from 1 January 2025, the incremental contribution to Group revenue and net profit for the period 1 January – 31 December 2025 would have been approximately DKK 284 million and DKK 85 million, respectively[1].

ACQUISITIONS IN 2024

In 2024, Pandora took over 36 concept stores. Net assets acquired mainly consisted of store properties, inventories and related liabilities. The total purchase price for the acquisitions was DKK 183 million. Based on the purchase price allocations, goodwill was DKK 98 million. Goodwill from the acquisitions was mainly related to the synergies from converting stores from wholesale and distribution to Pandora-owned retail. From the goodwill acquired, DKK 93 million was deductible for income tax purposes.

ACQUISITIONS

DKK million	2025	2024
Property, plant and equipment and right-of-use assets	97	85
Other non-current assets	-	1
Inventories	196	85
Other current assets	4	1
Assets acquired	**297**	**172**
Non-current liabilities	40	41
Payables	8	4
Other current liabilities	36	43
Liabilities assumed	**84**	**88**
Total identifiable net assets acquired	**212**	**84**
Goodwill arising on acquisitions	164	98
Purchase consideration	**377**	**183**
Cash movements on acquisitions:		
Consideration transferred regarding previous years[2]	8	19
Deferred payment[3]	-12	-8
Net cash flows on acquisitions	**373**	**194**

[1] The incremental contribution to Group revenue and net profit is determined as the net of acquired retail revenue less the reduction in wholesale revenue. Excluding the temporary drag on the margin from inventory buybacks, the contribution to the Group revenue and net profit from acquisitions for the period 1 January - 31 December 2025 calculated according to IFRS 3 was DKK 529 million and DKK 235 million, respectively. On a proforma basis, if the acquisitions had been effective from 1 January 2025, the IFRS 3 contribution to Group revenue and net profit for the period 1 January - 31 December 2025, excluding the temporary drag on the margin from inventory buybacks, would have been approximately DKK 599 million and DKK 246 million, respectively.

[2] The consideration of DKK 8 million transferred during 2025 relates mainly to the acquisition in Italy, the US, and Canada in prior years. The consideration of DKK 19 million transferred during 2024 mainly relates to the acquisition in Colombia in 2023.

[3] The deferred payment of DKK 12 million in 2025 relates to the acquisitions in Italy, the US, Canada, and Puerto Rico. In 2024, the deferred payment of DKK 8 million relates mainly to the acquisitions in the US and Italy.

NOTE 3.4
BUSINESS COMBINATIONS (CONTINUED)

BUSINESS COMBINATIONS AFTER THE REPORTING PERIOD

No business combinations of significance to Pandora took place after the reporting period.

ACCOUNTING POLICIES

Business combinations are accounted for in accordance with the IFRS 3 acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. Acquisition costs incurred are expensed. Subsequent to initial recognition, goodwill is measured at cost less any accumulated impairment losses.

Goodwill is reported and managed internally at Group level. The goodwill acquired is allocated to the CGUs in the two operating segments for impairment testing purposes due to the constraint in IAS 36.

NOTE 3.5
INVENTORIES

INVENTORIES

DKK million	2025	2024
Raw materials and consumables	780	751
Work in progress	134	141
Finished goods	3,820	3,376
Point-of-sale materials	149	159
Total inventories at 31 December	**4,883**	**4,426**
Inventory write-downs at 1 January	838	750
Write-downs during the year	178	243
Utilised in the year	-210	-155
Inventory write-downs at 31 December	**806**	**838**

WRITE-DOWNS

Inventory write-downs primarily relate to finished goods and are recognised in cost of sales, DKK 136 million (2024: DKK 212 million), and operating expenses, DKK 42 million (2024: DKK 31 million). Write-downs include mainly the cost of remelting obsolete jewellery.

PRODUCTION OVERHEADS

Production overheads are calculated using a standard cost method, which is reviewed regularly to ensure relevant assumptions concerning capacity utilisation, lead times and other relevant factors.

NET REALISABLE VALUE

Net realisable value is based on the estimated selling price less estimated costs of completion and distribution. Alternatively, for inventories that are not expected to be sold, net realisable value is based on the recycle value of the reusable raw materials (primarily silver, gold and lab-grown diamonds).

ACCOUNTING POLICIES

Inventories are valued at the lower of cost and net realisable value. The cost of inventories are accounted for on a first-in, first-out basis (FIFO) and includes raw materials - including the effect of realised commodity hedges - direct labour, and a proportion of production overheads allocated based on normal operating capacity. These overheads comprise indirect supplies, indirect wages and salaries, amortisation of production-related software, as well as maintenance and depreciation of machinery, plant and equipment used in production, while borrowing costs are not included. Additionally, the cost of inventories includes directly attributable costs incurred to bring the inventories to their present location and condition, such as freight, insurance and duties.

Point-of-sale materials, including equipment, displays and packaging materials, are also accounted for using the FIFO method. Their cost consists of the purchase price and costs directly related to bringing the materials to the relevant point of sale.

SIGNIFICANT ACCOUNTING ESTIMATES

Estimates relating to write-downs are impacted by forecasting accuracy in the number of obsolete products that will need to be remelted. Further, significant management estimates are required with regards to the calculations of internal gain on inventory when goods are sold from production entities to sales entities.

NOTE 3.6
TRADE RECEIVABLES

TRADE RECEIVABLES DKK million	2025	2024
Receivables related to third-party distribution and wholesale	544	711
Receivables related to retail sales	620	506
Total trade receivables at 31 December	**1,163**	**1,217**
Ageing of trade receivables at 31 December		
Not past due	**981**	**972**
Up to 30 days	121	174
Between 30 and 60 days	44	45
Between 60 and 90 days	9	12
Over 90 days	8	14
Total past due, not impaired	**182**	**245**
Total trade receivables at 31 December	**1,163**	**1,217**
Development in impairment losses on trade receivables		
Impairment at 1 January	95	94
Additions	8	27
Utilised	-3	-17
Unused amounts reversed	-10	-9
Exchange rate adjustments	-	1
Impairment at 31 December	**90**	**95**

Trade receivables are amounts due from the sale of goods to wholesalers and distributors, or due from landlords, malls or e-commerce providers responsible for the collection of cash related to retail sales on behalf of Pandora.

Management continues to assess credit risk in order to ensure credit risk never exceeds the recognised write-down on trade receivables. For a further description of credit risk, see *note 4.4 Financial risks*.

In view of the low historical loss rates on receivables, incorporating current and forward-looking information on macroeconomic factors – such as GDP trends and unemployment levels – into these rates is not expected to significantly increase the assessed risk of credit losses.

ACCOUNTING POLICIES

Trade receivables are initially recognised at the amount of consideration that is unconditional and consequently recognised at fair value. The Group holds trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. Pandora applies the simplified approach to measure expected credit losses, using a lifetime expected loss allowance.

NOTE 3.7
PROVISIONS

PROVISIONS DKK million	2025	2024
Provisions at 1 January	543	431
Additions in the year	165	185
Utilised in the year	-40	-75
Unused provisions reversed	-61	-11
Exchange rate adjustments	-17	12
Provisions at 31 December	**591**	**543**
Provisions are recognised in the balance sheet as follows:		
Current	33	49
Non-current	558	494
Provisions at 31 December	**591**	**543**

Provisions are liabilities of uncertain timing or amount and consist of defined benefit pension plans of DKK 187 million (2024: DKK 145 million), obligations to restore leased property of DKK 207 million (2024: DKK 207 million) and other legal and constructive obligations of DKK 196 million (2024: DKK 191 million). See *note 5.1 Contingent assets and liabilities* for estimates relating to litigation.

ACCOUNTING POLICIES

Provisions are recognised when Pandora has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to any provision is recognised in the income statement net of any reimbursement.

NOTE 3.8

CONTRACT ASSETS AND LIABILITIES

CONTRACT ASSETS AND LIABILITIES

DKK million	2025	2024
Contract assets		
Right-of-return assets	72	91
Total contract assets	**72**	**91**
Contract liabilities		
Prepayments from customers	54	27
Coupons, gift cards etc.	136	143
Loyalty programme	82	67
Refund and warranty liability	793	840
Total contract liabilities	**1,064**	**1,077**

REFUND AND WARRANTY LIABILITY

DKK million	Refund	Warranty	Total
2025			
Liability at 1 January	418	422	840
Performance obligations for which consideration has been received	1,394	478	1,872
Revenue recognised, included in the contract liability	-1,305	-405	-1,710
Contract liabilities reversed	-111	-72	-183
Exchange rate adjustments	-16	-11	-27
Refund and warranty liability at 31 December	**381**	**412**	**793**
2024			
Liability at 1 January	376	345	721
Performance obligations for which consideration has been received	1,317	498	1,814
Revenue recognised, included in the contract liability	-1,097	-387	-1,484
Contract liabilities reversed	-186	-35	-221
Exchange rate adjustments	8	2	10
Refund and warranty liability at 31 December	**418**	**422**	**840**

SIGNIFICANT ACCOUNTING ESTIMATES

In most markets, Pandora has provided return and warranty rights to customers. The handling of warranty claims leads to replacements instead of repairs. The recognised refund liability relating to return and warranty rights is assessed to a large extent on the basis of historical return patterns.

ACCOUNTING POLICIES

Pandora recognises a refund and warranty liability related to return rights provided to customers in most markets. A corresponding right-of-return asset is also recognised as part of contract assets. The value of the right-of-return asset is determined by how many of the returned products are expected to be sold. Remaining products are written down to remelt value together with returns covered by warranties.

The refund liability for estimated sales returns is recognised when there is historical experience or when a reasonably accurate estimate of expected future returns can otherwise be made. The income effect recognised is the gross margin of the expected returns and the potential effect of writing down parts of the returned goods to remelt value. Changes to the right-of-return asset and refund liability are recognised gross in the income statement as both revenue and cost of sales.

Refund liability to cover warranty claims is based on expected replacements provided for products still covered by warranty at the end of the period. The liability is recognised gross in the income statement as both a reduction in revenue and in cost of goods sold. This is due to the handling of warranty claims which lead to replacements instead of repairs.

Revenue related to the gift cards and coupons is deferred up to the time the gift cards and coupons are used. The stand-alone selling price of the gift cards and coupons is the monetary value of the cards and coupons. In estimating the redemption rate, Pandora considers breakage, which represents the portion of the gift cards and coupons value issued that will never be redeemed. In estimating the redemption rate, Pandora applies the concept of breakage under IFRS 15, recognising revenue from the portion of gift cards and coupons expected not to be redeemed. This breakage is recognised in proportion to the pattern of actual redemptions.

As a common practice in Pandora, no costs to obtain contracts with customers were capitalised in 2025 or previous years.

NOTE 3.9
TRADE PAYABLES

The Group generally accepts that vendors sell off their receivables arising from the sale of goods and services to the Group to a third party. Pandora has established a supply chain financing programme where vendors can sell off their receivables from Pandora on attractive terms, based on invoices approved by Pandora, but at the bank's sole discretion. The programme does not extend payment terms beyond the original terms agreed. The payment terms for trade payables within the supply chain financing programme range from 90–120 days, while the payment terms for trade payables outside the programme average around 55 days. This is expected, as the programme is generally more attractive to suppliers with longer payment terms.

Pandora is not directly or indirectly a party to these agreements. The amounts payable to suppliers included in the supply chain financing programme are classified as trade payables in the balance sheet as well as in the statement of cash flows (working capital within cash flows from operations) and amounted to DKK 770 million at 31 December 2025 (2024: DKK 362 million). Suppliers have received payment from the bank for all the liabilities under the supplier finance arrangement.

SECTION 4

CAPITAL STRUCTURE AND NET FINANCIALS

This section includes notes related to Pandora's capital structure and net financials, including financial risks in *note 4.4 Financial risks*.

As a consequence of its operations, investments and financing, Pandora is exposed to a number of financial risks that are monitored and managed by Pandora's Group Treasury department. Pandora uses a number of derivative financial instruments to hedge its exposures to fluctuations in commodity prices, interest rates and currencies. Derivative financial instruments are described in *note 4.5 Derivative financial instruments*.

Pandora's Capital Structure Policy is to maintain a leverage ratio (NIBD to EBITDA ratio) between 0.5x and 1.5x at year-end (including leases in accordance with IFRS 16). At 31 December 2025, the ratio was 1.3x (2024: 1.1x). The cash conversion was 65% in 2025 compared to 85% in 2024.

DKK BILLION

7.1

Unutilised committed facilities of DKK 7.1 billion underpin Pandora's strong liquidity position.

NET INTEREST-BEARING DEBT

DKK million	2025	2024
Loans and borrowings, non-current[1]	7,729	7,831
Lease liabilities, non-current	4,193	3,794
Loans and borrowings, current	1,627	397
Lease liabilities, current	1,475	1,379
Cash	-1,305	-2,394
Net interest-bearing debt	**13,719**	**11,008**

[1] Includes the bond of EUR 500 million issued in May 2024 and the bond of EUR 500 million issued in March 2023.

NOTE 4.1
SHARE CAPITAL

At the Annual General Meeting of Pandora A/S on 12 March 2025, the shareholders resolved to cancel 3,000,000 treasury shares. At 31 December 2025, the share capital comprised 79,000,000 shares with a par value of DKK 1. No shares have special rights. Pandora has an equity ratio of 18% and high returns to the shareholders.

In 2025, Pandora executed a new share buyback programme under which Pandora bought back own shares of DKK 4.0 billion. In 2025, Pandora purchased 4,406,713 treasury shares, corresponding to a total purchase price of DKK 4.4 billion (DKK 0.4 billion related to the share buyback programme from 2024, and DKK 4.0 billion related to the share buyback programme in 2025). At 31 December 2025, Pandora had yet to repurchase own shares at a total purchase price of DKK 10 million as part of the share buyback programme. Own shares of DKK 10 million have been repurchased after 31 December 2025.

TREASURY SHARES

All treasury shares are owned by Pandora A/S. Treasury shares include hedges for share-based incentive plans granted to Executive Management and other employees.

At 31 December 2025, treasury shares accounted for 5.6% of the share capital (2024: 3.9%).

SHARE CAPITAL	Number of shares	Nominal value (DKK)
2025		
Balance at 1 January	82,000,000	82,000,000
Cancellation of shares	-3,000,000	-3,000,000
Balance at 31 December	**79,000,000**	**79,000,000**
2024		
Balance at 1 January	89,000,000	89,000,000
Cancellation of shares	-7,000,000	-7,000,000
Balance at 31 December	**82,000,000**	**82,000,000**

TREASURY SHARES	Number of shares	Nominal value (DKK)	Purchase price	% of shares
2025				
Balance at 1 January	3,182,459	3,182,459	3,227,910,692	3.9%
Used to settle share-based incentive plans	-173,619	-173,619	-180,237,483	-0.2%
Purchase of treasury shares	4,406,713	4,406,713	4,356,456,493	5.5%
Cancellation of treasury shares	-3,000,000	-3,000,000	-3,168,311,712	-3.7%
Balance at 31 December	**4,415,553**	**4,415,553**	**4,235,817,990**	**5.6%**
2024				
Balance at 1 January	6,790,028	6,790,028	4,352,925,278	7.6%
Used to settle share-based incentive plans	-312,238	-312,238	-208,797,080	-0.4%
Purchase of treasury shares	3,704,669	3,704,669	4,035,810,450	4.3%
Cancellation of treasury shares	-7,000,000	-7,000,000	-4,952,027,957	-7.9%
Balance at 31 December	**3,182,459**	**3,182,459**	**3,227,910,692**	**3.9%**

NOTE 4.2

EARNINGS PER SHARE AND DIVIDEND

EARNINGS PER SHARE

DKK million	2025	2024
Profit attributable to equity holders	**5,241**	**5,227**
Weighted average number of ordinary shares	76,958,052	80,603,566
Effect of performance shares[1]	231,099	311,857
Weighted average number of ordinary shares adjusted for the effect of dilution	**77,189,151**	**80,915,422**
Basic earnings per share, DKK	68.1	64.8
Diluted earnings per share, DKK	67.9	64.6

[1] 387,627 performance shares were not included in diluted EPS, but could potentially dilute EPS in the future (2024: 301,037).

There have been no transactions between the reporting date and the date of completion of the Annual Report involving shares that would have significantly changed the number of shares or potential shares in Pandora A/S.

DIVIDEND

The Board of Directors will propose at the Annual General Meeting that a dividend of DKK 22 per share (2024: DKK 20), corresponding to DKK 1.6 billion, be distributed for 2025. No dividend is paid on treasury shares.

In 2025, a dividend of DKK 1.6 billion in total was paid. Dividend paid had no effect on the Group's tax expense for the year.

For further shareholder information on dividend payments, see page 38.

DISTRIBUTABLE RESERVES

Cash distribution to the shareholders is, by law, limited to the amount of the free reserves of the Parent Company.

As at 31 December 2025, free reserves in the Parent Company amounted to DKK 13.3 billion (2024: DKK 13.5 billion). When calculating the amount available for distribution of dividend and share buyback, treasury shares are deducted from distributable reserves.

ACCOUNTING POLICIES

Dividend proposed is recognised as a liability at the date of the adoption at the Annual General Meeting (declaration date). Extraordinary dividend is recognised as a liability at the declaration date.

NOTE 4.3
LIABILITIES FROM FINANCING ACTIVITIES

TOTAL LIABILITIES FROM FINANCING ACTIVITIES DKK million	Financial liabilities at 1 January	Cash flows, net	New leases etc.	Other[1]	Foreign exchange adjustments	Financial liabilities at 31 December
2025						
Non-current borrowings[2]	7,831	-	-	-111	9	7,729
Non-current lease liabilities	3,794	-	1,690	-1,094	-197	4,193
Current borrowings[3]	397	1,092	-	142	-3	1,627
Current lease liabilities	1,379	-1,260	480	952	-77	1,475
Total liabilities from financing activities	**13,401**	**-168**	**2,170**	**-111**	**-269**	**15,024**
2024						
Non-current borrowings[2]	6,973	1,067	-	-209	-	7,831
Non-current lease liabilities	2,765	-	1,942	-989	76	3,794
Current borrowings	313	-122	-	204	2	397
Current lease liabilities	1,116	-1,162	554	847	24	1,379
Total liabilities from financing activities	**11,165**	**-217**	**2,496**	**-146**	**103**	**13,401**

[1] Includes the effect of the reclassification of the non-current portion of interest-bearing loans and borrowings to the current portion due to the passage of time. Also includes the effect of accrued, but not yet paid interest on interest-bearing loans and borrowings, and the effect of the lease modification and reassessment, etc. The Group classifies interest paid as cash flows from operating activities.
[2] Includes the bond of EUR 500 million issued in May 2024 and the bond of EUR 500 million issued in March 2023.
[3] Includes DKK 1.4 billion in uncommitted short-term financing, which is utilised when possible to optimise interest expenses and enhance the Group's overall cash position.

ACCOUNTING POLICIES

On initial recognition, interest-bearing debt and borrowings are measured at fair value less transaction costs. Subsequent to initial recognition, interest-bearing loans and borrowings are measured at amortised cost using the effective interest rate method.

Gains and losses are recognised in the income statement when the liabilities are derecognised and through the effective interest rate method. Amortised cost is calculated by taking into account any discount or premium at inception, as well as fees and other costs.

NOTE 4.4
FINANCIAL RISKS

As a consequence of its operations, investments, and financing, Pandora is exposed to financial risks that are monitored and managed by Pandora’s Group Treasury department.

The financial risks faced by Pandora can be categorised into the following subgroups: commodity price risk, foreign currency risk, interest rate risk, credit risk, and liquidity risk. Pandora adopts a proactive approach to managing these risks, utilising various financial instruments to hedge against market fluctuations and mitigate adverse impacts on Pandora's financial performance and results.

The table on the next page illustrates the sensitivity on 2025 revenue, EBIT, and EBIT margin from exchange rates and commodity price movements. In addition, the sensitivity of financial assets and liabilities as at 31 December from currency and commodity price movements is illustrated on the following pages.

COMMODITY PRICE RISK

Commodity price risk is the risk of increasing raw material prices resulting in higher production costs. The most important raw materials are silver and gold, which are priced in USD.

It is Pandora’s policy to ensure stable, predictable raw material prices. Based on a rolling 12-month production plan, the general policy is for Group Treasury to hedge at least 70% of the Group’s expected purchases of silver and gold.

During 2025, the silver price increased by almost 150%. Following a significant decrease in silver prices in early April 2025, a strategic decision was made to increase the volume hedged by adding a significant portion of the 2026 purchases at around 30 USD/oz. As a result of the high silver volumes hedged in April 2025, combined with expected lower silver consumption driven by creative innovation, Pandora did not enter into additional hedges in the second half of 2025. As of December 2025, Pandora has hedged approximately

NOTE 4.4
FINANCIAL RISKS (CONTINUED)

70% of expected commodity exposures for the next 12 months of purchases, in line with policy. Due to the 5 to 10 months lag between realising hedged purchases to impact on cost of sales, this hedge ratio effectively covers approximately 90-100% of the 2026 income statement exposure in cost of sales from silver and gold price movements. See note *4.5 Derivative financial instruments.*

Purchases are hedged up to 12 months forward with a hedge ratio target that decreases with time to maturity. Commodity hedging of silver and gold is updated monthly or in connection with revised 12-month rolling production plans. Actual production may deviate from the 12-month rolling production plan. In case of deviations, the realised commodity hedge ratio may deviate from the estimated hedge target ratio. The effective portion of the realised gain or loss from commodity hedging is recognised in Group inventories and subsequently in cost of sales while the ineffective portion is recognised in financial items. For the fair value of hedging instruments, see *note 4.5 Derivative financial instruments*.

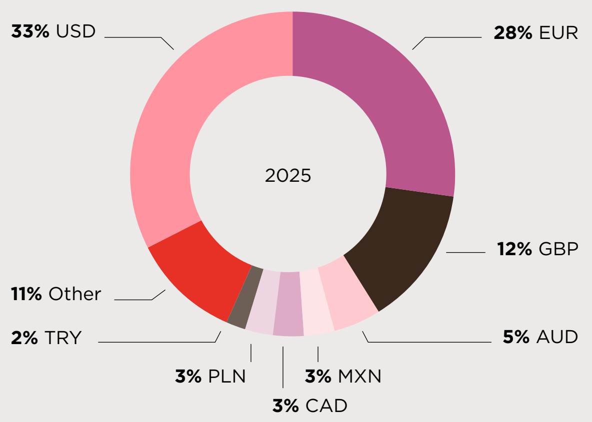
FOREIGN CURRENCY RISK
Pandora's presentation currency is DKK, but the majority of Pandora's activities and investments are denominated in other currencies. Consequently, exchange rate fluctuations may have a substantial impact on Pandora's cash flows, profit (loss) and/or financial position in DKK.

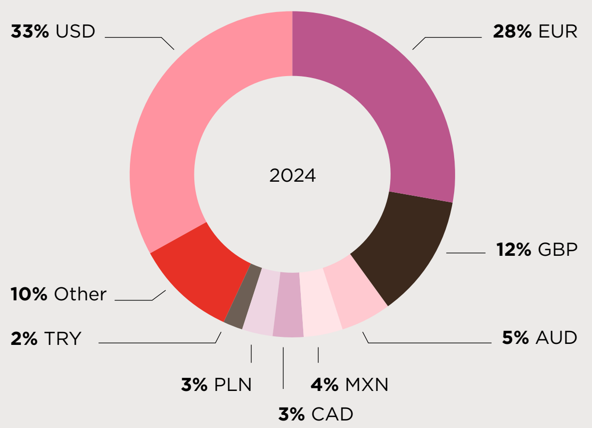
The majority of Pandora's revenue is denominated in USD, EUR, GBP, AUD, MXN, CAD, TRY, and PLN. The functional currency of subsidiaries is generally the local currency, and a substantial portion of Pandora's costs relates to raw materials purchased in USD. In addition, Pandora incurs a significant part of its costs denominated in THB. Changes in the exchange rate of the above currencies versus DKK will result in changes to the translated value of future EBIT and cash flows.

SENSITIVITY ANALYSIS ON EXCHANGE RATES AND COMMODITY PRICES[1] **DKK million**	Change in exchange rate and commodity prices	2025 Revenue	2025 EBIT	2025 EBIT margin impact	2024 Revenue	2024 EBIT	2024 EBIT margin impact
USD	+10%	1,090	186	-0.2%	1,030	379	0.4%
CAD	+10%	106	50	0.1%	100	48	0.1%
AUD	+10%	149	92	0.2%	157	101	0.2%
GBP	+10%	375	228	0.4%	394	240	0.4%
EUR	+1%	91	43	0.1%	89	52	0.1%
TRY	+10%	66	35	0.1%	65	38	0.1%
MXN	+10%	109	57	0.1%	129	71	0.1%
PLN	+10%	98	75	0.2%	92	72	0.2%
THB	+10%	-	-224	-0.7%	-	-227	-0.7%
SILVER and GOLD[2]	+10%	-	-254	-0.8%	-	-224	-0.7%

[1] Revenue and EBIT for 2025 would have been impacted by the above amounts if exchange rates and commodity prices in 2025 had been higher than the realised exchange rates and commodity prices. The impact would have been the opposite if exchange rates and commodity prices had been decreasing by similar percentages. The analysis is based on transaction currency and excludes the effects of hedging and time lag of inventory.
[2] The sensitivity analysis presented above reflects the current exposure as of 31 December 2025. A 10% sensitivity has been applied for both silver and gold to ensure comparability with prior years and to provide a basis for linear analysis and modelling, despite higher commodity price volatility observed in 2025. Silver exposure will be reduced in 2026 onwards following the implementation of new creative innovation initiatives.

REVENUE BREAKDOWN BY CURRENCY (%)





NOTE 4.4
FINANCIAL RISKS (CONTINUED)

Pandora finances the majority of its subsidiaries' cash requirements via intercompany loans denominated in the local currency of the individual subsidiary. Changes in exchange rate of these currencies against DKK will generally result in a foreign exchange gain or loss.

Exchange rate fluctuations may lead to a decrease in revenue and an increase in costs and thus declining margins. In addition, exchange rate fluctuations affect the translated value of the profits or losses of foreign subsidiaries and the translation of foreign currency assets and liabilities.

It is Pandora's policy to hedge foreign currency exposures related to the risk of declining net cash flows resulting from exchange rate fluctuations. Pandora does not hedge balance sheet items or ownership interests in foreign subsidiaries.

For 2025, up to 70% (2024: 70%) of the cash flows from currencies with a risk above policy threshold were hedged based on a rolling 12-month forecast. In 2025, this included USD, THB, GBP, AUD, and MXN. Cash flows are hedged up to 12 months forward with a hedge ratio that decreases with time to maturity. Foreign currency hedging is updated monthly or in connection with revised 12-month rolling cash forecasts. The realised profit (loss) from exchange rate hedging is recognised in financial items.

The table below illustrates the effects of movements in the Group's principal foreign currencies and commodities on net profit and equity at the balance sheet date after the effect of hedge accounting.

CURRENCY AND COMMODITY EXPOSURE FROM FINANCIAL ASSETS AND LIABILITIES[1]

DKK million	Change in exchange rate	31 December 2025 Profit (loss) before tax	31 December 2025 Equity	31 December 2024 Profit (loss) before tax	31 December 2024 Equity
USD	+10%	-180	-145	-286	-471
CAD	+10%	22	22	-4	-4
AUD	+10%	29	5	6	-26
GBP	+10%	11	-37	105	32
EUR	+1%	-66	-66	-71	-71
TRY	+10%	-4	-4	12	12
MXN	+10%	25	4	26	5
PLN	+10%	-11	-11	10	31
THB	+10%	-62	27	-56	207
SILVER and GOLD[2]	+10%	-	349	-	227

[1] The movements in the income statement arise from monetary items at the balance sheet date (cash, borrowings, receivables and payables) where the functional currency of the entity differs from the currency that the monetary items are denominated in. The currency movements in equity arise from monetary items and hedging instruments where the functional currency of the entity differs from the currency that the hedging instruments or monetary items are denominated in. The commodity movements in equity arise from the change in the hedging reserve. The impact would have been the opposite if exchange rates had been decreasing by similar percentages. The analysis is based on the transaction currency.

[2] The currency and commodity exposure from financial assets and liabilities presented above reflects the current exposure of financial assets and financial liabilities including derivative positions as of 31 December 2025. A 10% sensitivity has been applied for both silver and gold to ensure comparability with prior years and to provide a basis for linear analysis and modelling, despite higher commodity price volatility observed in 2025. Silver exposure will be reduced in 2026 onwards following the implementation of new creative innovation initiatives.

CREDIT RISK

Credit risk is primarily related to trade receivables, cash and unrealised gains on financial contracts. The maximum credit risk related to financial assets corresponds to the carrying amounts recognised in the consolidated balance sheet.

It is Pandora's policy for subsidiaries to be responsible for credit evaluation and credit risk on their trade receivables. Credit limits above certain policy thresholds must be approved by Group Treasury and/or the Chief Financial Officer.

Note 3.6 Trade receivables includes an overview of the credit risk related to trade receivables. Rating of trade receivables does not differ materially either by type of customer or geographic location. The risk of further impairment is considered to be limited.

Financial contracts related to foreign exchange and commodity hedging are entered into with counterparties that are highly rated financial institutions. These contracts are settled within a short time frame upon maturity and are therefore not considered to expose the Group to significant credit risk.

Credit risk related to Pandora's other financial assets mainly includes cash and unrealised gains on financial contracts. The credit risk is related to default of the counterparty with a maximum exposure corresponding to the carrying amount of the assets. Group Treasury is responsible for managing these credit risks.

NOTE 4.4
FINANCIAL RISKS (CONTINUED)

LIQUIDITY RISK

Pandora's cash conversion is high, and Pandora maintains an adequate level of cash and unutilised credit facilities to meet financial obligations when due. This, combined with strong, investment-grade credit ratings means that Pandora's liquidity risk and refinancing risk are considered to be low.

As of December 2025, Pandora has a revolving credit facility of EUR 950 million and a term loan of EUR 60 million committed until April 2029 and May 2030, respectively. Additionally, Pandora has two outstanding EUR 500 million bonds issued under its Euro Medium Term Note programme maturing in 2028 and 2030, respectively. Pandora has uncommitted credit facilities to ensure efficient and flexible local liquidity management. The credit facilities are managed by Group Treasury.

In January 2026, Pandora successfully refinanced its revolving credit facility, securing two revolving credit facilities of EUR 750 million and EUR 350 million, committed until 2029 and 2031, respectively. Both facilities allow for two extension periods of one year each. Neither facility is subject to financial covenants.

Pandora's suppliers have access to two banks under the supply chain financing programme, see *note 3.9 Trade payables*. Pandora is not involved in the programme, but management monitors its availability and does not expect any material impact if a provider were to withdraw.

Pandora maintains credit ratings of BBB by S&P Global Ratings and a Baa2 rating from Moody's Investor Service, both of which have a stable outlook.

OUTSTANDING COMMITTED LOAN FACILITIES **DKK million**	Available facilities	Maturity date	Drawn amount	Avg. effective interest rate incl. hedging	Available liquidity
2025					
Revolving credit facilities[1]	7,095	April 2029	-	-	7,095
Term loan maturing in 2030[1]	448	May 2030	448	2.8%	-
Bond maturing in 2028[1]	3,734	April 2028	3,734	4.3%	-
Bond maturing in 2030[1]	3,734	May 2030	3,734	3.7%	-
Total outstanding committed loan facilities at 31 December	**15,012**		**7,917**		**7,095**
2024					
Revolving credit facilities[1]	7,087	April 2028	-	-	7,087
Term loan maturing in 2030[1]	547	May 2030	547	2.8%	-
Bond maturing in 2028[1]	3,730	April 2028	3,730	4.3%	-
Bond maturing in 2030[1]	3,730	May 2030	3,730	3.7%	-
Total outstanding committed loan facilities at 31 December	**15,094**		**8,007**		**7,087**

[1] Sustainability-linked facilities with an interest rate tied to the achievement of specific sustainability targets. The facilities have no covenants affecting loan maturity, except for the revolving credit facilities and the term loan, which are subject to a net debt to EBITDA ratio covenant of 2.5x measured quarterly.

INTEREST RATE RISK

Interest rate risk is the risk of interest rate fluctuations resulting in changed interest payments and market value of net borrowings. At the reporting date, only the revolving credit facilities were based on floating interest rates.

Pandora has entered into cross-currency interest rate swaps related to the EUR bonds maturing in 2028 and 2030, respectively. Interest payments are swapped from fixed EUR into a fixed interest rate in DKK.

All else being equal, it is estimated that a general increase in interest rates by 1.0 percentage point would lead to a DKK 28 million decrease in profit before tax and equity, excluding tax effect (2024: DKK 29 million decrease).

NOTE 4.4
FINANCIAL RISKS (CONTINUED)

CONTRACTUAL MATURITIES OF FINANCIAL LIABILITIES

The table to the right breaks the Group's financial liabilities down into relevant maturity groupings based on contractual maturities for:

- all non-derivative financial liabilities;
- net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows.

Based on the Group's expectations for the future operation and the Group's current cash resources, no significant liquidity risks have been identified.

FINANCIAL LIABILITIES FALL DUE AS FOLLOWS

DKK million	Within 1 year	Within 1-5 years	After more than 5 years	Total
2025				
Non-derivatives				
Loans and borrowings	1,422	350	-	1,772
Bonds	313	8,552	-	8,865
Lease liabilities	1,622	3,980	1,596	7,199
Trade payables	4,623	-	-	4,623
Other payables	134	140	2	277
Derivatives				
Derivative financial liabilities	35	-	-	35
Total financial liabilities at 31 December	**8,149**	**13,023**	**1,599**	**22,770**
2024				
Non-derivatives				
Loans and borrowings	204	430	50	685
Bonds	312	4,812	3,875	8,999
Lease liabilities	1,535	3,773	1,530	6,838
Trade payables	3,894	-	-	3,894
Other payables	171	167	9	347
Derivatives				
Derivative financial liabilities	152	-	-	152
Total financial liabilities at 31 December	**6,269**	**9,182**	**5,464**	**20,916**

NOTE 4.5
DERIVATIVE FINANCIAL INSTRUMENTS

Pandora uses a number of derivative financial instruments to hedge its exposure to fluctuations in commodity prices, interest rates, and exchange rates.

Derivative financial instruments include silver and gold forward contracts, foreign exchange forward contracts and cross-currency interest rate swaps.

Pandora has entered into cross-currency interest rate swaps related to the fixed rate bonds maturing in 2028 and 2030, respectively. The swaps have a notional amount of EUR 1.0 billion (2024: EUR 1.0 billion) whereby Pandora receives a fixed rate of interest of 4.2% in EUR and pays interest at a fixed rate equal to 4.0% in DKK.

It is Pandora's general policy to hedge at least 70% of the Group's expected silver and gold purchases based on a rolling 12-month production plan. Realised hedges are initially recognised in Group inventories and will subsequently impact cost of sales when the products are sold. The time lag from purchase to impact on cost of sales is usually 5 to 10 months.[1]

Following a significant decrease in silver prices in early April 2025, a strategic decision was made to increase the hedged volume by adding a significant portion of the 2026 purchases at around 30 USD/oz. As a result of the high silver volumes hedged in April 2025, combined with expected lower silver consumption driven by creative innovation, Pandora did not enter into additional hedges in the second half of 2025. As of December 2025, Pandora has hedged approximately 70% of expected commodity exposures for the next 12 months of purchases, in line with policy. Due to the 5 to 10 months lag between realising hedged purchases to impact on cost of sales, this hedge ratio effectively covers approximately 90-100% of the 2026 income statement exposure in cost of sales from silver and gold price movements. The table above illustrates when the hedges are estimated to impact our cost of sales in 2026, as well as the average hedged price per quarter.

[1] Historically, we have communicated a 2–7 month lag assumption. Over the past years, the realised timing has trended towards the upper end of that range. Accordingly, we have updated the assumption to 5–10 months to better reflect current operating flows. This is a technical timing clarification only, with no impact from demand trends.

DERIVATIVE FINANCIAL INSTRUMENTS DKK million	Assets	Liabilities	Carrying amount	Hedge reserve, net of tax
2025				
Commodities	1,689	-1	1,688	1,129
Foreign exchange	10	-33	-23	-18
Interest rate	9	-	9	7
Total derivative financial instruments	**1,709**	**-35**	**1,674**	**1,118**
2024				
Commodities	49	-88	-39	-30
Foreign exchange	106	-64	42	33
Interest rate	7	-	7	5
Total derivative financial instruments	**162**	**-152**	**10**	**8**

HEDGED PRICES FOR PURCHASES AND EXPECTED PHASING INTO COST OF SALES (USD/OZ)[2]		Realised in 2025	Q1 2026	Q2 2026	Q3 2026	Q4 2026
Silver	Estimated net price, cost of sales[3]	27.6	~32	~32	~31	~38
	Hedged price, purchases	31.3	30.1	29.8	-	-
Gold	Estimated net price, cost of sales	2,372	~2,700	~2,950	~3,350	~3,800
	Hedged price, purchases	2,847	3,663	4,123	4,424	4,588

[2] The estimated net price in cost of sales reflects the commodity prices that will be recognised in the income statement at the point of sale, i.e. including the impact of the time lag, whereas the hedge price at the time of purchase reflects the actual hedged price paid. The estimate is based on our current operating flow, time lag estimates, and projected product mix for 2026.
[3] The hedge ratio for the year is expected to cover 90-100% of cost of sales, the simulated rates in the table assumes 95%. The unhedged portion assumes a silver spot price of USD 82/oz.

CLASSIFICATION ACCORDING TO THE FAIR VALUE HIERARCHY

The fair value at 31 December 2025 of Pandora's derivative financial instruments was measured in accordance with level 2 in the fair value hierarchy (IFRS 13). Level 2 is based on non-quoted prices, observable either directly (as prices) or indirectly (derived from prices). Pandora uses input from third-party valuation specialists to quote prices for unrealised derivative financial instruments. The value of unrealised silver and gold instruments is tested against the prices observable at the London Bullion Market Association (LBMA). The value of unrealised foreign exchange and interest instruments is tested against observable foreign exchange and interest forward rates.

The value of financial instruments recognised in other comprehensive income is recycled from equity at the time the hedged transaction occurs, which is when the instrument is settled, within 12 months. The settlement period of the interest rate financial instruments is significantly longer and follows the maturity of the bonds.

NOTE 4.5
DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

ACCOUNTING POLICIES

Derivative financial instruments are initially recognised at fair value at the date on which a contract is entered into and are subsequently measured at fair value. For derivative financial instruments not traded in an active market, the fair value is determined using appropriate valuation methods. Such methods may include comparison with recent arm's length market transactions, reference to the current fair value of another instrument that is substantially the same, or discounted cash flow analysis.

Pandora has designated certain derivative financial instruments as cash flow hedges as defined under IFRS 9. Hedge accounting is classified as a cash flow hedge when the hedges of a particular risk are associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions.

Pandora designates and documents all hedging relationships between commodity contracts and purchase transactions relating to silver and gold. The effective portion of the unrealised gain or loss on all hedging instruments is recognised directly as other comprehensive income in the equity hedging reserve. The ineffective portion is recognised in net financials. The effective portion of the realised gain or loss from commodity hedging is recognised in inventories and subsequently in cost of sales. The realised profit (loss) from exchange rate hedging is recognised in financial items.

DERIVATIVE FINANCIAL INSTRUMENTS THAT QUALIFY FOR CASH FLOW HEDGE ACCOUNTING

The hedges are expected to be highly effective due to the nature of the economic relation between the exposure and the hedge. Hedge ineffectiveness can arise from the differences in the timing and in the forecasted amount of the cash flows of the hedged items and the hedging instruments.

The effective portion of the unrealised gain or loss on all hedging instruments is recognised directly as other comprehensive income in the equity hedging reserve. The ineffective portion is recognised in net financials.

The effective portion of the realised gain or loss on a commodity hedging transaction is recognised in Group inventories and subsequently in cost of sales whereas the ineffective portion is realised in net financials. The impact in net financials was a gain of DKK 2 million (2024: gain of DKK 26 million). The realised gain or loss on all foreign exchange contracts is recognised in net financials.

For information about risk management strategy, see *note 4.4 Financial risks*.

NOTE 4.6
NET FINANCIALS

FINANCE INCOME DKK million	2025	2024
Reclassified from equity hedge reserves	157	46
Total finance income from derivative financial instruments	**157**	**46**
Finance income from loans and receivables measured at amortised cost:		
Foreign exchange gains	77	163
Interest income, bank	43	32
Interest income, loans and receivables	2	7
Total finance income from loans and receivables	**121**	**202**
Total finance income	**279**	**248**

FINANCE COSTS DKK million	2025	2024
Reclassified from equity hedge reserves	24	158
Total finance costs from derivative financial instruments	**24**	**158**
Finance costs from financial liabilities measured at amortised cost:		
Foreign exchange losses	133	221
Interest on loans and borrowings	424	420
Interest on lease liabilities	422	381
Other finance costs	146	117
Total finance costs from loans and borrowings	**1,125**	**1,139**
Total finance costs	**1,149**	**1,297**

ACCOUNTING POLICIES

Finance income and costs comprise interest income and expenses, realised and unrealised gains and losses on payables/receivables and transactions in foreign currencies.

For all financial instruments measured at amortised cost, interest income or expenses are recognised using the effective interest rate, which is the rate that discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability.

SECTION 5

OTHER DISCLOSURES

The Glass Box pop-up launch
In the fall, Pandora activated a curated selection of styles, including the new Talisman Collection, in a creative pop-up located at the Grove in Los Angeles, the United States. The pop-up was activated with a PR and influencer event and later opened to the public.

NOTE 5.1
CONTINGENT ASSETS AND LIABILITIES

LITIGATION
Pandora is from time to time party to various legal proceedings with current business partners, authorities and other third parties, related to copyright, marketing conduct and pricing. None of these proceedings is expected to have a material impact on Pandora's financial position or future earnings.

SIGNIFICANT ACCOUNTING ESTIMATES

The factors taken into account when estimating a potential liability in connection with litigation include the nature of the litigation or claim. Other factors taken into account are the development of the case, the judgements and recommendations of legal or other advisers, experience from similar cases and management's decision on how the Group will react to the litigation or claim.

CONTRACTUAL OBLIGATIONS
Pandora has entered into a number of long-term purchase, sales and supply contracts in the course of the Group's ordinary business. Contractual obligations amounted to DKK 1,127 million at 31 December 2025 (2024: DKK 1,092 million) and relate mainly to commercial collaborations and IT contracts.

Apart from the liabilities already recognised in the balance sheet, no significant financial losses are expected to be incurred as a result of these contracts.

CONTINGENT ASSETS
The Group is involved in a few legal disputes, including those related to the insurance compensation for Pandora's European Distribution Center, located in Hamburg, Germany, that was affected by a fire in October 2022, a receivable due from the former Russian distributor, and other recourse claims. Based on legal advice, management considers it probable that some level of compensation will be received from some or all these matters. As the potential inflow of economic benefits cannot be reliably estimated, no asset has been recognised in the Financial Statements at 31 December 2025.

NOTE 5.2
RELATED PARTIES

RELATED PARTIES WITH SIGNIFICANT INTERESTS
Related parties of Pandora include the Board of Directors, Executive Leadership Team and their close family members. Other related parties also include companies in which the aforementioned persons have control or significant interests.

TRANSACTIONS WITH RELATED PARTIES
As part of the share buyback carried out in 2025, Pandora purchased own shares from shareholders. The shares were purchased at the volume-weighted average purchase price for the shares purchased under the share buyback programme in the market on the relevant day of trading.

Pandora did not enter into any transactions with members of the Board of Directors or the Executive Leadership Team, except for compensation and benefits received as a result of their membership of the Board of Directors, employment with Pandora or shareholdings in Pandora. For further information, see *note 2.2 Staff costs* and *note 2.3 Share-based payments*.

NOTE 5.3
FEES TO INDEPENDENT AUDITOR

FEES TO INDEPENDENT AUDITOR DKK million	2025	2024
Fee for statutory audit	15	14
Other assurance engagements	3	3
Total audit-related services	**18**	**17**
Tax consultancy	0	0
Other services	0	1
Total non-audit services	**0**	**1**
Total fees to independent auditor	**18**	**18**

The costs in the table above are recognised in the income statement as administrative expenses.

Pandora has implemented a policy regarding non-audit services provided by the auditor appointed at the Annual General Meeting. The policy states which services are allowed or prohibited.

In addition to statutory audit, EY Godkendt Revisionspartnerselskab, the Group auditors appointed at the Annual General Meeting, provided other assurance engagements, primarily consisting of a limited assurance report on the Sustainability Statements, a reasonable assurance report on the Remuneration Report, as well as audit of turnover certificates. All non-audit services have been approved according to the policy for non-audit services and within the 70% fee cap restrictions.

NOTE 5.4
EVENTS OCCURRING AFTER THE REPORTING PERIOD

No subsequent events have occurred after the balance sheet date that required adjustment to or disclosure in the consolidated financial statements, apart from the refinancing of the revolving credit facility, see *note 4.4 Financial risks*.

NOTE 5.5
COMPANIES IN THE PANDORA GROUP

The table below shows information about the Group entities at 31 December 2025.

Company	Ownership	Registered office	Date of consolidation
OWNED BY PANDORA A/S			
Pandora Jewelry Argentina SRL	100%	Argentina	27 September 2017
AD Astra Holdings Pty Ltd.	100%	Australia	1 July 2009
Pandora Österreich GmbH	100%	Austria	23 May 2012
Pandora Jewellery Belgium NV	100%	Belgium	13 April 2017
Pandora do Brasil Participações Ltda.	100%	Brazil	24 October 2013
Pandora Jewelry Ltd.	100%	Canada	7 March 2008
Pandora Jewelry Chile SpA	100%	Chile	7 May 2017
Pandora Jewelry Colombia S.A.S	100%	Colombia	17 January 2019
Pandora Int. ApS	100%	Denmark	1 October 2009
Pan Me A/S	100%	Denmark	16 January 2015
Pandora Jewelry Taiwan A/S	100%	Denmark	18 May 2018
Pandora Production Holding A/S	100%	Denmark	3 May 2022
Pandora Jewellery UK Limited	100%	England	1 December 2008
Pandora UK Hub Limited	100%	England	1 April 2024
Pandora Jewelry Finland Oy	100%	Finland	1 January 2012
Pandora France SAS	100%	France	25 February 2011
Pandora Jewelry GmbH	100%	Germany	5 January 2010
Pandora EMEA Distribution Center GmbH	100%	Germany	5 December 2011
Pandora Greece Single Member S.A.	100%	Greece	1 October 2023
Pandora Jewelry Asia-Pacific Limited	100%	Hong Kong	1 November 2009
Pan Jewelry Limited	100%	Ireland	10 January 2018
Pandora Italia SRL	100%	Italy	23 May 2012
Pandora Jewelry Japan Ltd.	100%	Japan	29 October 2014
Pandora Jewelry Macau Company Ltd.	100%	Macau	1 January 2016
Pandora Jewelry Mexico, S.A. de C.V.	100%	Mexico	8 March 2017
Pandora Jewelry Mexico Servicios, S.A. de C.V.	100%	Mexico	8 March 2017
Pandora Jewelry B.V.	100%	Netherlands	20 September 2010
Pandora Jewelry Panama S.A.	100%	Panama	5 July 2016
Pandora Jewelry Panama Retail, S.A.	100%	Panama	14 April 2021
Pandora Jewelry Peru S.A.C	100%	Peru	10 July 2018
Pandora Jewelry CEE Sp. z.o.o.	100%	Poland	1 March 2009
Pandora Jewelry Shared Services Sp. z.o.o.	100%	Poland	7 February 2012
Pandora Portugal, Unipessoal LDA	100%	Portugal	4 April 2022
Pandora Jewelry Singapore Pte. Ltd.	100%	Singapore	1 January 2016

Company	Ownership	Registered office	Date of consolidation
OWNED BY PANDORA A/S			
Pandora Jewelry Slovakia s.r.o.	100%	Slovakia	6 September 2016
Pandora Jewellery South Africa Pty Ltd.	100%	South Africa	31 January 2017
Pandora Jewellery Spain S.L	100%	Spain	28 September 2017
Pandora Sweden AB	100%	Sweden	4 November 2013
Pandora Schweiz AG	100%	Switzerland	6 December 2011
Pandora Services Co. Ltd.	100%	Thailand	15 October 2010
Pandora Jewelry Mücevherat Anonim Şirketi	100%	Turkey	4 November 2013
Pandora Jewelry Inc.	100%	United States	1 July 2008
Pandora Jewelry Latam LLC	100%	United States	20 October 2021

Company	Ownership	Registered office	Date of consolidation
OWNED BY OTHER COMPANIES IN THE PANDORA GROUP			
Pandora Jewelry Pty Ltd.	100%	Australia	1 July 2009
Pandora Retail Pty Ltd.	100%	Australia	1 July 2009
Pandora do Brasil Comércio e Importação Ltda.	100%	Brazil	24 October 2013
Pyrrha Importação e Comércio Atacadista Ltda.	100%	Brazil	3 October 2023
Pandora Franchise Canada Ltd.	100%	Canada	19 January 2011
Pandora Retail Canada Ltd.	100%	Canada	4 February 2014
Pandora Jewelry (Shanghai) Company Ltd.	100%	China	4 February 2015
Pandora Jewelry Design (Beijing) Company Ltd.	100%	China	1 March 2016
Pandora Jewelry CR s.r.o.	100%	Czech Republic	2 December 2009
Pandora Jewelry Hong Kong Company Ltd.	100%	Hong Kong	4 February 2015
Pandora Jewelry Hungary Ltd.	100%	Hungary	2 June 2010
Pandora Norge AS	100%	Norway	17 August 2010
Pandora Jewelry Romania SRL	100%	Romania	18 August 2011
Pandora Production Co. Ltd.	100%	Thailand	7 March 2008
Panmeas Jewellery LLC	100%	United Arab Emirates	16 January 2015
Pandora Jewelry LLC	100%	United States	7 March 2008
Pandora Franchising LLC	100%	United States	1 November 2009
Pandora Ventures LLC	100%	United States	10 May 2012
Pandora ECOMM LLC	100%	United States	21 August 2014
Pandora Production Vietnam Company Limited	100%	Vietnam	31 March 2023

The Pandora Group has five dormant companies, which have been omitted from the table.

NOTE 5.6
FINANCIAL DEFINITIONS

Key figures and financial ratios stated in the consolidated financial statements have been calculated in accordance with the CFA Society Denmark guidelines.

Revenue growth, %	(Current year's revenue - last year's revenue) / last year's revenue
Revenue growth, local currency, %	(Current year's revenue at last year's exchange rates – last year's revenue) / last year's revenue
Gross margin, %	Gross profit / revenue
Effective tax rate, %	Income tax expense / profit before tax
Equity ratio, %	Equity / total assets
Total payout ratio, %	(Dividends paid for the year + value of share buyback) / net profit
EPS, basic	Net profit / average number of shares outstanding
EPS, diluted	Net profit / average number of shares outstanding, including the dilutive effect of share options "in the money"

Forward-looking statements
This Annual Report 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.

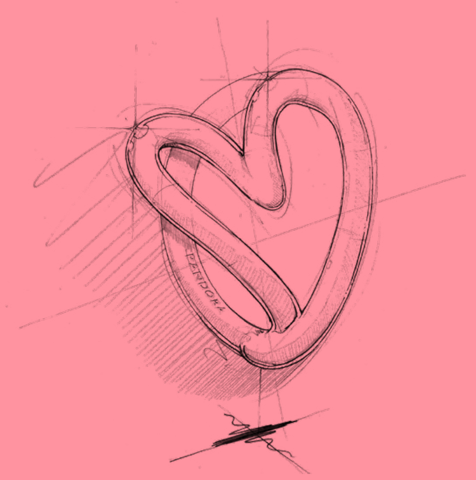
Pandora presents the following alternative performance measures not defined according to IFRS Accounting Standards (non-GAAP measures) in the Annual Report:

Like-for-like, %	Like-for-like growth includes sell-out from all concept stores (including partner-owned), owned and operated Shop in Shops and Pandora Online. Partner-owned other points of sale are not included in like-for-like. The KPI includes stores which have been operating for +12 months
Organic growth, %	Revenue growth in local currency relative to the same period in the comparative year adjusted for the acquisition/ divestment of distributors and franchisee stores (the effect of converting wholesale to retail revenue and vice versa)
EBITDA	Profit before interest, tax, depreciation and amortisation
EBITDA margin, %	EBITDA / revenue
EBIT	Profit before interest and tax
EBIT margin, %	EBIT / revenue
Return on invested capital (ROIC), %	Last 12 months' EBIT / last 12 months' average invested capital including goodwill
Free cash flows incl. lease payments	Cash flows from operating activities, excluding financial items and cash flows from investing activities excluding acquisitions of subsidiaries and activities and including the repayment of lease commitments
Capital expenditure (CAPEX)	Purchase of intangible assets and property, plant and equipment for the year, excluding acquisitions of subsidiaries
Days sales outstanding (DSO)	Last three months of wholesale and third-party distribution revenue relative to trade receivables from these channels and not adjusted for VAT
Net interest-bearing debt (NIBD)	Loans, borrowings, capitalised leases and other liabilities relating to obligations to acquire non-controlling interests (current and non-current) less cash
NIBD to EBITDA	NIBD / EBITDA (rolling 12 months)
Cash conversion incl. lease payments, %	Free cash flows incl. lease payments / EBIT

Furthermore, a breakdown of "Operating working capital", "Net working capital", "Net working capital excl. derivatives" and "Invested capital" is given on the Financial Statements section 3 divider.

CONTENTS

PARENT COMPANY



PRIMARY FINANCIAL STATEMENTS

SECTION 1: BASIS OF PREPARATION

SECTION 2: RESULTS FOR THE YEAR

SECTION 3: INVESTED CAPITAL AND WORKING CAPITAL ITEMS

SECTION 4: CAPITAL STRUCTURE AND NET FINANCIALS

SECTION 5: OTHER DISCLOSURES

Notes for the Parent Company

The notes are grouped into five sections. The notes contain the relevant financial information as well as a description of accounting policies, judgements and estimates applied for the topics of the individual notes. For some notes, reference is made to notes in the consolidated financial statements.

PANDORA A/S PERFORMANCE REVIEW

The Parent Company operates as the principal of Pandora, and all inventories are consequently traded from the crafting facilities in Thailand to wholesalers and sales subsidiaries through the Parent Company. Similarly, all inventories are returned from subsidiaries through the Parent Company for the purpose of remelting any excess inventory. Gross profit is therefore impacted by realised losses from remelting activities, unrealised losses from inventory write-downs and fluctuations in silver and gold market prices.

Apart from the sale of jewellery, the Parent Company maintains and develops Group functions, including administration, distribution, business development, retail set-up, product development, and risk management, which all determine the activity level in the Parent Company. The risk management activities carried out by the Parent Company include hedging the Group's risk relating to commodity prices, exchange and interest rates.

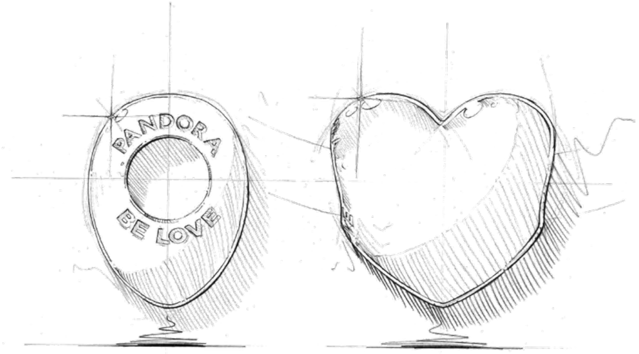
REVENUE	NET PROFIT
17.1	5.8
DKK billion	DKK billion
2024: 16.4	2024: 5.4

Revenue was DKK 17.1 billion (2024: DKK 16.4 billion), while net profit was DKK 5.8 billion (2024: DKK 5.4 billion). The increase in net profit was mainly driven by higher activity and positive value adjustments of commodity contracts of DKK 2.3 billion, partly offset by an impairment of investments in subsidiaries of DKK 1.4 billion. In addition, Pandora A/S received dividends from subsidiaries of DKK 2.0 billion in 2025 compared to DKK 1.7 billion in 2024. At the end of 2025, equity amounted to DKK 14.1 billion (2024: DKK 14.2 billion), including profit for the year which was offset by share buybacks of DKK 4.4 billion and a dividend paid of DKK 20 per share, corresponding to DKK 1.6 billion (2024: DKK 1.5 billion). Free cash flows including lease payments ended at DKK 5.5 billion (2024: DKK 6.5 billion). The decrease is mainly driven by changes in intercompany balances and higher income tax paid, partly offset by effective cash management.

OTHER EVENTS AND IMPACTS IN 2025

- In 2025, Pandora initiated a new share buyback programme of DKK 4.0 billion. In 2025, Pandora purchased 4,406,713 own shares, corresponding to a total purchase price of DKK 4.4 billion (DKK 0.4 billion related to the share buyback programme from 2024, and DKK 4.0 billion related to the share buyback programme in 2025).

- In 2025, Pandora A/S restructured its intragroup funding structure and increased its investments in subsidiaries through a combination of capital contribution and debt conversions, amounting to DKK 1.5 billion. For more details, see *note 3.3 Investments in subsidiaries and business combinations*.



- As at 31 December 2025, following the restructuring of the intragroup funding structure and the related capital contributions, the updated cost base of the investments in subsidiaries was tested for impairment. The impairment test identified impairment charges of DKK 1.4 billion (2024: DKK 0 billion), relating to investments in subsidiaries in China (DKK 1.0 billion) and Brazil (DKK 0.4 billion). For more details, see *note 3.3 Investments in subsidiaries and business combinations*.

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER

INCOME STATEMENT

DKK million	Notes	2025	2024
Revenue	2.1	17,120	16,442
Cost of sales	4.4	-5,352	-6,443
Gross profit		**11,768**	**9,999**
Sales, distribution and marketing expenses	2.2, 3.1	-2,807	-2,891
Administrative expenses	2.2, 3.1	-1,664	-1,541
Operating profit		**7,297**	**5,568**
Dividends from subsidiaries	3.3	1,993	1,749
Impairment of investments in subsidiaries	3.3	-1,433	-
Finance income	4.5	474	461
Finance costs	4.5	-809	-929
Profit before tax		**7,522**	**6,849**
Income tax expense	2.4	-1,759	-1,434
Net profit for the year		**5,764**	**5,415**

STATEMENT OF COMPREHENSIVE INCOME

DKK million	Notes	2025	2024
Net profit for the year		**5,764**	**5,415**
Other comprehensive income:			
Items that have been or may be reclassified to profit/loss for the year			
Commodity hedging instruments:			
- Realised in cost of sales		-	2
- Realised in net financials		-2	-26
- Fair value adjustments		3	42
Interest rate hedging instruments:			
- Realised in net financials		-16	-
- Fair value adjustments		19	7
Foreign exchange rate hedging instruments:			
- Realised in net financials		-115	137
- Fair value adjustments		50	-70
Tax on other comprehensive income	2.4	14	-20
Other comprehensive income, net of tax		**-48**	**71**
Total comprehensive income for the year		**5,715**	**5,486**

BALANCE SHEET
AT 31 DECEMBER

ASSETS

DKK million	Notes	2025	2024
Intangible assets	3.1	4,387	4,159
Property, plant and equipment		21	27
Right-of-use assets	3.2	65	99
Investments in subsidiaries	3.3	18,706	18,575
Loans to subsidiaries	5.2	692	724
Other financial assets		31	20
Total non-current assets		**23,901**	**23,604**
Inventories	3.4	1,082	953
Trade receivables		1	1
Receivables from subsidiaries	5.2	3,890	5,409
Contract assets	3.5	517	636
Derivative financial instruments	4.3, 4.4	1,709	162
Other receivables		342	196
Cash		378	1,288
Total current assets		**7,918**	**8,646**
Total assets		**31,819**	**32,249**

EQUITY AND LIABILITIES

DKK million	Notes	2025	2024
Share capital	4.1	79	82
Treasury shares		-4,236	-3,228
Reserves		729	587
Dividend proposed		1,641	1,576
Retained earnings		15,856	15,162
Total equity		**14,070**	**14,179**
Provisions		60	58
Loans and borrowings	4.2, 4.3	7,757	7,892
Deferred tax liabilities	2.4	427	82
Other payables		127	152
Total non-current liabilities		**8,371**	**8,184**
Refund liabilities	3.5	2,839	2,704
Loans and borrowings	4.2, 4.3	1,614	361
Derivative financial instruments	4.3, 4.4	35	152
Payables to subsidiaries	4.3, 5.2	3,243	4,872
Trade payables	3.6, 4.3	1,018	798
Income tax payable		272	456
Other payables	4.3	359	542
Total current liabilities		**9,378**	**9,886**
Total liabilities		**17,750**	**18,070**
Total equity and liabilities		**31,819**	**32,249**

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER

DKK million	Notes	Share capital	Treasury shares	Hedging reserve	Other reserves[1]	Dividend proposed	Retained earnings	Total equity
2025								
Equity at 1 January		82	-3,228	38	550	1,576	15,162	14,179
Net profit for the year		-	-	-	-	-	5,764	5,764
Other comprehensive income, net of tax		-	-	-48	-	-	-	-48
Total comprehensive income for the year		**-**	**-**	**-48**	**-**	**-**	**5,764**	**5,715**
Transfers		-	-	-	191	-	-191	-
Share-based payments	2.3	-	180	-	-	-	-82	98
Purchase of treasury shares	4.1	-	-4,356	-	-	-	-	-4,356
Cancellation of treasury shares	4.1	-3	3,168	-	-	-	-3,165	-
Dividend paid		-	-	-	-	-1,576	10	-1,567
Dividend proposed		-	-	-	-	1,641	-1,641	-
Equity at 31 December		**79**	**-4,236**	**-11**	**740**	**1,641**	**15,856**	**14,070**
2024								
Equity at 1 January		89	-4,353	-34	415	1,480	16,407	14,005
Net profit for the year		-	-	-	-	-	5,415	5,415
Other comprehensive income, net of tax		-	-	71	-	-	-	71
Total comprehensive income for the year		**-**	**-**	**71**	**-**	**-**	**5,415**	**5,486**
Transfers		-	-	-	134	-	-134	-
Share-based payments	2.3	-	209	-	-	-	-13	195
Purchase of treasury shares	4.1	-	-4,036	-	-	-	-	-4,036
Cancellation of treasury shares	4.1	-7	4,952	-	-	-	-4,945	-
Dividend paid		-	-	-	-	-1,471	-	-1,471
Dividend proposed		-	-	-	-	1,568	-1,568	-
Equity at 31 December		**82**	**-3,228**	**38**	**550**	**1,576**	**15,162**	**14,179**

[1] Other reserves include non-distributable reserves under Danish legislation relating to the capitalisation of internal development projects.

The Board of Directors will propose at the Annual General Meeting that a dividend of DKK 22 per share, corresponding to DKK 1.6 billion (2024: DKK 20 per share, corresponding to DKK 1.6 billion), be distributed for 2025.

In 2025, Pandora continued the share buyback programmes, which resulted in repurchases of 4,406,713 treasury shares, corresponding to DKK 4.4 billion (2024: 3,704,669 treasury shares, corresponding to DKK 4.0 billion).

For further shareholder information on dividend payments, see page 38.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER

DKK million	Notes	2025	2024
Operating profit		7,297	5,568
Depreciation and amortisation, etc.		254	288
Share-based payments	2.3	83	129
Change in inventories	3.4	-129	-129
Change in intercompany receivables/payables		1,338	1,268
Change in receivables		-270	33
Change in payables and other liabilities		178	514
Other non-cash adjustments[1]		-1,469	41
Finance income received		313	237
Finance costs paid		-563	-575
Income tax paid		-1,590	-1,132
Cash flows from operating activities, net		**5,441**	**6,240**
Acquisitions of subsidiaries and activities, net of cash acquired	3.3	-1,308	-494
Purchase of intangible assets		-438	-322
Purchase of property, plant and equipment		-18	-25
Change in financial assets		-	1
Proceeds from sale of property, plant and equipment		-	1
Dividends received[2]		689	761
Change in interest-bearing loans to/from subsidiaries		-436	-450
Cash flows from investing activities, net		**-1,511**	**-528**
Dividend paid		-1,567	-1,471
Purchase of treasury shares		-4,384	-4,013
Proceeds from loans and borrowings	4.2	1,200	3,674
Repayment of loans and borrowings	4.2	-101	-2,706
Repayment of lease commitments	4.2	-33	-34
Cash flows from financing activities, net		**-4,884**	**-4,550**
Net increase/decrease in cash		**-954**	**1,163**

DKK million	Notes	2025	2024
Cash and cash equivalents at 1 January		1,270	107
Net increase/decrease in cash		-954	1,163
Cash and cash equivalents at 31 December		**315**	**1,270**
Cash balances		378	1,288
Overdrafts		-63	-18
Cash and cash equivalents at 31 December		**315**	**1,270**
Cash flows from operating activities, net		5,441	6,240
- Finance income received		-313	-237
- Finance costs paid		563	575
Cash flows from investing activities, net		-1,511	-528
- Acquisition of subsidiaries and activities, net of cash acquired		1,308	494
Repayment of lease commitments		-33	-34
Free cash flows incl. lease payments		**5,456**	**6,511**
Unutilised committed credit facilities[3]		**7,095**	**7,087**

[1] "Other non-cash adjustments" mainly comprise effects from unrealised derivative financial instruments.
[2] Non-cash dividends received amounted to DKK 1.3 billion (2024: DKK 1.0 billion).
[3] See *note 4.4 Financial risks* to the consolidated financial statements.

The above cannot be derived directly from the income statement and the balance sheet.

NOTE 1.1
GENERAL ACCOUNTING POLICIES

The Parent Company financial statements show the financial position, results and cash flows of Pandora A/S on a non-consolidated basis for the financial year 1 January to 31 December 2025.

PARENT COMPANY FINANCIAL STATEMENTS

The accounting policies of the Parent Company are unchanged from last year and identical to the accounting policies in Pandora's consolidated financial statements, with the following exceptions:

FOREIGN CURRENCY TRANSLATION

Foreign exchange adjustments of balances accounted for as part of the total net investment in entities that have a functional currency other than DKK are recognised in profit for the year as net financials in the Parent Company financial statements.

DERIVATIVE FINANCIAL INSTRUMENTS

The realised and unrealised gains and losses on all commodity hedging instruments are recognised in cost of sales.
Derivative financial instruments are treated as economic hedging if the hedge accounting requirements in IFRS 9 are not met.

DIVIDENDS FROM SUBSIDIARIES

Dividends from investments in subsidiaries are recognised in the financial year in which they are declared.

INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries are measured at cost. Impairment testing is carried out if there is any indication of impairment, as described in Pandora's consolidated financial statements. The carrying amount is written down to the recoverable amount whenever the carrying amount exceeds the recoverable amount. If the Parent Company has a legal or constructive obligation to cover a deficit in subsidiaries, a provision for this is recognised.

NOTE 1.2
NEW ACCOUNTING POLICIES AND DISCLOSURES

The description in *note 1.2 New accounting policies and disclosures* to the consolidated financial statements regarding new standards issued effective for the Annual Report 2025 fully covers the Parent Company as well. In regards to IFRS 18 Presentation and Disclosure in Financial Statements, the new requirements expect to impact the presentation and disclosure of the Parent Company's financial statements. Pandora is currently assessing the implications and closely monitoring implementation guidance, consistent with the Group.

NOTE 1.3
MANAGEMENT'S JUDGEMENTS AND ESTIMATES UNDER IFRS ACCOUNTING STANDARDS

SIGNIFICANT ACCOUNTING ESTIMATES

In the process of preparing the Parent Company financial statements, a number of accounting estimates and judgements have been made that affect assets and liabilities at the reporting date and income and expenses for the reporting period. Management regularly reassesses these estimates and judgements, partly on the basis of historical experience and a number of other factors in the given circumstances, see *note 1.3 Management's judgements and estimates under IFRS Accounting Standards* to the consolidated financial statements.

Estimates that are material to the Parent Company's financial statements are made on determination of impairment of subsidiaries, see *note 3.3 Investments in subsidiaries and business combinations*, on return and warranty provision, see *note 2.1 Revenue from contracts with customers* and on inventory, see *note 3.4 Inventories*. All the remaining judgements and estimates are similar to *note 1.3 Management's judgements and estimates under IFRS Accounting Standards* to the consolidated financial statements as the Parent Company is the principal to its subsidiaries.

NOTE 2.1
REVENUE FROM CONTRACTS WITH CUSTOMERS

REVENUE BY SALES CHANNEL

DKK million	2025	2024
Distributors	17,120	16,442
Total revenue	**17,120**	**16,442**

Revenue mainly comprises sales of jewellery to subsidiaries carrying out the distribution. All sales are thus intra-group sales. Contracts are generally five-year distribution contracts.

REVENUE BY COLLECTIONS

DKK million	2025	2024
Core	**12,449**	**11,956**
- Moments	10,693	10,270
- Collabs	1,222	1,174
- ME	533	512
Fuel with more	**4,671**	**4,486**
- Timeless	3,550	3,409
- Signature	370	356
- PANDORA ESSENCE[1]	571	548
- Pandora Lab-Grown Diamonds	180	173
Total revenue	**17,120**	**16,442**
Goods transferred at a point in time	17,120	16,442
Total revenue	**17,120**	**16,442**

[1] PANDORA ESSENCE was launched in 2024 following a pilot in the Netherlands in 2023.

ACCOUNTING POLICIES

Revenue is recognised when control of the products has been transferred to the subsidiaries. Change of control of the products occurs when they have been delivered to the subsidiary and no further obligation exists that can affect the transfer of control. The Parent Company provides return rights to subsidiaries, which cover products received in subsidiaries for both returns and warranty, based on historical return rates and current return liabilities in subsidiaries.

SIGNIFICANT ACCOUNTING ESTIMATES

Recognition and measurement of revenue is based on estimates relating to expected sales returns allowed to the subsidiaries. These estimates can have a material impact on the timing and measurement of recognised revenue as well as the level of the refund liability. Reductions in revenue from expected sales returns are calculated based on historical return patterns and on a case-by-case basis for commercial and other reasons.

NOTE 2.2
STAFF COSTS

STAFF COSTS

DKK million	2025	2024
Wages and salaries	962	1,076
Pensions	91	83
Share-based payments	83	129
Social security costs	14	22
Other staff costs	271	156
Total staff costs	**1,421**	**1,466**
Staff costs have been recognised in the income statement as follows:		
Sales, distribution and marketing expenses	702	694
Administrative expenses	719	771
Total staff costs	**1,421**	**1,466**
Average number of full-time employees during the year	1,222	1,091

Key management personnel at Pandora A/S represents the same individuals as key management personnel of the Pandora Group. For information regarding remuneration of key management personnel of Pandora A/S, see *note 2.2 Staff costs* to the consolidated financial statements.

NOTE 2.3
SHARE-BASED PAYMENTS

The performance share programmes described in *note 2.3 Share-based payments* to the consolidated financial statements are issued by Pandora A/S. The value of shares granted to employees in the Parent Company's subsidiaries and the recharge of expenses to the subsidiaries in connection with the employees' exercise of share-based awards are recognised as contributions to the investment in the subsidiaries and capital reductions, respectively. As described in *note 2.3 Share-based payments* to the consolidated financial statements, the costs related to share-based payments were DKK 103 million (2024: DKK 166 million), of which DKK 83 million relates to Pandora A/S (2024: DKK 129 million).

NOTE 2.4
TAXATION

INCOME TAX EXPENSE

DKK million	2025	2024
Current income tax charge for the year[1]	1,266	1,473
Change in deferred tax for the year	379	-64
Adjustment to current tax for prior years	139	8
Adjustment to deferred tax for prior years	-25	17
Total income tax expense	**1,759**	**1,434**
Deferred tax on other comprehensive income	-14	20
Tax on other comprehensive income	**-14**	**20**

[1] Withholding taxes are included in the current income tax charge for the year.

RECONCILIATION OF EFFECTIVE TAX RATE AND TAX

	2025		2024	
	%	DKK million	%	DKK million
Profit before tax		7,522		6,849
Income tax rate in Denmark, 22%	22.0%	1,655	22.0%	1,507
Non-taxable dividend income	-5.8%	-438	-5.6%	-385
Non-deductible impairment expenses	4.2%	315	0.0%	-
Non-deductible expenses and non-taxable income	1.0%	76	1.9%	134
Other adjustments incl. adjustment to tax for prior years	1.5%	114	0.4%	25
Withholding taxes	0.5%	37	0.6%	43
Minimum tax	0.0%	-	1.6%	110
Effective income tax rate/income tax expense	**23.4%**	**1,759**	**20.9%**	**1,434**

DEFERRED TAX

DKK million	2025	2024
Deferred tax at 1 January	-82	-139
Recognised in the income statement	-354	47
Recognised in other comprehensive income	14	-20
Recognised in equity, share-based payments	-5	30
Deferred tax at 31 December	**-427**	**-82**
Deferred tax liabilities	-427	-82
Deferred tax, net	**-427**	**-82**

BREAKDOWN OF DEFERRED TAX

DKK million	2025	2024
Intangible assets	-627	-591
Property, plant and equipment	43	6
Inventories	-86	-2
Provisions	516	462
Other assets and liabilities	-273	43
Deferred tax, net	**-427**	**-82**

ACCOUNTING POLICIES

INCOME TAX

Pandora A/S is taxed jointly with its Danish subsidiaries. These subsidiaries are included in the joint taxation from the date they are recognised in the consolidated financial statements and up to the date on which they are no longer consolidated. The jointly taxed Danish companies are taxed under the on-account tax scheme. Pandora A/S is the principal for the Transfer Pricing with all the subsidiaries. Further information is provided in *note 2.4 Taxation* to the consolidated financial statements.

NOTE 3.1
INTANGIBLE ASSETS

INTANGIBLE ASSETS DKK million	Goodwill[1]	Brand[1]	Distribution	Other intangible assets[2]	Total
2025					
Cost at 1 January	1,139	1,044	1,541	2,394	6,117
Additions	-	-	-	450	450
Disposals	-	-	-	-35	-35
Cost at 31 December	**1,139**	**1,044**	**1,541**	**2,809**	**6,533**
Amortisation and impairment losses at 1 January	-	-	492	1,467	1,959
Amortisation for the year	-	-	-	210	210
Disposals	-	-	-	-22	-22
Amortisation and impairment losses at 31 December	**-**	**-**	**492**	**1,654**	**2,146**
Carrying amount at 31 December	**1,139**	**1,044**	**1,049**	**1,155**	**4,387**
2024					
Cost at 1 January	1,139	1,044	1,541	1,927	5,650
Additions	-	-	-	491	491
Disposals	-	-	-	-24	-24
Cost at 31 December	**1,139**	**1,044**	**1,541**	**2,394**	**6,117**
Amortisation and impairment losses at 1 January	-	-	492	1,241	1,732
Amortisation for the year	-	-	-	245	245
Disposals	-	-	-	-19	-19
Amortisation and impairment losses at 31 December	**-**	**-**	**492**	**1,467**	**1,959**
Carrying amount at 31 December	**1,139**	**1,044**	**1,049**	**927**	**4,159**

[1] The impairment test did not identify any need for impairment losses to be recognised and no probable change in any key assumptions that would cause the carrying amount to exceed the recoverable amounts. Pandora A/S has a risk similar to the Pandora Group as per the Transfer Pricing setup. All the assumptions used for the impairment test are similar to the Group assumptions, see *note 3.1 Intangible assets* to the consolidated financial statements.
[2] Other intangible assets include assets that are not yet in use of DKK 548 million (2024: DKK 548 million).

DKK million	2025	2024
Amortisation has been recognised in the income statement as follows:		
Sales, distribution and marketing expenses	95	131
Administrative expenses	115	115
Total	**210**	**245**

NOTE 3.2
LEASES

Amounts recognised in the balance sheet:

RIGHT-OF-USE ASSETS DKK million	2025	2024
Cost at 1 January	99	78
Additions	1	57
Disposals	-	-1
Depreciation for the year	-35	-35
Carrying amount at 31 December	**65**	**99**

LEASE LIABILITIES DKK million	2025	2024
Non-current	29	60
Current	35	35
Total lease liabilities	**64**	**96**

Lease liabilities are recognised in loans and borrowings.

Depreciation on right-of-use assets charged to the income statement for the period was DKK 35 million (2024: DKK 35 million).

Interest expenses for the period was DKK 3 million (2024: DKK 3 million). Total cash outflows relating to leases was DKK 36 million in 2025 (2024: DKK 38 million).

NOTE 3.3
INVESTMENTS IN SUBSIDIARIES AND BUSINESS COMBINATIONS

INVESTMENTS IN SUBSIDIARIES

DKK million	2025	2024
Cost at 1 January	18,877	15,832
Additions[1]	1,544	3,008
Additions relating to share-based payments	20	37
Cost at 31 December	**20,441**	**18,877**
Impairment at 1 January	302	302
Impairment for the year	1,433	-
Impairment at 31 December	**1,735**	**302**
Carrying amount at 31 December	**18,706**	**18,575**

[1] In 2025, mainly relating to additional investment into Pandora Jewelry Asia-Pacific Limited of DKK 0.7 billion and Pandora Production Holding A/S, of DKK 0.6 billion. In 2024, mainly relating to additional investment into Pandora Jewelry Inc., United States, of DKK 1.3 billion, Pandora Jewelry Ltd., Canada, of DKK 0.5 billion, Pandora Jewelry Mexico, S.A. de C.V. of DKK 0.5 billion and Pandora do Brasil Participações Ltda. of DKK 0.5 billion.

DIVIDEND RECEIVED

In 2025, Pandora A/S received a total of DKK 2.0 billion in dividends, mainly from subsidiaries in Denmark (DKK 1.0 billion), the United States (DKK 0.3 billion), Australia (DKK 0.2 billion) and the UK (DKK 0.1 billion).

In 2024, Pandora A/S received a total of DKK 1.7 billion in dividends, mainly from subsidiaries in Denmark (DKK 0.7 billion) and the UK (DKK 0.6 billion).

In 2025, Pandora A/S converted intercompany trade receivables and intercompany loans of DKK 0.1 billion into capital (2024: converted an intercompany loan of DKK 2.5 billion into capital).

ANNUAL IMPAIRMENT TEST

As at 31 December 2025, following the restructuring of the intragroup funding structure and the related capital contributions, the year-end accumulated cost base of the investments in subsidiaries was tested for impairment. The impairment test identified impairment charges of DKK 1.4 billion (2024: DKK 0 billion), relating to investments in subsidiaries in China (DKK 1.0 billion) and Brazil (DKK 0.4 billion), based on their recoverable amounts (DKK 0.1 billion) determined using estimated value-in-use.

The impairment tests are based on a five-year forecast reflecting management's expectations for growth, profitability, network development, and related cash flows. A market-specific discount rate post tax of 11% for China and 20% for Brazil has been applied. The terminal-period growth rate corresponds to the expected long-term inflation rate in the range of 2-4%; accordingly, no real growth has been included in the terminal period when determining the recoverable amounts.

NOTE 3.4
INVENTORIES

INVENTORIES

DKK million	2025	2024
Finished goods	1,008	832
Point-of-sale materials	75	122
Total inventories at 31 December	**1,082**	**953**
Inventory write-downs at 1 January	192	256
Write-downs during the year	150	110
Utilised in the year	-184	-174
Inventory write-downs at 31 December	**157**	**192**

Estimates relating to write-downs are impacted by forecasting accuracy in the number of obsolete products that will need to be remelted. The impact from remelt is also influenced by fluctuations in the market prices of silver and gold.

Inventory write-downs are recognised in the income statement as cost of sales, DKK 112 million (2024: DKK 83 million), and operating expenses, DKK 37 million (2024: DKK 27 million).

NOTE 3.5
CONTRACT ASSETS AND LIABILITIES

CONTRACT ASSETS AND LIABILITIES DKK million	2025	2024
Contract assets		
Right-of-return assets	517	636
Total contract assets	**517**	**636**
Contract liabilities		
Refund liabilities	2,839	2,704
Total contract liabilities	**2,839**	**2,704**

REFUND LIABILITIES
The Parent Company recognises a refund liability related to return rights provided to subsidiaries. The returns relate to external customers, and the Parent Company is carrying the inventory risk as the retail subsidiaries are limited risk distribution entities. The refund liability in Pandora A/S relates to subsidiaries and reflects the lower margin in the Parent Company. A corresponding right-of-return asset is also recognised as part of contract assets. The value of the right-of-return asset is determined by how many of the returned products are expected to be sold. Remaining products are written down to remelt value.

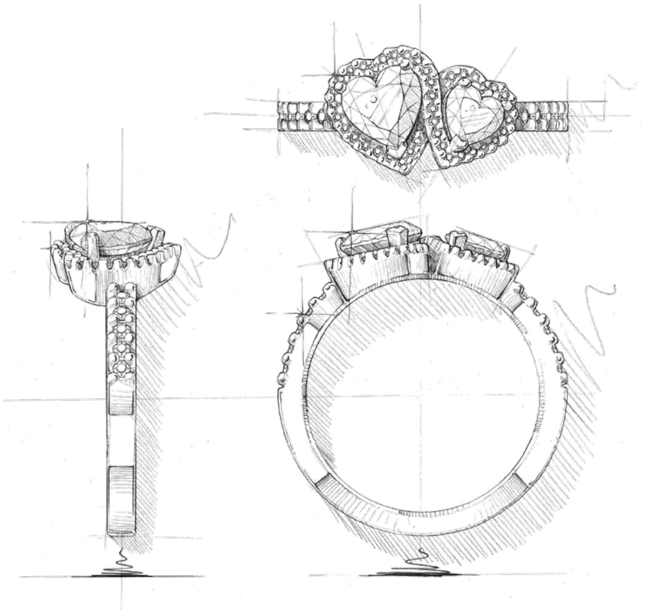
NOTE 3.6
TRADE PAYABLES

Pandora generally accepts that vendors sell off their receivables arising from the sale of goods and services to Pandora to a third party. Pandora A/S has established a supply chain financing programme where vendors can sell off their receivables from Pandora A/S on attractive terms, based on invoices approved by Pandora A/S, but at the bank's sole discretion. The programme does not extend payment terms beyond the original terms agreed. The payment terms for trade payables within the supply chain financing programme range from 100–120 days, while the payment terms for trade payables outside the programme average around 60 days. This is expected, as the programme is generally more attractive to suppliers with longer payment terms.

Pandora A/S is not directly or indirectly a party to these agreements. The amounts payable to suppliers included in the supply chain financing programme are classified as trade payables in the balance sheet as well as in the statement of cash flows (working capital within cash flows from operations) and amounted to DKK 48 million at 31 December 2025 (2024: DKK 33 million). Suppliers have received payment from the bank for all the liabilities under the supplier finance arrangement.

NOTE 4.1
SHARE CAPITAL

See *note 4.1 Share capital* to the consolidated financial statements.



NOTE 4.2
LIABILITIES FROM FINANCING ACTIVITIES

TOTAL LIABILITIES FROM FINANCING ACTIVITIES DKK million	Financial liabilities 1 January	Cash flows, net	New leases	Other[1]	Financial liabilities 31 December
2025					
Non-current borrowings[2]	7,831	-	-	-103	7,729
Non-current lease liabilities	60	-	1	-32	29
Current borrowings[3]	325	1,099	-	155	1,579
Current lease liabilities	35	-33	1	32	35
Total liabilities from financing activities	**8,252**	**1,066**	**1**	**52**	**9,372**
2024					
Non-current borrowings[2]	6,973	1,067	-	-209	7,831
Non-current lease liabilities	51	-	42	-33	60
Current borrowings	266	-99	-	158	325
Current lease liabilities	29	-34	8	32	35
Total liabilities from financing activities	**7,318**	**934**	**51**	**-51**	**8,252**

[1] Includes the effect of the reclassification of the non-current portion of interest-bearing loans and borrowings to current portion due to the passage of time and the foreign exchange impact. Further, it includes the effect of accrued, but not yet paid interest on interest-bearing loans and borrowings, etc. The Parent Company classifies interest paid as cash flows from operating activities.
[2] Includes the bond of EUR 500 million issued in May 2024 and the bond of EUR 500 million issued in March 2023.
[3] Includes DKK 1.4 billion in uncommitted short-term financing, which is utilised when possible to optimise interest expenses and enhance the Group's overall cash position.

NOTE 4.3
FINANCIAL RISKS

As a consequence of its operations, investments, and financing, Pandora A/S is exposed to financial risks that are monitored and managed by Pandora's Group Treasury department. The Parent Company's financial risks and the management of these are in all material respects identical to the disclosures made in *note 4.4 Financial risks* to the consolidated financial statements, unless otherwise stated below.

CREDIT RISK
The Parent Company's credit risk includes the risk related to receivables from subsidiaries.

CONTRACTUAL MATURITIES OF FINANCIAL LIABILITIES
The table on the next page provides a breakdown of Pandora A/S' financial liabilities similar to *note 4.4 Financial risks* to the consolidated financial statements.

NOTE 4.3
FINANCIAL RISKS (CONTINUED)

FINANCIAL LIABILITIES FALL DUE AS FOLLOWS DKK million	Within 1 year	Within 1-5 years	After more than 5 years	Total
2025				
Non-derivatives				
Loans and borrowings	1,373	350	-	1,724
Bonds	313	8,552	-	8,865
Lease liabilities	35	31	-	66
Payables to subsidiaries	3,243	-	-	3,243
Trade payables	1,018	-	-	1,018
Other payables	27	140	2	170
Derivatives				
Derivative financial liabilities	35	-	-	35
Total financial liabilities at 31 December	**6,044**	**9,073**	**2**	**15,119**
2024				
Non-derivatives				
Loans and borrowings	132	430	50	613
Bonds	312	4,812	3,875	8,999
Lease liabilities	36	65	-	101
Payables to subsidiaries	4,872	-	-	4,872
Trade payables	798	-	-	798
Other payables	27	15	9	51
Derivatives				
Derivative financial liabilities	152	-	-	152
Total financial liabilities at 31 December	**6,330**	**5,322**	**3,934**	**15,586**

NOTE 4.4
DERIVATIVE FINANCIAL INSTRUMENTS

All hedging is carried out by the Parent Company's Treasury department. As all instruments are also recorded in the Parent Company, all effects from financial instruments are shown in *note 4.5 Derivative financial instruments* to the consolidated financial statements. The impact from the fair value of the commodity derivatives in 2025 was DKK 2.3 billion (2024: DKK 0.3 billion) recognised in cost of sales.

NOTE 4.5
NET FINANCIALS

FINANCE INCOME **DKK million**	2025	2024
Reclassified from equity hedge reserves	173	46
Total finance income from derivative financial instruments	**173**	**46**
Finance income from loans and receivables measured at amortised cost:		
Interest income from subsidiaries	163	236
Foreign exchange gains	98	151
Interest income, bank	40	28
Total finance income from loans and receivables	**301**	**415**
Total finance income	**474**	**461**

FINANCE COSTS **DKK million**	2025	2024
Reclassified from equity hedge reserves	40	158
Total finance costs from derivative financial instruments	**40**	**158**
Finance costs from financial liabilities measured at amortised cost:		
Interest costs to subsidiaries	58	99
Foreign exchange losses	205	200
Interest on loans and borrowings	424	420
Interest on lease liabilities	3	3
Other finance costs	78	50
Total finance costs from loans and borrowings	**769**	**772**
Total finance costs	**809**	**929**

NOTE 5.1
CONTINGENT ASSETS AND LIABILITIES

LITIGATION
Pandora is from time to time party to various legal proceedings with business partners, authorities and other third parties, related to copyright, marketing conduct and pricing. None of these proceedings is expected to have a material effect on Pandora A/S' financial position or future earnings.

CONTRACTUAL OBLIGATIONS
Pandora A/S has entered into a number of long-term purchase, sales and supply contracts in the course of the company's ordinary business. Contractual obligations amounted to DKK 976 million at 31 December 2025 (2024: DKK 795 million) and relate mainly to commercial collaborations and IT contracts. Apart from the liabilities already recognised in the balance sheet, the company does not expect to incur any significant financial losses as a result of these contracts.

OTHER CONTINGENT LIABILITIES
The Parent Company has issued guarantees totalling DKK 497 million at 31 December 2025 in favour of certain subsidiaries related to securing local credit lines and rental agreements (2024: DKK 368 million).

The Parent Company is jointly taxed with its Danish subsidiaries. The company is jointly and severally liable with other jointly taxed Danish companies within the Group for income tax and withholding taxes due on or after 1 July 2012 in the joint taxation.

CONTINGENT ASSETS
See *note 5.1 Contingent assets and liabilities* to the consolidated financial statements.

NOTE 5.2
RELATED PARTIES

TRANSACTIONS ENTERED INTO WITH RELATED PARTIES DKK million	2025	2024
Income statement		
Sales to subsidiaries	17,113	16,435
Purchases from subsidiaries	-7,161	-6,348
Recharges from subsidiaries	-1,042	-1,140
Dividends from subsidiaries	1,993	1,749
Finance income	163	236
Finance costs	-58	-99
Total income statement	**11,009**	**10,834**
Balance sheet		
Loans to subsidiaries, non-current	692	724
Trade receivables from subsidiaries	1,538	3,231
Loans to subsidiaries, current	2,352	2,178
Right-of-return assets	517	636
Payables to subsidiaries	-3,243	-4,872
Refund liabilities	-2,839	-2,704
Total balance sheet	**-983**	**-807**
Development in impairment losses on trade receivables		
Impairment at 1 January	31	34
Unused amounts reversed	-8	-3
Impairment at 31 December	**23**	**31**

In addition to the related parties disclosed in *note 5.2 Related parties* to the consolidated financial statements, related parties of Pandora A/S include the subsidiaries listed in *note 5.5 Companies in the Pandora Group* to the consolidated financial statements.

NOTE 5.3
FEES TO INDEPENDENT AUDITOR

FEES TO INDEPENDENT AUDITOR DKK million	2025	2024
Fee for statutory audit	5	4
Other assurance engagements	1	1
Total audit-related services	**6**	**5**
Other services	0	1
Total non-audit services	**0**	**1**
Total fees to independent auditor	**6**	**6**

The costs are recognised in the income statement as administrative expenses.

In addition to statutory audit, EY Godkendt Revisionspartnerselskab, the Parent Company auditors, provided other assurance engagements to the Parent Company, primarily consisting of a limited assurance report on the Sustainability Statements and a reasonable assurance report on the Remuneration Report.

STATEMENTS

HE CHONG
Prominent Chinese fashion model

MANAGEMENT STATEMENT

STATEMENT BY EXECUTIVE MANAGEMENT AND THE BOARD OF DIRECTORS

The Board of Directors and Executive Management have today discussed and approved the Annual Report of Pandora A/S for 2025.

The Annual Report has been prepared in accordance with IFRS Accounting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

It is our opinion that the consolidated financial statements and the Parent Company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2025 and of the results of the Group's and the Parent Company's operations and cash flows for the financial year 1 January to 31 December 2025.

The Sustainability Statements are prepared in accordance with section 99a of the Danish Financial Statements Act, compliant with the European Sustainability Reporting Standards (ESRS), informed by our Double Materiality Assessment (DMA), and compliant with Article 8 of the EU Taxonomy Regulation.

In our opinion, the Management Review is also prepared in accordance with relevant laws and regulations and gives a fair review of the development in the Group's and the Parent Company's business and financial matters, results of operations, cash flows and financial position as well as a description of the principal risks and uncertainties that the Group and the Parent Company face.

Furthermore, in our opinion, the Annual Report of Pandora A/S for the financial year 1 January to 31 December 2025 with the file name PAND-2025-12-31-en.zip has been prepared, in all material respects, in compliance with the ESEF Regulation.

We recommend that the Annual Report be approved at the Annual General Meeting.

Copenhagen, 4 February 2026

EXECUTIVE MANAGEMENT

Berta de Pablos-Barbier
Chief Executive Officer

Anders Boyer
Chief Financial Officer

BOARD OF DIRECTORS

Peter A. Ruzicka
Chair

Christian Frigast
Deputy Chair

Lilian Fossum Biner

Birgitta Stymne Göransson

Marianne Kirkegaard

Catherine Spindler

Lars Sandahl Sørensen

Jan Zijderveld

INDEPENDENT AUDITOR'S LIMITED ASSURANCE REPORT ON THE SUSTAINABILITY STATEMENTS

TO THE SHAREHOLDERS OF PANDORA A/S

LIMITED ASSURANCE CONCLUSION

We have conducted a limited assurance engagement over the Sustainability Statements of Pandora A/S (the Group) included in the Annual Report 2025, pages 46-97 (the Sustainability Statements), for the financial year 1 January - 31 December 2025, including disclosures incorporated by reference listed in the table 'List of incorporations by reference' on page 96.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Sustainability Statements are not prepared, in all material respects, in accordance with section 99a of the Danish Financial Statements Act, including:

- Compliance with the European Sustainability Reporting Standards (ESRS), including that the process carried out by management to identify the information reported in the Sustainability Statements (the process) is in accordance with the description set out in the chapters Double materiality assessment and Value chain within the General information section, pages 50-52; and
- Compliance of the disclosures in the chapter EU Taxonomy within the Environment section, pages 69-71 of the Sustainability Statements with Article 8 of EU Regulation 2020/852 (the Taxonomy Regulation).

BASIS FOR CONCLUSION

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance engagements other than audits or reviews of historical financial information* ("ISAE 3000 (Revised)") and the additional requirements applicable in Denmark.

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. Our responsibilities under this standard are further described in the *Auditor's responsibilities for the assurance engagement* section of our report.

Our independence and quality management

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

EY Godkendt Revisionspartnerselskab applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

INHERENT LIMITATIONS IN PREPARING THE SUSTAINABILITY STATEMENTS

In reporting forward-looking information in accordance with ESRS, management is required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Group. Actual outcomes are likely to be different since anticipated events frequently do not occur as expected.

MANAGEMENT'S RESPONSIBILITIES FOR THE SUSTAINABILITY STATEMENTS

Management is responsible for designing and implementing a process to identify the information reported in the Sustainability Statements in accordance with the ESRS and for disclosing this process in the chapters Double materiality assessment and Value chain within the General information section, pages 50-52 of the Sustainability Statements. This responsibility includes:

- Understanding the context in which the Group's activities and business relationships take place and developing an understanding of its affected stakeholders;
- The identification of the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect, the Group's financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium-, or long-term; and
- The assessment of the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and making assumptions that are reasonable in the circumstances.

Management is further responsible for the preparation of the Sustainability Statements, in accordance with section 99a of the Danish Financial Statements Act, including:

- Compliance with the ESRS;
- Preparing the disclosures in the chapter EU Taxonomy within the Environment section, pages 69-71 of the Sustainability Statements, in compliance with Article 8 of the Taxonomy Regulation;
- Designing, implementing and maintaining such internal control that management determines is necessary to enable the preparation of the Sustainability Statements that are free from material misstatement, whether due to fraud or error; and
- The selection and application of appropriate sustainability reporting methods and making assumptions and estimates that are reasonable in the circumstances.

AUDITOR'S RESPONSIBILITIES FOR THE ASSURANCE ENGAGEMENT

Our objectives are to plan and perform the assurance engagement to obtain limited assurance about whether the Sustainability Statements are free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the Sustainability Statements as a whole.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised), we exercise professional judgement and maintain professional scepticism throughout the engagement.

Our responsibilities in respect of the process include:

- Obtaining an understanding of the process, but not for the purpose of providing a conclusion on the effectiveness of the process, including the outcome of the process;
- Considering whether the information identified addresses the applicable disclosure requirements of the ESRS, and
- Designing and performing procedures to evaluate whether the process is consistent with the Group's description of its process, as disclosed in the chapters Double materiality assessment and Value chain within the General information section, pages 50-52.

Our other responsibilities in respect of the Sustainability Statements include:

- Identifying disclosures where material misstatements are likely to arise, whether due to fraud or error; and
- Designing and performing procedures responsive to disclosures in the Sustainability Statements where material misstatements are likely to arise. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

SUMMARY OF THE WORK PERFORMED

A limited assurance engagement involves performing procedures to obtain evidence about the Sustainability Statements.

The nature, timing and extent of procedures selected depend on professional judgement, including the identification of disclosures where material misstatements are likely to arise, whether due to fraud or error, in the Sustainability Statements.

In conducting our limited assurance engagement, with respect to the process, we:

- Obtained an understanding of the process by performing inquiries to understand the sources of the information used by management; and reviewing the Group's internal documentation of its process; and
- Evaluated whether the evidence obtained from our procedures about the process implemented by the Group was consistent with the description of the process set out in the chapters Double materiality assessment and Value chain within the General information section, pages 50-52.

In conducting our limited assurance engagement, with respect to the Sustainability Statements, we:

- Obtained an understanding of the Group's reporting processes relevant to the preparation of its Sustainability Statements including the consolidation processes by obtaining an understanding of the Group's control environment, processes and information systems relevant to the preparation of the Sustainability Statements, but not evaluating the design of particular control activities, obtaining evidence about their implementation or testing their operating effectiveness;
- Evaluated whether material information identified by the process is included in the Sustainability Statements;
- Evaluated whether the structure and the presentation of the Sustainability Statements is in accordance with the ESRS;
- Performed inquiries of relevant personnel and analytical procedures on selected information in the Sustainability Statements;
- Performed substantive assurance procedures on selected information in the Sustainability Statements;
- Evaluated methods, assumptions and data for developing material estimates and forward-looking information and how these methods were applied;
- Obtained an understanding of the process to identify the EU Taxonomy economic activities for turnover, CAPEX and OPEX and the corresponding disclosures in the Sustainability Statements;
- Evaluated the presentation and use of EU Taxonomy templates in accordance with relevant requirements; and
- Reconciled and ensured consistency between the reported EU Taxonomy economic activities and the items reported in the primary Financial Statements including the disclosures provided in related notes.

Copenhagen, 4 February 2026
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Henrik Kronborg Iversen State Authorised Public Accountant mne24687	Jens Thordahl Nøhr State Authorised Public Accountant mne32212

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF PANDORA A/S

Report on the audit of the consolidated financial statements and Parent Company financial statements

OPINION

We have audited the consolidated financial statements and the Parent Company financial statements of Pandora A/S for the financial year 1 January – 31 December 2025, which comprise income statement, statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including material accounting policy information, for the Group and the Parent Company. The consolidated financial statements and the Parent Company financial statements are prepared in accordance with IFRS Accounting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the Parent Company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2025 and of the results of the Group's and the Parent Company's operations and cash flows for the financial year 1 January – 31 December 2025 in accordance with IFRS Accounting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

Our opinion is consistent with our long-form audit report to the Audit Committee and the Board of Directors.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements and the Parent Company financial statements" (hereinafter collectively referred to as "the financial statements") section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code), as applicable to audits of Financial Statements of public interest entities, and the additional ethical requirements applicable in Denmark to audits of Financial Statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

To the best of our knowledge, we have not provided any prohibited non-audit services as described in article 5(1) of Regulation (EU) no. 537/2014.

Appointment of auditor

Subsequent to Pandora A/S being listed on Nasdaq Copenhagen, EY was appointed as auditor of Pandora A/S on 8 April 2011. We have been reappointed annually at the General Meeting for a total consecutive period of 15 years up to and including the financial year 2025. Subsequent to a tender process, we were reappointed on 11 March 2021.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the financial year 2025. These matters were addressed during our audit of the financial statements as a whole and in forming our opinion thereon. We do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled our responsibilities described in the "Auditor's responsibilities for the audit of the financial Statements" section, including in relation to the key audit matters below. Accordingly, our audit included the design and performance of procedures to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the financial statements.

	REVENUE RECOGNITION AND MEASUREMENT OF EXPECTED SALES RETURNS	INVENTORY VALUATION
Description of the matter	Revenue is recognised when control of the goods has been transferred to the buyer and it is measured at fair value of the expected consideration to be received, less rebates, discounts, sales taxes, duties and expected sales returns. Revenue recognition and measurement of the related expected sales returns was a matter of most significance in our audit due to the inherent risk in the estimates and judgements which Management makes in the normal course of business as to timing of revenue and measurement of expected sales returns, including risk of any manual adjustments. Details on revenue recognition and expected sales returns are provided in *notes 2.1* and *3.8 of the consolidated financial statements* and in *notes 2.1* and *3.5 of the Parent Company financial statements*, to which we refer.	The Group carries inventory in the balance sheet at the lower of cost and net realisable value. Significant management judgements are required with regards to valuation of inventories due to the uncertainty associated with the estimate of slow-moving items and expected value of the reusable raw materials, as well as calculations of elimination of internal gain. Given the level of management judgements and estimates, inventory valuation was a matter of most significance in our audit. Additional details on the valuation of inventories are provided in *note 3.5 of the consolidated financial statements* and in *note 3.4 of the Parent Company financial statements*, to which we refer.
Consideration of the matter in the audit	Our procedures in relation to revenue recognition and measurement of expected sales returns included considering the Group's accounting policies for revenue recognition, including those related to measurement of expected sales returns, and assessing compliance of policies with applicable accounting standards. We identified and assessed internal controls related to revenue recognition including expected sales returns and further tested the effectiveness hereof. We utilised data analytical procedures to test the relationship between revenue, trade receivables and cash receipts and to identify and test manual adjustments to revenue. We assessed revenue cut-off at year-end based on prior year and our expectations to assess whether revenue transactions were recognised in the correct period. We assessed the key assumptions applied by Management regarding expected sales returns based on our knowledge of the business and by reviewing the supporting documentation prepared by Management. Furthermore, we evaluated the disclosures provided by Management in the consolidated financial statements and the Parent Company financial statements to applicable accounting standards.	Our procedures in relation to inventory valuation included assessing the Group's processes related to inventory valuation including on a sample basis testing of direct costs related to raw materials including the effect of realised commodity hedges, labour costs and attributable overhead costs incurred in the crafting process, recording of write-downs and understanding of the process for internal gain elimination. We assessed the basis for write-downs and inputs used by management for calculation of write-downs. We assessed the key assumptions applied by management regarding items' life-cycle status and expected value of the reusable raw materials based on our knowledge of the business, and on a sample basis tested the supporting documentation. On a sample basis we tested the calculation of elimination of internal gain at Group level. Furthermore, we evaluated the disclosures provided by management in the consolidated financial statements and the Parent Company financial statements to applicable accounting standards.

STATEMENT ON THE MANAGEMENT'S REVIEW
Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not as part of our audit express any assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements, or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required by relevant law and regulations. This does not include the requirements in section 99a related to the Sustainability Statements covered by the separate auditor's limited assurance report hereon.

Based on our procedures, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of relevant law and regulations. We did not identify any material misstatement of the Management's review.

MANAGEMENT'S RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS
Management is responsible for the preparation of consolidated financial statements and Parent Company financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act and for such internal control as Management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Group or the Parent Company or to cease operations, or has no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS
Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Parent Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the Group's financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements and the Parent Company financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

REPORT ON COMPLIANCE WITH THE ESEF REGULATION

As part of our audit of the consolidated financial statements and Parent Company financial statements of Pandora A/S, we performed procedures to express an opinion on whether the annual report of Pandora A/S for the financial year 1 January – 31 December 2025 with the file name PAND-2025-12-31-en-zip is prepared, in all material respects, in compliance with the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) which includes requirements related to the preparation of the annual report in XHTML format and iXBRL tagging of the consolidated financial statements including notes.

Management is responsible for preparing an annual report that complies with the ESEF Regulation. This responsibility includes:

- The preparing of the annual report in XHTML format;
- The selection and application of appropriate iXBRL tags, including extensions to the ESEF taxonomy and the anchoring thereof to elements in the taxonomy, for all financial information required to be tagged using judgement where necessary;
- Ensuring consistency between iXBRL tagged data and the consolidated financial statements presented in human readable format; and
- For such internal control as Management determines necessary to enable the preparation of an annual report that is compliant with the ESEF Regulation.

Our responsibility is to obtain reasonable assurance on whether the annual report is prepared, in all material respects, in compliance with the ESEF Regulation based on the evidence we have obtained, and to issue a report that includes our opinion. The nature, timing and extent of procedures selected depend on the auditor’s judgement, including the assessment of the risks of material departures from the requirements set out in the ESEF Regulation, whether due to fraud or error. The procedures include:

- Testing whether the annual report is prepared in XHTML format;
- Obtaining an understanding of the company’s iXBRL tagging process and of internal control over the tagging process;
- Evaluating the completeness of the iXBRL tagging of the consolidated financial statements including notes;
- Evaluating the appropriateness of the company’s use of iXBRL elements selected from the ESEF taxonomy and the creation of extension elements where no suitable element in the ESEF taxonomy has been identified;
- Evaluating the use of anchoring of extension elements to elements in the ESEF taxonomy; and
- Reconciling the iXBRL tagged data with the audited consolidated financial statements.

In our opinion, the annual report of Pandora A/S for the financial year 1 January – 31 December 2025 with the file name PAND-2025-12-31-en-zip is prepared, in all material respects, in compliance with the ESEF Regulation.

Copenhagen, 4 February 2026
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Henrik Kronborg Iversen	Jens Thordahl Nøhr
State Authorised	State Authorised
Public Accountant	Public Accountant
mne24687	mne32212

PANDORA