



TRANSPARENCY IN SUPPLY CHAINS STATEMENT 2024

PANDORA[®]

CONTENTS

PAGE 4
ABOUT PANDORA
AND ITS SUPPLY CHAIN

PAGE 7
SUSTAINABILITY GOVERNANCE

PAGE 9
RISK ASSESSMENT AND
MANAGEMENT

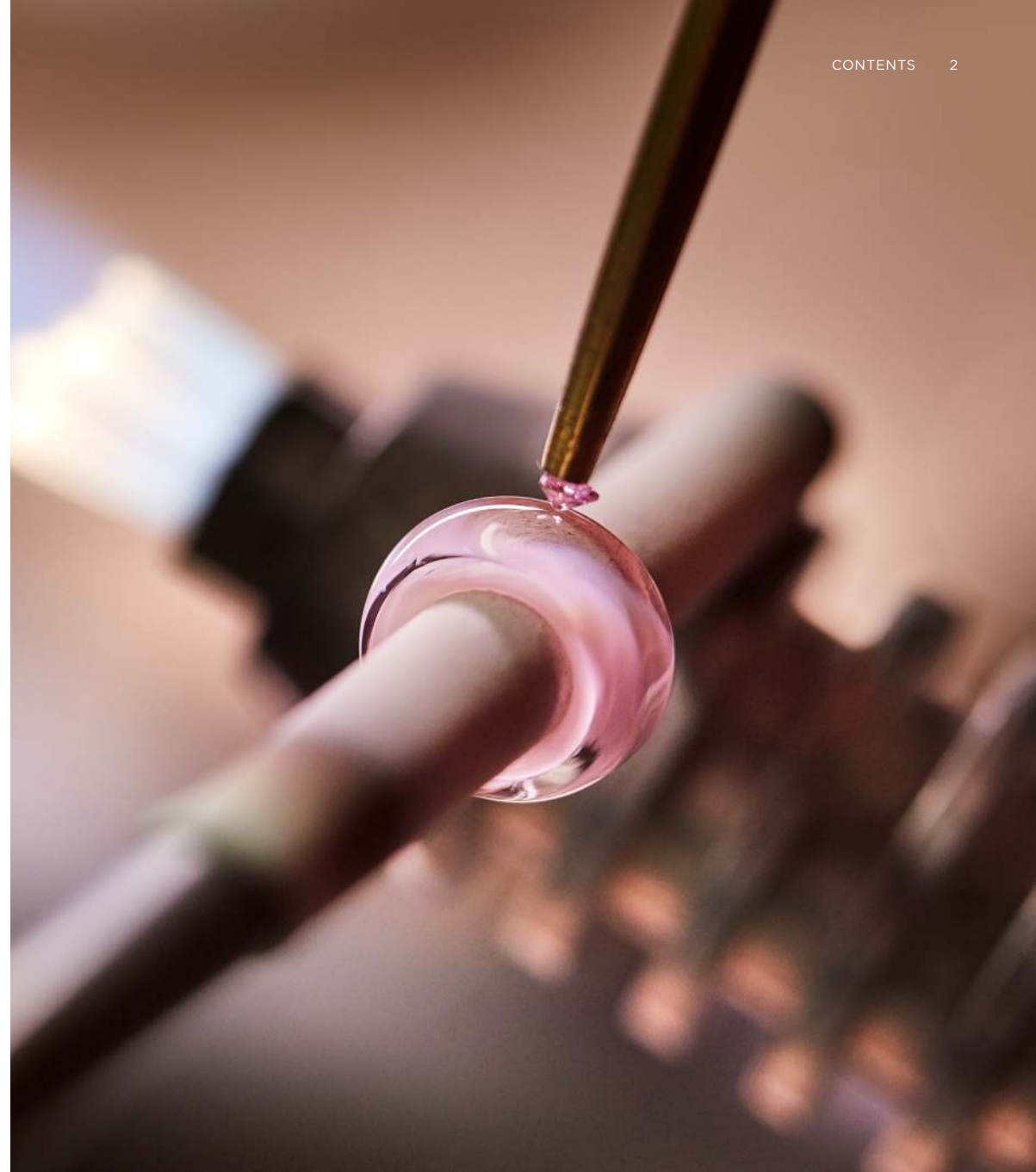
PAGE 12
PREVENTING, MITIGATING
AND REMEDYING IMPACTS

PAGE 20
TRACKING AND MEASURING
EFFECTIVENESS

PAGE 21
LOOKING AHEAD

PAGE 22
RESPONSIBLE
SOURCING DATA

PAGE 23
ABOUT THIS STATEMENT





WE GIVE A VOICE TO PEOPLE'S LOVES

We respect the human and environmental rights of everyone connected to our business, ensuring they are treated fairly and have an empowered voice.

We believe that everyone has the right to work freely and with dignity, and we are committed to ensuring that everyone associated with our business is treated fairly and with respect. We are dedicated to responsible business practices and to eliminating and preventing adverse human rights and environmental impacts in our operations and supply chain. This Transparency in Supply Chains Statement sets out our due diligence approach to addressing actual and potential impacts and demonstrates our commitment to transparency and accountability.

This year, our Statement takes a broader approach to human rights and environmental sustainability as it is written not only in accordance with modern slavery, forced and child labour acts¹, but is also pursuant to the German Act on Corporate Due Diligence Obligations in Supply Chains 2021.

Throughout our work, we aim to have strong due diligence processes in place that follow the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct. In our own operations, in 2024, we raised awareness and upskilled colleagues on key topics such as discrimination and harassment, made commitments on living wage and also initiated a third-party review of our employee grievance mechanisms in Thailand. For our suppliers, we focused on building supplier capabilities and continued an internal review of our buying practices to ensure they are responsible. Regarding environmental efforts, we updated our Environmental Policy, carried out a nature assessment, and advanced our low carbon programme.

¹ California Transparency in Supply Chains Act 2010, UK Modern Slavery Act 2015, Australian Modern Slavery Act 2018, Canadian Fighting Against Forced Labour and Child Labour in Supply Chains Act 2023.



ABOUT PANDORA AND ITS SUPPLY CHAIN

OUR COMPANY AT A GLANCE

31.7

DKK billion revenue

37,000

employees on average

17%

reduction in CO₂ emissions
since 2019

113

million pieces of
jewellery sold



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 by our skilled people from high-quality materials and 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 people and the environment for generations to come.

Headquartered in Copenhagen, Denmark, Pandora employs 37,000 people worldwide and crafts its jewellery in Thailand using only recycled silver and gold. Pandora is committed to leadership in sustainability and has set out to halve greenhouse gas emissions across its value chain by 2030. The company is listed on the Nasdaq Copenhagen stock exchange and generated revenue of DKK 31.7 billion in 2024.

For further information on our business model and materiality assessment, see our [Annual Report 2024](#). ↗

OUR PRODUCT SUPPLY CHAIN AT A GLANCE

100%

recycled silver and gold used
in our jewellery crafting since
August 2024

98

direct product
suppliers with more than
19,000 workers in total
(7% migrant, 47% women)

100%

man-made stones used in
Pandora products²

100%

renewable electricity and 100%
recycled silver and gold used in
our Pandora Lab-Grown Diamonds
collection from August 2022

20+

indirect product suppliers
of point-of-sales materials and
fixtures and furniture

² Excluding pearls.

At Pandora we work with aligned but separate procurement streams of direct and indirect suppliers. Our direct product suppliers provide us with materials for our jewellery, while our indirect suppliers include service and product suppliers that support our business operations.

DIRECT SUPPLY CHAIN

We craft 92% of our jewellery at our facilities in Thailand. We work with 98 direct product suppliers with more than 113 factories, located primarily in and around Thailand. There are more than 19,000 workers at these suppliers, of which 7% are migrant workers³ and 47% are women. The materials we source for our jewellery are primarily silver, gold, copper, cubic zirconia, lab-grown diamonds and production materials like gypsum. Silver made up 67% of total purchased materials in 2024, a decrease from 68% in 2023. We are now crafting all jewellery with 100% recycled silver and gold. We continue to purchase 100% man-made stones and lab-grown diamonds.

INDIRECT SUPPLY CHAIN

Our indirect suppliers are categorised by four service sectors (media and marketing, warehousing and logistics, digital and technology, and professional services) and two product sectors (point-of-sale materials (POSM) and fixtures and furniture (F&F). Suppliers in the product sectors are the primary focus of our responsible sourcing efforts due to the risks associated with manufacturing. We also risk assess other suppliers and since 2023, have expanded our focus to service suppliers such as warehousing and construction. We work with over 20 POSM and F&F suppliers with more than 50 factories, which are primarily located in Asia.

³ Migrant worker: Individual that has migrated for the specific purpose of employment.





MANUFACTURING AND REFINERY LOCATIONS

- | | | |
|-------------------------------|---------------------------|----------------------------------|
| ● Pandora crafting facilities | ● Finished goods | ● Production supply ⁴ |
| ● Silver grains | ● Gemstones ² | ● Point-of-sale materials |
| ● Gold grains | ● Lab-grown diamonds | ● Fixtures and furniture |
| ○ Non-metals ¹ | ○ Components ³ | |

¹ Non-metals include materials such as plastic moulds, glass rods and magnets.

² Includes man-made gemstones and pearls.

³ Components include products such as chains, findings, clasps and jumps.

⁴ Includes materials used in production such as plating chemicals and investment powder.



SUSTAINABILITY GOVERNANCE

Sustainability is deeply engrained in our strategic direction and how we conduct business and is governed at the highest level by the Board of Directors. The responsibility for the execution of the strategic sustainability priorities is delegated to Pandora's Sustainability Board.

The Sustainability Board is responsible for the strategic priorities and integrating sustainability into business decisions and processes within their respective functions. Reporting to the Executive Leadership Team, and in some matters directly to the Board, the Sustainability Board is chaired by Pandora's Chief HR Officer and consists of nine senior leaders, including ELT members.

Two subject-specific committees (the Responsible Sourcing Committee and the Responsible Marketing Committee) and two task forces (Low Carbon & Nature Task Force and CSRD Task Force)

oversee key sustainability areas on responsible sourcing, responsible marketing, our work on environmental impacts, CSRD implementation and compliance within the company. They convene regularly and report to the Sustainability Board.

Within the Global Sustainability team, dedicated roles focus on human rights and environmental due diligence, and they engage with key functions across the business. Key functions such as procurement, retail, operations and crafting have dedicated personnel on human rights, responsible sourcing and the environment to ensure issues are addressed on a day-to-day basis within the business and value chain. For example, in Thailand, we have human rights and low carbon managers and a team dedicated to responsible sourcing with our direct procurement suppliers. We also have teams in Copenhagen and China focused on low carbon, circularity and responsible sourcing that support our indirect suppliers.

OUR GOVERNANCE STRUCTURE





POLICIES AND STANDARDS

We have policies and standards in place to embed human rights and environmental considerations into relevant business decisions. This ensures that all employees and other stakeholders understand the importance of following the guidelines outlined in our governing documents and that maintaining the integrity of our operations is a collaborative effort.

Our Human Rights Policy outlines our commitments and how human rights issues affect different areas of our business, including our employees, franchisees, consumers, suppliers and communities. This year we refreshed our Environmental Policy and included Water and Greenhouse Gas Emissions Standards to underscore our commitment to lower our environmental impact through regular and robust risk assessments, leveraging certifications, engaging employees and implementing solid targets, amongst other activities. Our commitment extends to ensuring our environmental practices and management do not have negative impacts on people.

We acknowledge that due diligence is a continuous process, and we work closely with our up- and downstream value chain partners to ensure our policies and standards are implemented. Examples of policies for downstream partners include our Responsible Marketing Standard and our Franchisee & Distributor Code of Conduct. Other policies that touch upon human rights include our Inclusion and Diversity Policy and Global Data Ethics Policy.

Read more about our Policies and Standards on our [corporate website](#). ↗

HUMAN RIGHTS POLICY

The Human Rights Policy outlines our commitment to respect human rights and prevent modern slavery and forced labour throughout our own operations and value chain worldwide. The policy includes a list of our salient issues. It aligns with international human rights standards and expectations as outlined in the UN Guiding Principles on Business and Human Rights and other internationally recognised standards, including:

- Universal Declaration of Human Rights
- International Covenants on Civil and Political Rights and Economic, Social and Cultural Rights
- International Labour Organization's (ILO) Declaration on the Fundamental Principles and Rights at Work
- Convention on the Elimination of All Forms of Discrimination Against Women
- Convention on the Rights of the Child

GLOBAL CODE OF CONDUCT

Pandora's Code of Conduct sets out the company's commitment to ethical business practices and standards of behaviour, to which we expect the entire Pandora organisation to adhere.

WHISTLEBLOWER POLICY

Our Whistleblower Policy describes the process for all employees, Board members, business partners and other stakeholders of Pandora to report any serious and sensitive concerns. It includes information on how to access our third-party Whistleblower Hotline.

ENVIRONMENTAL POLICY

Our Environmental Policy outlines our commitment to lower our environmental impact and adhere to legislation through ongoing due diligence.

1. GHG Emissions Standard

The GHG Emissions Standard covers targets, policies and procedures across our full value chain on climate change mitigation, energy efficiency and renewable energy deployment.

2. Water Management Standard

The Responsible Sourcing Policy outlines how we implement our Supplier Code of Conduct through risk assessment, management

FRANCHISEE AND DISTRIBUTOR CODE OF CONDUCT

Pandora's Franchisee Code of Conduct outlines our ongoing effort to foster and strengthen our partnership with the franchisee community. As franchisees and distributors operate stores under the Pandora brand, we expect them to acknowledge our ambitions and to implement appropriate processes and practices to support Pandora in achieving its sustainability goals.

RESPONSIBLE SOURCING PROGRAMME

Through our responsible sourcing programme, we set out the principles and standards that we apply when selecting and working with our business partners.

1. Supplier Code of Conduct

The Supplier Code of Conduct outlines our basic expectations of suppliers on environmental, social and legal compliance criteria. This aligns with international standards, including the Ethical Trading Initiative Base Code and International Labour Organization conventions. It includes 28 clauses across key areas including legal and compliance, human rights and labour rights, working conditions and the environment. Key clauses relevant to modern slavery include the prohibition of forced labour, the prohibition of child and young labour, freely chosen employment, living wages, working hours, and no harsh or inhumane treatment.

2. Responsible Sourcing Policy

The Responsible Sourcing Policy outlines how we implement our Supplier Code of Conduct through risk assessment, management systems, traceability, audits, reporting and disclosure.

3. Materials Standard

The Materials Standard outlines general sustainability principles and guidance for materials sourcing and selection.

RESPONSIBLE MARKETING STANDARD

The Responsible Marketing Standard outlines principles to ensure we market our products in a responsible way in line with human rights guidelines. These include a focus on children's rights when marketing to them or featuring them in campaigns.

RISK ASSESSMENT AND MANAGEMENT

Pandora is committed to conducting due diligence in its operations and value chain in alignment with international standards, including the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct, the UN Guiding Principles on Business and Human Rights (UNGPs) and the GHG Protocol.

Our approach to human rights and environmental due diligence aims to address the most salient risks across our business, with the objective of promoting positive impact. We focus on priority topics across key business functions, acknowledging that there are varying levels of maturity. Following international standards ensures we apply a consistent approach to identifying and mitigating risks in our own operations and across our value chain.

IDENTIFYING RISKS

Enterprise risks

Our enterprise risk management process ensures we monitor areas of our operations and value chain where there are high-risk business models, sectors and geographies. Severity and likelihood of environmental and social risks are considered alongside potential financial impact and ability to influence. Expert sustainability leads provide an assessment of our most significant risks with planned and implemented mitigating actions to the Global Risk and Insurance Office every quarter. The Global Risk and Insurance Office supports our Risk Management Board, chaired by our Chief Financial Officer, to report key risks to Executive Management, our Audit Committee and the Board of Directors biannually. Our Board of Directors is ultimately responsible for the implementation of effective risk identification, assessment and mitigation.

Top ten material sustainability matters

Our top ten material sustainability matters are determined by a thorough double materiality assessment which includes input from affected stakeholders in key groups of direct and indirect

suppliers, employees, investors, experts and organisations to gain deeper insight into impact hotspots. This includes engaging with unionised employee representatives at our crafting facilities in Thailand, inputs from our grievance channels, external sustainability ratings, consumer research, and our human rights impact assessments. We also seek input from external experts such as UNICEF, the International Organisation for Migration and the Mekong club. For more information on our material sustainability matters and double materiality process, see our [Annual Report](#). ↗

Salient environmental and social risks

We conduct assessments to look more closely at social and environmental risks. For example, in 2024 we carried out a nature materiality assessment across our own operations and upstream supply chain (see our [Annual Report](#) ↗). Key risks include water quantity and quality in our own operations and nature impacts associated with key materials. Our initial corporate-level human rights impact assessment (HRIA) conducted by a third party provided us with a view of our human rights risks across our business and value chain; from marketing and distribution centres through

to our supply chain. The HRIA process included a review of relevant policies and interviews with our business function leads. Our salient issues identified from this assessment include: access to grievance mechanisms, child and young labour, discrimination and equality, freedom of association and collective bargaining, harassment and gendered impacts, modern slavery and forced labour, online advertising, privacy and working hours, wages and benefits.

RISK ASSESSMENT TIERING

Enterprise Risk Assessment



Double Materiality Assessment



Specific environmental
and human rights risk assessment
(e.g. suppliers)

Human rights impact assessment in Thailand

We then used this assessment to prioritise our human rights work, including creating roadmaps for key business functions. With a significant portion of our employees and suppliers based in Thailand, we carried out a thorough onsite HRIA with local experts which included document reviews and interviews with management, employees, and contractors. The process included an employee survey, interviews with workers including security, catering, and cleaning staff, and interviews with community leaders, amongst other stakeholders such as franchisees and suppliers.

The assessment focused on the labour rights of workers in our crafting facilities, distribution centre and franchisee business, the impact of our purchasing practices on select suppliers and the social, economic and environmental rights of the local communities surrounding our crafting facilities to better understand the human rights impacts caused or contributed to by Pandora's operations. Human rights risks were assessed from a saliency and severity perspective which includes scale, scope and remediability. Specific areas for improvement include ensuring the consistent implementation of our policies, ensuring our management systems do not have unintended negative impacts, and prioritising employee training on human rights such as on discrimination and harassment.

Supplier risk assessment

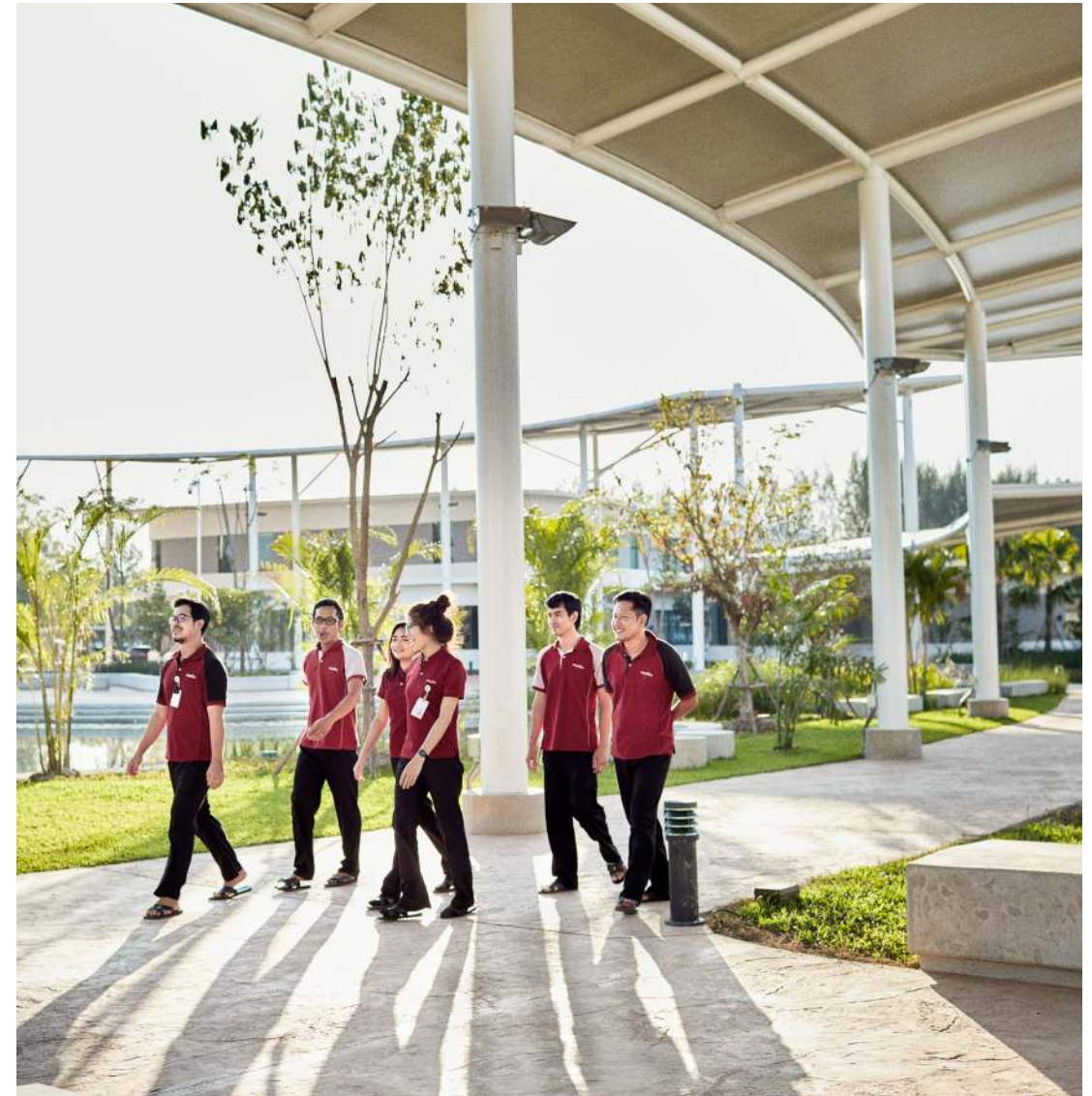
Results from our corporate-level HRIA showed that salient human rights risks in our supply chain include working conditions, forced labour, child labour and freedom of association. When assessing suppliers, we look at inherent country and sector

risk for each supplier and overlay that with spend data and reputational risk. The risk assessment tool⁴ we use draws on robust international indices to help identify key labour, human rights, governance, and environmental risks. Key environmental risks for our suppliers include biodiversity, waste and pollution, energy and emissions and water.

The scope of our responsible sourcing programme consistently evolves and focuses on sectors such as manufacturing, warehousing, and construction. Within these sectors, we seek to identify vulnerable groups such as migrant workers and have a key focus on identifying recruitment fees in our supply chain as a potential indicator of forced labour. We do this by engaging directly with workers in our supply chain through onsite audits and capacity building as described on the following pages. The risk assessment also enables us to determine progressive due diligence activities for suppliers depending on risk level.

ENGAGING STAKEHOLDERS ON RISK IDENTIFICATION

As outlined, we proactively and regularly engage with our stakeholders, including affected rightsholders⁵ or their legitimate representatives. Our key stakeholder groups include employees, franchisees, consumers, suppliers and their workers and local communities. For example, we conduct regular focus group discussions with a statistically representative sample of employees in Thailand, focusing on perceptions of working environment, harassment, discrimination, the effectiveness of our grievance mechanisms and opportunities for positive impact. We also engage with suppliers and their workers through our responsible sourcing programme.

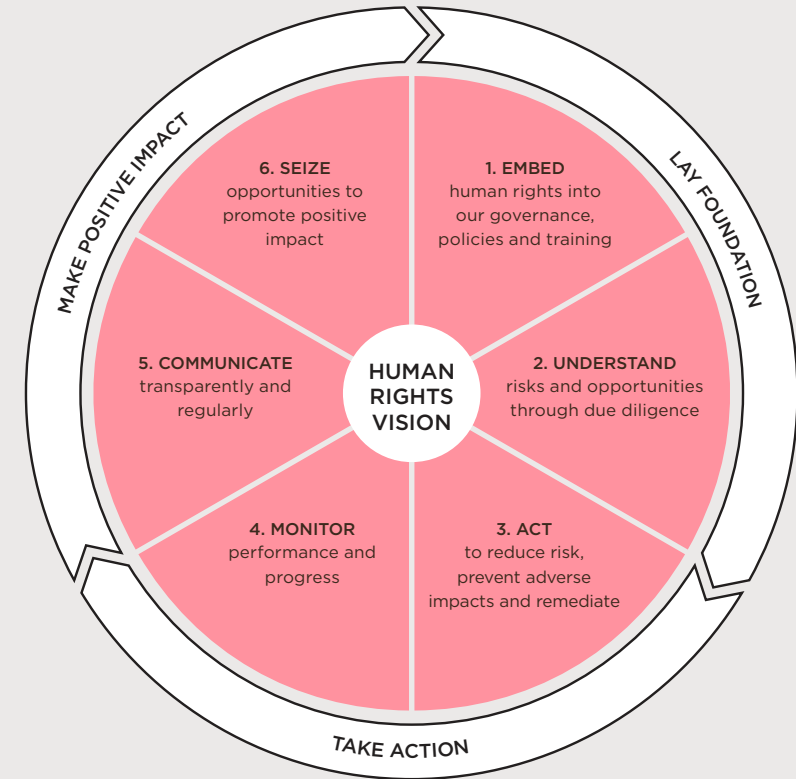


⁴ We use Radar, a risk tool developed by Sedex which is a technology platform that hosts and develops the SMETA audit methodology.

⁵ A stakeholder whose human rights may be put at risk or impacted.



Through regular engagement with key rightsholders, we are able to understand and act if new risks arise. This also includes additional due diligence if key business changes occur. For example, with the expansion of our crafting facilities in Vietnam, we conducted additional due diligence with an expert third party on potential construction suppliers as outlined below, due to the heightened risks to workers in this sector.



OUR APPROACH TO RESPECTING HUMAN RIGHTS

The approach outlined above is guided by our human rights vision: We respect the human rights of everyone touched by our business, ensuring they are treated fairly and have an empowered voice. The illustration highlights how we address the most critical human rights risks within our operations and value chain, striving to create positive impacts.

Our salient human rights risks include access to grievance mechanisms, child and young labour, discrimination and equality, freedom of association and collective bargaining, harassment and gendered impacts, modern slavery and forced labour, online advertising, privacy, working hours, and wages and benefits.

PREVENTING, MITIGATING AND REMEDYING IMPACTS

OWN OPERATIONS AND LOCAL COMMUNITIES

In 2024, we continued our efforts to respond to the HRIA findings in Thailand by raising awareness of human rights and assessing our grievance mechanisms.

Prioritising employee voices

Our employees are key to our success, so we prioritise creating the best possible working environment. We regularly gather and act on employee feedback globally and locally. Our bi-annual employee listening survey offers insights into employee engagement, including diversity and inclusion metrics.

Improving workplace culture through engagement and training

Thailand is home to 29% of our employees, and our grievance mechanisms, along with the 2022 human rights impact assessment, highlighted occasional instances of unacceptable workplace behaviour. In response, we deepened our understanding of worker experiences through focus groups with a statistically representative sample of employees and provided targeted training for managers on key topics.

Focus Groups: Explored working environment perceptions, harassment, discrimination, and grievance mechanism effectiveness. In 2023, we focused on employees with disabilities; in 2024, on a broader selection of employees. Key issues raised through these interviews included a high overall satisfaction with the workplace atmosphere, but some verbal microaggressions were cited as well as favouritism and low levels of understanding of discrimination. Following these insights, we aim to continue raising awareness of discrimination and harassment and enhance trust in our grievance mechanisms.

Manager Training: In 2024, 161 managers participated in classroom sessions on discrimination and harassment, fostering interactive learning. The sessions covered topics such as different forms of harassment, guidelines for dealing with it and included cases study and experience sharing. Post-training surveys showed that 83% found the training valuable for building a positive workplace. Participants reported increased sensitivity to their role in preventing workplace harassment and discrimination. The training will continue in 2025.



To ensure our policies remain relevant, we began a human rights-focused review of existing policies in 2024, updating them where necessary. Examples include extending our benefits coverage to adopted children to promote equality.

Acting on other key human rights and environmental issues

Adequate wage is a material sustainability topic for us and this year we took first steps to understand if we have any gaps in our own operations. We are using an external living wage benchmark⁶ to assess our wages and found that 98% of our employees are paid at or above the adequate or living wage benchmark. We are committed to addressing these

gaps, developing an Adequate Wage Policy and reviewing our wages against the benchmark on an annual basis.

Regarding freedom of association, all our employees in Thailand are covered by a collective bargaining agreement and we engage with the union on a regular basis to discuss wages, benefits and working environment.

We have strong occupational health and safety procedures in place across our locations and registered 114 work-related accidents with absence,

⁶ Wage Indicator living wage benchmark: WageIndicator.org

a rate of 1.72. Incidents related to, for example, equipment design, as well as at-risk behaviours in our crafting facilities. All work-related incidents are thoroughly investigated and recorded, with any required corrections made. As an example, conditions checks were carried out and guidance on equipment use and additional safety equipment were given to employees to prevent similar accidents happening in the future.

Chemicals play an important role in jewellery manufacturing. Our jewellery is made with materials deemed safe for consumers and our products do not contain hazardous substances. Our chemicals management programme ensures we comply with global and local regulatory requirements from raw materials to finished goods and we are certified against ISO IEC 17025.

See further information in our [Annual Report](#). 

Strengthening complaint mechanisms

We have continued our efforts of creating awareness around our whistleblower hotline. In 2024, we launched a whistleblower e-learning for all employees, to ensure they know there is a safe and anonymous channel to use where cases are protected and handled fairly.

Another key focus in 2024 was to conduct a comprehensive review of our grievance mechanisms in Thailand to ensure they are both trusted by employees and aligned with the effectiveness criteria outlined in the UN Guiding Principles on Business and Human Rights. The assessment included employee interviews, confirming the following areas for improvement: strengthening users' trust and increasing transparency and communication to employees

about how complaints are handled, ensuring consistent follow-up.

We provide multiple reporting channels, including face-to-face, online and anonymous options, supplemented by QR codes and a mobile app for two-way communication between employees and management. These channels are promoted through posters, radio broadcast and morning employee briefings. Most reports involve clarifying questions about our Welfare and Benefits programme or overtime requests, with a few addressing policy breaches, all of which were investigated. For details on our whistleblower hotline and number of cases reported, see [page 20](#).

We resolve issues collaboratively, using reports to enhance our workplace, valuing our people as our greatest asset.

Raising awareness of human rights

To promote human rights awareness, we organised activities on Human Rights Day, International Women's Day and Disability Day. These events featured panel discussions with external human rights experts, such as UNICEF-representatives, focusing on fostering a culture that enables more women in leadership. We celebrated Human Rights Day at our crafting facility in Lamphun by raising awareness of harassment, discrimination and grievance channels through stands and digital games. Additionally, we deliver mandatory human rights e-learning.

Liaising with local communities

We engaged with local communities surrounding our crafting facilities in Bangkok to understand their challenges and distribute items for mothers and babies, in celebration of Thailand's Mother's



Day. We took the opportunity to explore issues like safe spaces for children, elderly healthcare access, female mental health, and frequent flooding due to nearby canals. Additionally, we donated pallets to assist them with flooding and provided monetary support to local communities around our Lamphun facilities following flood events. Another project focused on education included working with five

government schools in Bangkok to co-design courses and workshops to educate primary school students about the importance of sustainability.

SUPPLY CHAIN

This year we focused on gaining a fuller understanding of our impact on nature and on upskilling colleagues and suppliers on workers’ rights. We also started to implement changes in our business operations to ensure responsible buying practices.

One of the biggest opportunities to have a positive impact on social and environmental risks is in our supply chain, where some of our most salient issues lie. For example, on the environmental side, emissions associated with our suppliers (Scope 3) make up the largest portion of our carbon footprint and the mining of materials used in our products creates nature impacts (see our [Annual Report 71](#)). Our corporate-level HRIA showed that salient human rights risks include working conditions, forced labour, child labour and freedom of association.

Our Responsible Sourcing Programme

Through our Responsible Sourcing Programme, we engage workers from product suppliers, such as jewellery, point-of-sale materials and fixtures and furniture. We also assess risks among other suppliers and, since 2023, we have expanded our focus to service suppliers in warehousing and construction.

Our responsible sourcing programme outlines three core objectives:

- **Responsible** — we continuously aim to improve the social and environmental footprint of our suppliers
- **Transparent** — we commit to improving the information we provide about the products we source and where they come from
- **Traceable** — we always seek more information about where our raw materials come from and

expect our suppliers to map their supply chains and share that information with us.

Raw materials and traceability

To promote the responsible sourcing of metals and declare our metals conflict-free, we apply a due diligence process aligned with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. Metal supply chains converge at refineries, and as a result, we map key metals, including silver, gold and platinum group metals to refinery level. We also request certifications as part of our due diligence, serving as a foundation for the risk management of high-risk metal supply chains.

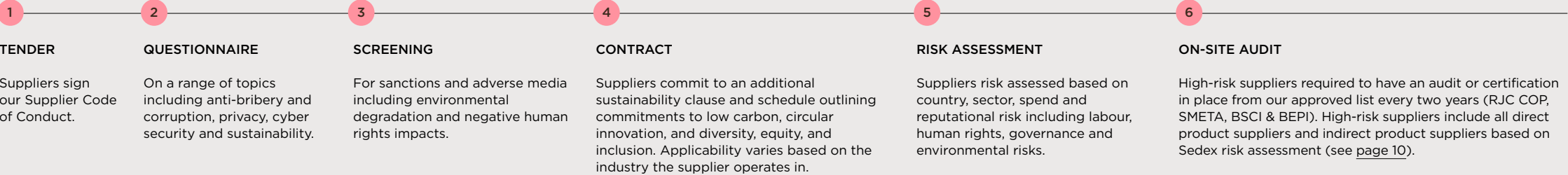
Following a transformation of our entire silver and gold supply, we reached another milestone in August 2024 and are now crafting all jewellery with 100% recycled silver and gold. All recycled

silver and gold used in crafting our jewellery comes from certified and responsible refiners according to the Responsible Jewellery Council (RJC) Chain of Custody Standard. This provides a level of assurance that our refiners’ operations and supply chains meet our environmental and social standards.

The materials we use to craft and package our jewellery and package have a significant footprint on nature, including freshwater, terrestrial ecosystems and biodiversity. Our nature assessment showed that key raw materials are associated with supply chains known to be of high nature and biodiversity risks. To manage and mitigate these, we need to understand where our raw materials come from, including where they are extracted and produced. Increasing upstream traceability is a key focus for Pandora in the coming years (see our [Annual Report 71](#)).

SUPPLIER ONBOARDING JOURNEY

To ensure we work with suppliers aligned with our values and sustainability ambitions, we implement a robust due diligence process to onboard new suppliers. Steps include some or all of the following:





Supplier performance

We view audits as a starting point for engaging suppliers on the importance of decent working conditions and robust environmental management systems. If high-risk suppliers do not have an accepted standard in place, we commission a SMETA (Sedex Members Ethical Trade Audit) 4-pillar audit covering all aspects of responsible business practices including labour, health and safety, environmental management, and business ethics standards. These audits include desktop research, on-site reviews, and interviews with workers. The results are shared with suppliers and in cases of non-conformances, we work with our suppliers to agree on an improvement plan and aim to resolve any identified issues.

For a consistent approach to reporting, the non-conformances reported in the graphic on this page

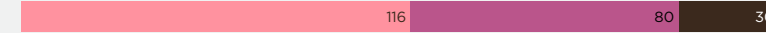
are from supplier SMETA audits. Suppliers in scope of SMETA are audited over a two-year audit cycle using third-party auditors. In 2024, 46 suppliers were audited to the SMETA standard, covering 67 factories. These suppliers represented 37% of our in-scope spend. The remainder of in-scope spend covers suppliers either due for an audit in 2025 (3% spend) or who already have an accepted standard in place (60% spend) as outlined in our Responsible Sourcing Policy.

In 2024, SMETA audits identified 346 non-conformances. The majority of non-conformances related to areas such as health and safety, working hours and compensation and benefits. A detailed breakdown of these categories is presented on [page 17](#). Two business-critical non-conformances were identified: one related to health and safety training at a site in Denmark and one related to

SUPPLIER AUDIT PERFORMANCE^{1, 2}

Number of non-conformances against Pandora's Supplier Code of Conduct³.

Health and safety



Working hours



Compensation and benefits



Environmental management



Management systems



Regular employment



Ethics



Disciplinary practices



Child or young labour

Discrimination or harassment



Freely chosen employment



Recruitment systems



Freedom of association



- Remediation completed
- Remediation in progress
- Remediation in progress from preceding years

¹ Supplier audit data as per 31 December 2024.

² Includes non-conformances remaining in progress from previous years: 2022 and 2023.

³ A non-conformance is when a supplier's policies, systems, procedures or processes do not abide by a provision in our Supplier Code of Conduct or local law.

freely chosen employment at a site in Malaysia (see case study on [page 18](#)). Both have been remediated effectively. At the end of 2024, of the 346 non-conformances: 158 were fully remediated, 188 had remediation in progress, and 85 were outstanding from previous years with a detailed corrective action plan in place. The average number of non-conformances per site also decreased from 7.2 to 5.2 compared to 2023.

In line with requirements in the German Act on Corporate Due Diligence Obligations in Supply Chains, the following describes critical or business critical non-compliances found at our suppliers on a selection of topics.

TOPIC	BUSINESS CRITICAL OR CRITICAL NON-CONFORMANCE
Child labour	None
Discrimination / harassment	Two non-conformances were found on requiring pregnancy tests and specifying only males are accepted in the hiring process.
Freely chosen employment	One non-conformance was due to contracted workers not being provided with a copy of their contract.
Recruitment systems	Three non-conformances related to recruitment fees paid by migrant workers (see case study on page 18).
Environmental impacts affecting people	None
Security guards (causing degrading treatment)	None
Damage to life or limb	None
Impair right to organise	None
Unlawful evictions	None
Chemicals	None
Waste	Two non-conformances regarding mixing hazardous and non-hazardous waste and not having proper storage in place.

We engaged with all suppliers to either close these non-conformances or are still in the process of closing them.

Although audits are a useful tool to understand a supplier’s management systems, we recognise they provide only a snapshot view. We therefore engage with suppliers from a holistic sustainability perspective, which includes but is not limited to our audit programme, where we support with root cause analysis, remediation of findings, and build a relationship of trust through regular supplier engagement. We will continue working with suppliers to complete remediation actions in 2025.



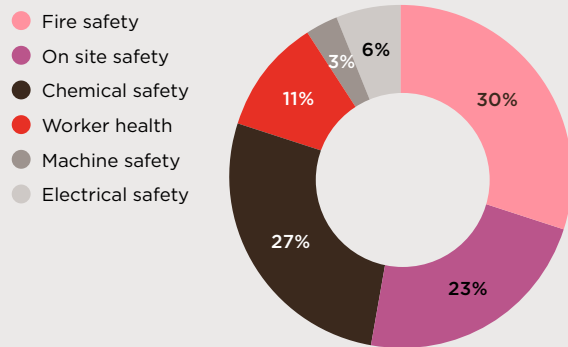


PREVALENT SUPPLY CHAIN NON-CONFORMANCES

In 2024, most non-conformances occurred in the categories of health and safety, working hours and compensation and benefits, as in 2023. The pie charts detail the types of issues found per category, followed by a few examples of how specific non-conformances were remediated.

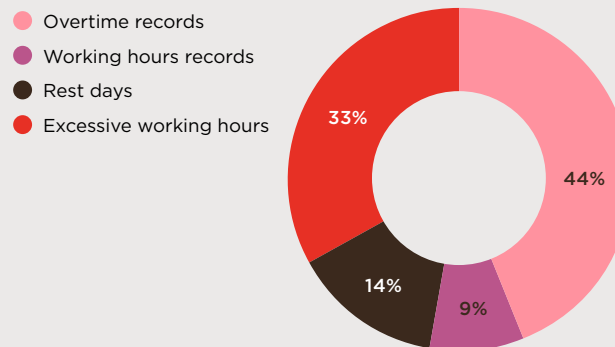
HEALTH AND SAFETY

A notable non-conformance in the health and safety category relates to electrical risk and flammable materials in a workshop. To correct this, uneven wires were corrected and worker training was conducted on how to handle flammable items in relation to electrical risks as a long-term solution.



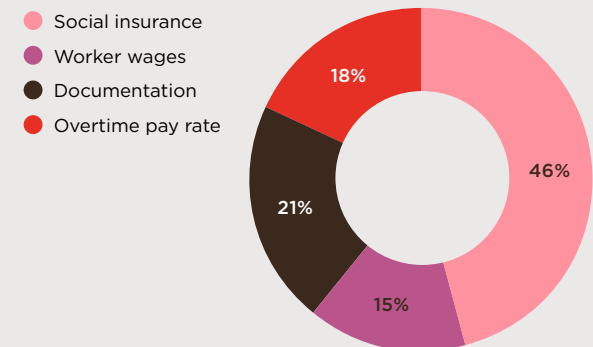
WORKING HOURS

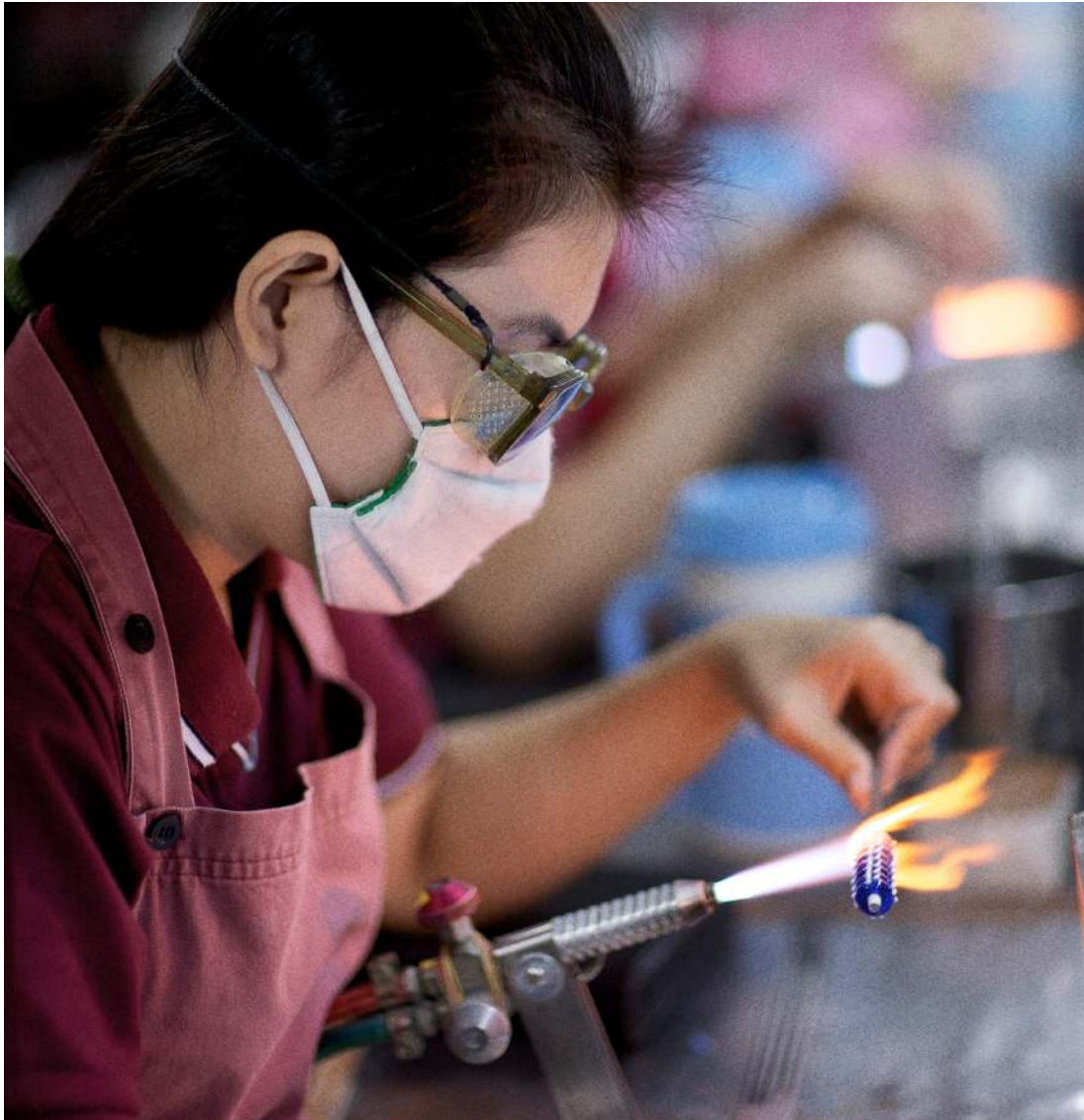
Similar to 2022 and 2023, the majority of the working hour non-conformances related to overtime not being used responsibly in China. Overtime laws are stricter where we are not allowed to exceed the legal limit of 36 hours per month. We are taking a progressive approach, firstly to reduce working hours to 60 hours per week per our Supplier Code of Conduct, and then to work with suppliers to make further reductions where possible.



COMPENSATION AND BENEFITS

An example of a non-conformance related to inconsistent records related to overtime wages and minimum wages. To avoid recurrence, an inspection mechanism was installed and records now undergo frequent checks.





Focusing on vulnerable workers

We know that particular worker profiles are at higher risk of labour rights abuses such as migrant workers⁷. Around 7% of workers in our jewellery supply chain are migrants and we therefore focus on better understanding their recruitment and working experience.

In 2024, we identified issues with migrant worker management at five sites including payment of recruitment fees and passport retention, of which two cases are outlined below.

During an audit performed by a third party, an issue related to recruitment fees was identified at a jewellery supplier. The supplier proactively communicated the issue to us, and transparently shared progress on the resolution. They repaid document renewal fees to the migrant workers including work permits, visas, health examinations and biometric checks. Furthermore, the supplier adopted the 'employer pays' principle and established a foreign migrant worker management policy. The facility was also reaudited to close the non-conformance.

Where we identify a high risk of migrant labour for new suppliers, we aim to ensure a third-party visit is conducted ahead of mass production. An onsite audit at a fixtures and furniture site in Malaysia identified passport retention for migrant workers hired by a security services contractor. We initiated a structured engagement process with our supplier to understand root causes and further investigate, particularly as they had robust migrant worker processes in place for their own employees. Interviews with the affected workers found that

they had requested the security contractor to keep their passports safe due to being located in a rural area; this was subsequently resolved by returning passports to workers and installing lockers in their dormitories. Due to this being a recurring issue, our supplier decided to terminate their relationship with the security contractor. In line with responsible exit practices, we requested that our supplier conduct due diligence to ensure the migrant workers were reassigned to a new place of employment and not be sent to their home country. Furthermore, we continue working with our supplier to ensure they implement the same standards for their contractors as for their own employees going forwards.

In line with our obligations under the Canadian Fighting Against Forced Labour and Child Labour in Supply Chains Act, we have not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in our own operations and supply chain.

RESPONSIBLE CONSTRUCTION

While expanding our crafting facilities in Vietnam, we engaged a responsible construction supplier to mitigate risks in a sector often characterised by informal and multi-layered recruitment practices. Supported by a third-party expert, we evaluated potential suppliers, using sustainability performance as a key criterion, and implemented a grievance mechanism to enable workers to voice concerns freely. This collaboration will continue throughout the project to monitor progress and address emerging risks.

⁷ Individual that has migrated for the specific purpose of employment.

Building supplier and colleague capabilities

We strive to use a range of tools to engage suppliers on human rights and environmental topics, such as capability building. In 2024, we held supplier webinars and an in-person jewellery supplier summit to update suppliers on our refreshed approach to responsible sourcing and also launched an eLearning offering with curated learning paths. Modules cover topics ranging from water management and consulting workers to migrant workers and forced labour. By the end of 2024, 58% of product suppliers had completed the assigned modules.

Furthermore, we continued with our onsite capability building programme and in 2024 we engaged six jewellery suppliers; three of these started in 2023. The focus with these suppliers has been on implementing robust management

systems and going beyond audit to foster a culture of continuous improvement.

To ensure colleagues have the relevant knowledge to engage suppliers on sustainability, in 2024, we developed an on-site monitoring tool to empower and guide colleagues to ask questions related to human rights during supplier visits. Going forward, this tool will be used by colleagues during supplier visits, particularly for sectors such as third-party logistics, where we know risks to workers are prevalent.

Our global eLearning on human rights continues to be mandatory for colleagues and includes examples of the risks of forced and child labour occurring without proper due diligence processes in place.

Responsible buying practices

We acknowledge that our business practices can potentially impact human rights, including working conditions, in our supply chain. Following on from an assessment of our buying practices in 2023 where we interviewed colleagues and suppliers, we have worked cross-functionally to determine where we can make improvements. Key initiatives include:

- Reviewing supplier contracts to ensure our terms and conditions are fair to smaller suppliers
- Improving the process and governance in our sampling process to ensure more streamlined communication and efficiencies
- Using new technology for more accurate planning and forecasting of products
- More flexible ordering and bulk purchase orders for recurring and large volume materials, where suppliers may want to spread production across off-peak months



The project has led to greater collaboration between teams and a better understanding of how certain actions affect other teams at Pandora, suppliers and workers in our supply chain. We will continue to engage cross-functionally to further develop our approach to responsible buying.

Collaboration

Collaboration with external partners is an important part of our human rights approach. Pandora is a member of the Nordic Business Network for Human Rights, which facilitates peer learning, and the UN Global Compact.

RECOGNITION FOR HUMAN RIGHTS PERFORMANCE

In 2024, Pandora improved its rating on the human rights scorecard¹ from the Danish Institute for Human Rights, and now ranks joint second among the 30 largest Danish companies. This recognition of our human rights performance demonstrates the important strides underway to identify and mitigate risk to people across our business and to increase transparency around our efforts.

¹ Documenting Respect for Human Rights – a 2024 Benchmark of Large Danish Companies, The Danish Institute for Human Rights, 2024

TRACKING AND MEASURING EFFECTIVENESS

We track the effectiveness of our human rights programme through consistent engagement with key rightsholders.

Examples of engagement and tracking include focus group discussions with employees in Thailand, a worker dialogue app in our Thai distribution centre and specific KPIs on health and safety. Tracking incidents raised through our whistleblower hotline also provides us with a consistent overview of human rights issues raised. Our commitment to providing an adequate wage for all employees is also monitored through an annual living wage benchmark exercise.

When remedy is implemented in our own operations or with suppliers, we continuously monitor the situation for rightsholders through tools such as follow-up audits and building the capability of our colleagues and suppliers

to engage directly with workers and affected stakeholders.

In our supply chain, third-party audits provide useful snapshot information of how suppliers have worked on non-conformances to improve, and our onsite capability building programme ensures suppliers are supported throughout their continuous improvement journey. We also track the number of non-conformances per site as an 'intensity' metric and aim to reduce this year on year as we focus on using in-house expertise to closely support suppliers on improving their management systems.

We often assess our own practices to ensure continued effectiveness. For example, in-depth COVID-recovery visits at our supplier factories provided us with a deeper understanding of the human rights issues and their root causes in our supply chain beyond the findings identified by our regular audits. We used the learnings to train our colleagues, establish more holistic supplier engagement, change our primary audit provider to

ensure a more thorough approach and increased our focus on vulnerable workers such as migrants.

Alongside this, we have a programme dedicated to evaluating, tracking, and improving our buying practices to ensure they are more responsible and do not have unintended consequences on our suppliers nor on the human rights of workers in our supply chain.

GRIEVANCE MECHANISMS

Our Whistleblower Policy outlines the escalation process for employees and external stakeholders to raise concerns about Pandora. We maintain a third-party whistleblower hotline which allows employees and external stakeholders to raise concerns anonymously in their local language if they witness violations of legislation, the Pandora Code of Conduct or have serious concerns including human rights violations or environmental impacts. The hotline can be accessed via our corporate website and intranet.

The Internal Audit & Compliance Controlling (IACC) function manages the whistleblower hotline. In 2024, the head of the IACC function reported to Pandora's Senior Vice President, Corporate Finance, with a dotted reporting line to the Audit Committee Chair. In 2025, the reporting line will be changed to the Chief Financial Officer, still with a dotted reporting line to the Audit Committee Chair. In 2024, a total of 233 cases were reported to the whistleblower hotline, covering issues such as harassment, discrimination, racism and minor grievances.

We reviewed all cases, providing anonymity where possible, and non-retaliation measures, even though not all cases were substantiated with

evidence. None of the cases had a severe impact on our business operations or a material financial impact.

In 2024, we took further steps to build awareness around our whistleblower programme. As part of our ongoing Speak Up! campaign, we launched mandatory whistleblower e-learning to ensure all employees are informed about the hotline and their right to safe, anonymous reporting.

A key focus for our crafting facilities in Thailand in 2024 was to conduct a thorough review of our grievance mechanisms, see [page 13](#) for further information.

We require our suppliers to report serious concerns including misconduct, unethical behaviour, and violations of the Pandora Supplier Code of Conduct, applicable laws, rules, or regulations in their operations. Suppliers can raise concerns confidentially and without the risk of retaliation through the whistleblower hotline.

In addition, suppliers are required to provide their employees with avenues to raise legal or ethical concerns without fear of retaliation. Suppliers are also expected to take action to prevent, detect, and correct any retaliatory actions. These requirements also extend to sub-suppliers involved in the delivery or production of raw materials, intermediate products, or services to Pandora. During supplier audits we assess the presence and functioning of grievance mechanisms available to workers.



LOOKING AHEAD

In 2025, we will continue our efforts to improve human rights, environmental sustainability and prevent modern slavery in our own operations and value chain by taking the following steps:

1

Review strategy for
our Responsible Sourcing
Programme

2

Develop targets

3

Continue improving
our buying practices

RESPONSIBLE SOURCING DATA

RESPONSIBLE SOURCING

%	2024	2023
Share of high-risk supplier spend SMETA audited	36	32
Share of high-risk supplier spend with accepted standard	61	61
Share of high-risk supplier spend due for SMETA audit next year	3	7
Share of high-risk supplier spend to total supplier spend	28	27
Share of jewellery crafted at Pandora crafting facilities	92	94

The share of high-risk supplier spend constitutes 28% of Pandora’s total supplier spend. 36% of the high-risk supplier spend was audited in 2024, 61% is covered by other acceptable standards, and 3% is due for a SMETA audit next year. In 2024, 92% of our jewellery was crafted at Pandora’s own crafting facilities, which is 2% less than in 2023.

ACCOUNTING POLICIES

The share of high-risk supplier spend SMETA-audited (paid by Pandora or the supplier), the share of high-risk supplier spend with acceptable standard (RJC, BSCI and BEPI) and the share of high-risk supplier spend due for SMETA audit next year are all calculated as a share of spend in scope for our responsible sourcing programme. The share of high-risk supplier spend is calculated as a share of total supplier spend in Pandora. The share of jewellery crafted at Pandora’s crafting facilities is calculated as the share of the total crafted jewellery.

SMETA THIRD-PARTY AUDIT SUMMARY

Number	2024	2023
Total non-conformances	346	360
Suppliers SMETA audited	46	36
Factories SMETA audited	67	50
Severity of non-conformances		
Business critical non-conformances	2	0
Critical non-conformances	69	59
Major non-conformances	205	229
Minor non-conformances	68	72
Collaborative Action Required	2	-
Status of non-conformances		
Remediation complete	158	112
Remediation in progress	188	248
Remediation in progress from preceding years	85	44
Average non-conformances per SMETA-audited factory	5.2	7.2

In 2024, a total of 346 non-conformances were identified. 46% of the total non-conformances had been closed at the end of 2024. The remaining 54% are in the process of being closed.

ACCOUNTING POLICIES

Pandora audits its high-risk suppliers on a regular basis against our Supplier Code of Conduct based on robust external protocols. Audits are planned in two-year cycles and take place on one or more of the supplier’s factories. The audits are either paid by Pandora or the supplier themselves. The number of non-conformances relates to the year the audit was conducted. Pandora classifies non-conformances in five categories aligned with the SMETA audit standard; business critical, critical, major, minor, and collaborative action required. Remediations completed are all issues completed independent of the timing of completion. Remediations in progress are open non-conformances still to be completed. The number of remediations in progress from preceding years are non-conformances which are still in progress at the end of the year, accumulated between 2022 and 2023. The average non-conformances per SMETA audited factory is calculated as the total number of non-conformances divided by the number of factories which were SMETA-audited.

ABOUT THIS STATEMENT

LEGAL REQUIREMENTS

This Statement is made on behalf of Pandora A/S, Denmark and all other companies in the Pandora Group (collectively referred to as “Pandora”). It sets out the steps Pandora has taken during the financial year 2024 (running from 1 January to 31 December) to address modern slavery within its own business operations and supply chain.

Pandora provides this joint Statement for itself and on behalf of certain foreign subsidiaries that are directly covered by a disclosure obligation in their respective jurisdictions. Pandora engaged with and consulted each of these foreign subsidiaries. For the UK, this obligation includes Pandora Jewellery UK Limited and Pandora UK Hub Limited pursuant to section 54(1) of the UK Modern Slavery Act 2015. For Australia, pursuant to the Australian Modern Slavery Act 2018, the Statement includes Pandora Jewelry Pty Limited, Pandora Retail Pty Limited and AD Astra Holdings Pty Limited. Through this Statement, Pandora also satisfies the disclosure obligations and requirements in accordance with the California Transparency in Supply Chains Act 2010. For Canada, pursuant to the Fighting Against Forced Labour and Child Labour in Supply Chains Act, the Statement includes Pandora Jewelry Ltd. For Germany, Pandora Jewelry GmbH satisfies

the reporting obligation pursuant to section 10(2) of the German Act on Corporate Due Diligence Obligations in Supply Chains.

ADDITIONAL INFORMATION

For any questions or feedback related to the disclosure in this statement and our approach to human rights due diligence, including modern slavery and forced labour, please reach out to us at sustainability@pandora.net 

APPROVAL

This statement has been approved by the Board of Directors on 4 February and signed by the CEO on 17 January 2025.



Alexander Lacik
President & Chief Executive Officer

I have the authority to bind Pandora A/S and its subsidiary, Pandora Jewelry Ltd., in accordance with the requirements of the Canadian Fighting Forced Labour and Child Labour in Supply Chains Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.



PANDÖRA

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

 @PandoraJewelry  @theofficialpandora  Pandora-a-s  @theofficialpandora  @theofficialpandora  pandoragroup.com