

## BASE PROSPECTUS

# PANDORA

## PANDORA A/S

(incorporated with limited liability in Denmark)

EUR 1,500,000,000

### Euro Medium Term Note Programme

This Base Prospectus has been approved by the Central Bank of Ireland (the "**Central Bank**"), which is the Irish competent authority under Regulation (EU) 2017/1129 (the "**EU Prospectus Regulation**"), as a base prospectus issued in compliance with the EU Prospectus Regulation for the purpose of giving information with regard to the issue of notes ("**Notes**") issued under the Euro Medium Term Note Programme (the "**Programme**") described in this Base Prospectus during the period of twelve months from the date hereof. The Central Bank has only approved this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the EU Prospectus Regulation. Such an approval should not be considered as an endorsement of Pandora A/S (the "**Issuer**") nor as an endorsement of the quality of the Notes that are the subject of the Base Prospectus. Investors should make their own assessment as to the suitability of investing in the Notes. Such approval relates only to Notes issued under the Programme within twelve months from the date hereof. Application will be made to the Irish Stock Exchange plc, trading as Euronext Dublin ("**Euronext Dublin**") for Notes issued under the Programme within twelve months from the date hereof to be admitted to the official list (the "**Official List**") and to trading on the regulated market of Euronext Dublin. The regulated market of Euronext Dublin is a regulated market for the purposes of Directive 2014/65/EU on markets in financial instruments.

The requirement to publish a prospectus under the EU Prospectus Regulation only applies to Notes which are to be admitted to trading on a regulated market in the European Economic Area (the "**EEA**") and/or offered to the public in the EEA other than in circumstances where an exemption is available under Article 1(4) and/or 3(2) of the EU Prospectus Regulation. References in this Base Prospectus to "Exempt Notes" are to Notes for which no prospectus is required to be published under the EU Prospectus Regulation. The Central Bank has neither approved nor reviewed information contained in this Base Prospectus in connection with Exempt Notes.

Notes issued under the Programme may be rated, including by Moody's France SAS ("**Moody's**") and/or S&P Global Ratings Europe Limited ("**S&P**"). Each of Moody's and S&P is established in the EEA and registered under Regulation (EC) No 1060/2009, on credit rating agencies (the "**EU CRA Regulation**"), and appear on the latest update of the list of registered credit rating agencies on the ESMA website ([www.esma.europa.eu/supervision/credit-rating-agencies/risk](http://www.esma.europa.eu/supervision/credit-rating-agencies/risk)). Ratings given by Moody's are endorsed by Moody's Investors Service Limited (UK), and the ratings given by S&P are endorsed by S&P Global Ratings UK Limited, each of which is established in the UK and registered under Regulation (EC) No 1060/2009 on credit rating agencies as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**").

**A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.**

***Investing in Notes issued under the Programme involves certain risks. The principal risk factors that may affect the abilities of the Issuer to fulfil its respective obligations under the Notes are discussed under "Risk Factors" below.***

The Notes have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or with any securities regulatory authority of any state or other jurisdiction of the United States, and Notes in bearer form are subject to U.S. tax law requirements.

The Notes may not be offered, sold or (in the case of Notes in bearer form) delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act ("**Regulation S**")), except in certain transactions exempt from the registration requirements of the Securities Act.

This Base Prospectus is valid for twelve months from the date of publication and, for the avoidance of doubt, the Issuer shall have no obligation to supplement this Base Prospectus after the end of its 12-month validity period.

#### Arrangers

DANSKE BANK

NORDEA

#### Dealers

BNP PARIBAS  
MORGAN STANLEY

DANSKE BANK  
NORDEA

28 February 2023

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## IMPORTANT NOTICES

### *Responsibility for this Base Prospectus*

The Issuer accepts responsibility for the information contained in this Base Prospectus and any Final Terms and declares that, to the best of its knowledge, the information contained in this Base Prospectus is, in accordance with the facts and the Base Prospectus makes no omission likely to affect its import.

### *Final Terms/Drawdown Prospectus*

Each Tranche (as defined herein) of Notes will be issued on the terms set out herein under "*Terms and Conditions of the Notes*" (the "**Conditions**") as completed by a document specific to such Tranche called final terms (the "**Final Terms**") or in a separate prospectus specific to such Tranche (the "**Drawdown Prospectus**") as described under "*Final Terms and Drawdown Prospectuses*" below. Copies of Final Terms in relation to Notes to be listed on Euronext Dublin will be published on the website of the Euronext Dublin (<https://live.euronext.com>).

All references herein to "**Final Terms**" shall, unless the context requires otherwise, be deemed to be references to the relevant Drawdown Prospectus (as applicable).

### *Other relevant information*

This Base Prospectus must be read and construed together with any supplements hereto and with any information incorporated by reference herein and, in relation to any Tranche of Notes which is the subject of Final Terms, must be read and construed together with the relevant Final Terms. In the case of a Tranche of Notes which is the subject of a Drawdown Prospectus, each reference in this Base Prospectus to information being specified or identified in the relevant Final Terms shall be read and construed as a reference to such information being specified or identified in the relevant Drawdown Prospectus unless the context requires otherwise.

The Issuer has confirmed to the Dealers named under "*Subscription and Sale*" below that this Base Prospectus contains all information which is (in the context of the Programme, the issue, offering and sale of the Notes) material; that such information is true and accurate in all material respects and is not misleading in any material respect; that any opinions, predictions or intentions expressed herein are honestly held or made and are not misleading in any material respect; that this Base Prospectus does not omit to state any material fact necessary to make such information, opinions, predictions or intentions (in the context of the Programme, the issue, offering and sale of the Notes) not misleading in any material respect; and that all proper enquiries have been made to ascertain and verify the foregoing.

The Issuer confirms that any information from third party sources has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by such third party source, no facts have been omitted which would render the reproduced information inaccurate or misleading.

### *Unauthorised information*

No person has been authorised to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other document entered into in relation to the Programme or any information supplied by the Issuer or such other information as is in the public domain and, if given or made, such information or representation should not be relied upon as having been authorised by the Issuer or any Dealer.

Neither the Dealers nor any of their respective affiliates have authorised the whole or any part of this Base Prospectus and none of them makes any representation or warranty or accepts any responsibility as to the accuracy or completeness of the information contained in this Base Prospectus or any responsibility for the acts or omissions of the Issuer or any other person (other than the relevant Dealer) in connection with the issue and offering of the Notes. Neither the delivery of this Base Prospectus or any Final Terms nor the offering, sale or delivery of any Note shall, in any circumstances, create any implication that the information contained in this Base Prospectus is true subsequent to the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the prospects or financial or trading position of the Issuer since the date thereof or, if later, the date upon which this Base Prospectus has been most recently amended or supplemented or that any other information supplied in connection with the

Programme is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

### ***Notes issued as Sustainability-Linked Notes***

None of the Dealers accepts any responsibility for any sustainability assessment of any Notes issued as Sustainability-Linked Notes or makes any representation or warranty or assurance whether such Notes will meet any investor expectations or requirements regarding assets with sustainability characteristics. None of the Dealers is responsible for monitoring, or reporting on, the satisfaction of the Sustainability Performance Target(s) (as defined in "*Description of the Issuer – Sustainability*" below).

In addition none of the Dealers is responsible for the assessment of the Issuer's Sustainability-Linked Finance Framework including the selection of the Issuer's Key Performance Indicators ("**KPIs**") or Sustainability Performance Targets ("**SPTs**") as defined therein and their alignment with any sustainability-related standards. Moody's has issued an independent opinion, dated 28 February 2023, on the Issuer's Sustainability-Linked Finance Framework and alignment with the ICMA SLB Principles (the "**Second Party Opinion**"). The Second Party Opinion provides an opinion on certain environmental and related considerations and is not intended to address any credit, market or other aspects of an investment in any Notes, including without limitation market price, marketability, investor preference or suitability of any security. The Second Party Opinion is a statement of opinion, not a statement of fact. No representation or assurance is given by the Dealers as to the suitability or reliability of the Second Party Opinion or any other opinion or certification of any third party made available in connection with an issue of Notes issued as Sustainability-Linked Notes. As at the date of this Base Prospectus, the providers of such opinions and certifications are not subject to any specific regulatory or other regime or oversight. The Second Party Opinion and any other such opinion or certification is not, nor should be deemed to be, a recommendation by the Dealers, or any other person to buy, sell or hold any Notes and is current only as of the date it is issued. The criteria and/or considerations that formed the basis of the Second Party Opinion and any other such opinion or certification may change at any time and the Second Party Opinion may be amended, updated, supplemented, replaced and/or withdrawn. Prospective investors must determine for themselves the relevance of any such opinion or certification and/or the information contained therein. The Issuer's Sustainability-Linked Finance Framework may also be subject to review and change and may be amended, updated, supplemented, replaced and/or withdrawn from time to time and any subsequent version(s) may differ from any description given in this Base Prospectus. The Issuer's Sustainability-Linked Finance Framework, the Second Party Opinion and any other such opinion or certification does not form part of, nor is incorporated by reference, in this Base Prospectus.

In the event any such Notes are, or are intended to be, listed, or admitted to trading on a dedicated "green", "sustainable", "social" or other equivalently-labelled segment of a stock exchange or securities market, no representation or assurance is given by the Dealers that such listing or admission will be obtained or maintained for the lifetime of the Notes.

### ***Restrictions on distribution***

The distribution of this Base Prospectus and any Final Terms and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus or any Final Terms comes are required by the Issuer and the Dealers to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of this Base Prospectus or any Final Terms and other offering material relating to the Notes, see "*Subscription and Sale*".

In particular, the Notes have not been, and will not be, registered under the United States Securities Act of 1933 (as amended) (the "**Securities Act**") or with any securities regulatory authority of any state or other jurisdiction of the United States, and Notes in bearer form are subject to U.S. tax law requirements. The Notes may not be offered, sold or (in the case of Notes in bearer form) delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S) except in certain transactions exempt from the registration requirements of the Securities Act.

**NEITHER THE PROGRAMME NOR THE NOTES HAVE BEEN APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION (THE "SEC"), ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER U.S. REGULATORY AUTHORITY, NOR HAS ANY OF THE FOREGOING AUTHORITIES PASSED**

**UPON OR ENDORSED THE MERITS OF ANY OFFERING OF NOTES OR THE ACCURACY OR ADEQUACY OF THIS BASE PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.**

Neither this Base Prospectus nor any Final Terms constitutes an offer or an invitation to subscribe for or purchase any Notes and should not be considered as a recommendation by the Issuer, the Dealers or any of them that any recipient of this Base Prospectus or any Final Terms should subscribe for or purchase any Notes. Each recipient of this Base Prospectus or any Final Terms shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer.

**Product Governance under Directive 2014/65/EU (as amended)**

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the "**EU MiFID Product Governance Rules**"), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the EU MiFID Product Governance Rules.

The Final Terms in respect of any Notes may include a legend entitled "EU MiFID II Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to Directive 2014/65/EU (as amended, "**EU MiFID II**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

**Product Governance under UK MiFIR**

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR product governance rules set out in the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**"), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

The Final Terms in respect of any Notes may include a legend entitled "UK MiFIR Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any distributor should take into consideration the target market assessment; however, a distributor subject to the UK MiFIR Product Governance Rules is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

**IMPORTANT – EEA RETAIL INVESTORS** If the Final Terms in respect of any Notes includes a legend entitled "Prohibition of Sales to EEA Retail Investors", the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of EU MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 ("**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

**IMPORTANT - UK RETAIL INVESTORS** – If the Final Terms in respect of any Notes includes a legend entitled "Prohibition of Sales to UK Retail Investors", the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); or (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional

client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

### ***EU Benchmarks Regulation***

Interest and/or other amounts payable under the Notes may be calculated by reference to certain reference rates. Any such reference rate may constitute a benchmark for the purposes of Regulation (EU) 2016/1011 (the "**EU Benchmarks Regulation**"). If any such reference rate does constitute such a benchmark, the Final Terms will indicate whether or not the benchmark is provided by an administrator included in the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 (Register of administrators and benchmarks) of the EU Benchmarks Regulation. The registration status of any administrator under the EU Benchmarks Regulation is a matter of public record and, save where required by applicable law, the Issuer does not intend to update the Final Terms to reflect any change in the registration status of the administrator.

### ***Product classification pursuant to Section 309B of the Securities and Futures Act 2001 of Singapore***

The Final Terms in respect of any Notes may include a legend entitled "*Singapore Securities and Futures Act Product Classification*" which will state the product classification of the Notes pursuant to Section 309B(1) of the Securities and Futures Act 2001 (the "**SFA**"). The Issuer will make a determination and provide the appropriate written notification to "relevant persons" in relation to each issue about the classification of the Notes being offered for the purposes of Section 309B(1)(a) and Section 309B(1)(c) of the SFA.

### ***Programme limit***

The maximum aggregate principal amount of Notes outstanding under the Programme will not exceed EUR 1,500,000,000 (and for this purpose, any Notes denominated in another currency shall be translated into EUR at the date of the agreement to issue such Notes (calculated in accordance with the provisions of the Dealer Agreement). The maximum aggregate principal amount of Notes which may be outstanding under the Programme may be increased from time to time, subject to compliance with the relevant provisions of the Dealer Agreement as defined under "*Subscription and Sale*".

### ***Certain definitions***

In this Base Prospectus, unless otherwise specified, references to a "**Member State**" are references to a Member State of the European Economic Area, references to "**U.S.\$**", "**U.S. dollars**" or "**dollars**" are to United States dollars, references to "**EUR**" or "**euro**" are to the currency introduced at the start of the third stage of European economic and monetary union, and as defined in Article 2 of Council Regulation (EC) No 974/98 of 3 May 1998 on the introduction of the euro, as amended, and references to "**DKK**" are to the lawful currency of Denmark.

Certain figures included in this Base Prospectus have been subject to rounding adjustments; accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

### ***Ratings***

Tranches of Notes issued under the Programme will be rated or unrated. Where a Tranche of Notes is rated, such rating will not necessarily be the same as the ratings described above or the rating(s) assigned to Notes already issued. Where a Tranche of Notes is rated, the applicable rating(s) will be specified in the relevant Final Terms. Whether or not each credit rating applied for in relation to a relevant Tranche of Notes will be: (1) issued or endorsed by a credit rating agency established in the EEA and registered under the EU CRA Regulation or by a credit rating agency which is certified under the EU CRA Regulation; and/or (2) issued or endorsed by a credit rating agency established in the UK and registered under the UK CRA Regulation or by a credit rating agency which is certified under the UK CRA Regulation, will be disclosed in the Final Terms. In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not (1) issued by a credit rating agency established in the EEA and registered

under the EU CRA Regulation or (2) provided by a credit rating agency not established in the EEA but is endorsed by a credit rating agency established in the EEA and registered under the EU CRA Regulation or (3) provided by a credit rating agency not established in the EEA which is certified under the EU CRA Regulation. In general, UK regulated investors are restricted from using a rating for regulatory purposes if such rating is not (1) issued by a credit rating agency established in the UK and registered under the UK CRA Regulation or (2) provided by a credit rating agency not established in the UK but is endorsed by a credit rating agency established in the UK and registered under the UK CRA Regulation or (3) provided by a credit rating agency not established in the UK which is certified under the UK CRA Regulation.

### **Stabilisation**

**In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager(s)) in the applicable Final Terms may over allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager(s) (or person(s) acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules.**

## **FORWARD-LOOKING STATEMENTS**

This Base Prospectus may contain certain forward-looking statements. The words "anticipate", "believe", "expect", "plan", "intend", "targets", "aims", "estimate", "project", "will", "would", "may", "could", "continue" and similar expressions are intended to identify forward-looking statements. All statements other than statements of historical fact included in this Base Prospectus, including, without limitation, those regarding the financial position, business strategy, management plans and objectives for future operations of the Issuer are forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause our actual results, performance or achievements, or industry results, to be materially different from those expressed or implied by these forward-looking statements. These forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we expect to operate in the future.

Factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under "Risk Factors". Any forward-looking statements made by or on behalf of the Issuer speak only as at the date they are made. The Issuer does not undertake to update forward-looking statements to reflect any changes in its expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based.



## OVERVIEW

*The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Base Prospectus and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Final Terms. The Issuer and any relevant Dealer may agree that Notes shall be issued in a form other than that contemplated in the Terms and Conditions, in which event, in the case of listed Notes only and if appropriate, a new Prospectus will be published.*

*Words and expressions defined in the "Terms and Conditions of the Notes" below or elsewhere in this Base Prospectus have the same meanings in this overview.*

<b>The Issuer:</b>	Pandora A/S
<b>Arrangers:</b>	Danske Bank A/S and Nordea Bank Abp
<b>Dealers:</b>	BNP Paribas, Danske Bank A/S, Morgan Stanley & Co. International plc and Nordea Bank Abp
<b>Fiscal Agent:</b>	BNP Paribas, Luxembourg Branch
<b>Registrar and Transfer Agent:</b>	BNP Paribas, Luxembourg Branch
<b>Description:</b>	Euro Medium Term Note Programme
<b>Certain Restrictions:</b>	Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see " <i>Subscription and Sale</i> ") including the following restrictions applicable at the date of this Base Prospectus.

### **Notes having a maturity of less than one year**

Notes having a maturity of less than one year will constitute deposits for the purposes of the prohibition on accepting deposits contained in section 19 of the Financial Services and Markets Act 2000 (the "FSMA") unless they are issued to a limited class of professional investors and have a denomination of at least £100,000 or its equivalent, see "*Subscription and Sale*".

<b>Programme Size:</b>	Up to EUR 1,500,000,000 (or its equivalent in other currencies calculated as described in the Dealer Agreement) outstanding at any time. The Issuer may increase the amount of the Programme in accordance with the terms of the Dealer Agreement.
<b>Issuance in Series:</b>	Notes will be issued in Series. Each Series may comprise one or more Tranches issued on different issue dates. The Notes of each Series will all be subject to identical terms, except that the issue date and the amount of the first payment of interest may be different in respect of different Tranches. The Notes of each Tranche will also be subject to identical terms in all respects save that a Tranche may comprise Notes of different denominations.
<b>Distribution:</b>	Notes may be distributed by way of private or public placement and in each case on a syndicated or non-syndicated basis.

<b>Currencies:</b>	Notes may be denominated in any currency or currencies agreed between the Issuer and the relevant Dealer, subject to any applicable legal or regulatory restrictions.
<b>Maturities:</b>	The Notes will have such maturities as may be agreed between the Issuer and the relevant Dealer, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the Issuer or the relevant Specified Currency.
<b>Issue Price:</b>	Notes may be issued at an issue price which is at par or at a discount to, or premium over, par.
<b>Interest:</b>	Notes may be interest-bearing or non-interest bearing. Interest (if any) may accrue at a fixed rate or a floating rate or a combination thereof and the method of calculating interest may vary between the issue date and the maturity date of the relevant Series.
<b>Fixed Rate Notes:</b>	Fixed interest will be payable on such date or dates as may be agreed between the Issuer and the relevant Dealer and on redemption and will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer and the relevant Dealer.
<b>Floating Rate Notes:</b>	<p>Floating Rate Notes will bear interest at a rate determined on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service.</p> <p>The margin (if any) relating to such floating rate will be agreed between the Issuer and the relevant Dealer for each Series of Floating Rate Notes.</p> <p>Floating Rate Notes may also have a maximum interest rate, a minimum interest rate or both.</p> <p>Interest on Floating Rate Notes in respect of each Interest Period, as agreed prior to issue by the Issuer and the relevant Dealer, will be payable on such Interest Payment Dates, and will be calculated on the basis of such Day Count Fraction, as may be agreed between the Issuer and the relevant Dealer.</p>
<b>Zero Coupon Notes:</b>	Zero Coupon Notes will be offered and sold at a discount to their nominal amount and will not bear interest.
<b>Sustainability-Linked Notes:</b>	<p>In respect of Sustainability-Linked Notes (as defined below), a Sustainability-Linked Trigger Event is linked to the failure of the Issuer to achieve certain specified Sustainability Performance Targets in relation to any relevant KPI or the failure of the Issuer to report on such KPI(s) in relation to an applicable Base Year (as specified in the applicable Final Terms).</p> <p>If a Sustainability-Linked Trigger Event applies to the Notes ("<b>Sustainability-Linked Notes</b>") and, if Sustainability-Linked Trigger Event (Interest) applies, then the rate of interest in respect of the Sustainability-Linked Notes may be subject to upward adjustment as specified in the relevant Final Terms or, if Sustainability-Linked Trigger Event (Premium) applies, a</p>

premium amount may be payable as specified in the relevant Final Terms.

In the case of Sustainability-Linked Notes in respect of which the applicable Final Terms indicates that Sustainability-Linked Trigger Event (Interest) is applicable: (i) if one Sustainability-Linked Trigger Event is specified as applicable in the applicable Final Terms, an increase in the Rate of Interest by the relevant Sustainability-Linked Step Up Margin will occur no more than once following the occurrence of the relevant Sustainability-Linked Trigger Event; (ii) if two or more Sustainability-Linked Trigger Events are specified as applicable in the applicable Final Terms with only one Sustainability-Linked Step Up Margin, an increase in the Rate of Interest will occur no more than once following the occurrence of one or more of the relevant Sustainability-Linked Trigger Events; and (iii) if two or more Sustainability-Linked Trigger Events are specified as applicable in the applicable Final Terms together with two or more Sustainability-Linked Step Up Margins, the related combination of Sustainability-Linked Step Up Margins relating to such Sustainability-Linked Trigger Events will be applicable for the remaining term of the Sustainability-Linked Notes following the occurrence of the relevant Sustainability-Linked Trigger Events in accordance with their terms. For the avoidance of doubt, in the case of any Sustainability-Linked Notes that state only that Sustainability-Linked Trigger Event (Interest) is applicable, following any such increase to the Rate of Interest, the Rate of Interest will not subsequently decrease to the initial Rate of Interest during the remaining term of such Sustainability-Linked Notes and no Sustainability-Linked Premium Amount(s) will be payable as a result of the occurrence of a relevant Sustainability-Linked Trigger Event

In the case of Sustainability-Linked Notes in respect of which the applicable Final Terms indicates that Sustainability-Linked Trigger Event (Premium) is applicable: (i) if one Sustainability-Linked Trigger Event is specified as applicable in the applicable Final Terms, only one Sustainability-Linked Premium Amount shall be payable following the occurrence of the Sustainability-Linked Trigger Event (Premium); (ii) if two or more Sustainability-Linked Trigger Events are specified as applicable in the applicable Final Terms or with only one Sustainability-Linked Premium Amount, only one Sustainability-Linked Premium Amount will be payable following the occurrence of one or more of the relevant Sustainability-Linked Trigger Events; and (iii) if two or more Sustainability-Linked Trigger Events are specified as applicable in the applicable Final Terms together with two or more Sustainability-Linked Premium Amounts, the related combination of Sustainability-Linked Premium Amounts will be payable following the occurrence of the relevant Sustainability-Linked Trigger Events, in accordance with their terms. For the avoidance of doubt, in the case of any Sustainability-Linked Notes that state only that Sustainability-Linked Trigger Event (Premium) is applicable, no increase in the Rate of Interest will occur as a result of the occurrence of a relevant Sustainability-Linked Trigger Event.

See Condition 8 (*Sustainability-Linked Notes*).

<b>Redemption:</b>	<p>The applicable Final Terms will indicate either that the relevant Notes cannot be redeemed prior to their stated maturity (other than for taxation reasons or following an Event of Default) or that such Notes will be redeemable at the option of the Issuer and/or the Noteholders upon giving notice to the Noteholders or the Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such other terms as may be agreed between the Issuer and the relevant Dealer.</p> <p>Notes having a maturity of less than one year are subject to restrictions on their denomination and distribution, see "<i>Certain Restrictions – Selling Restrictions Addressing Additional United Kingdom Securities Laws</i>".</p>
<b>Denomination of Notes:</b>	<p>The Notes will be issued in such denominations as may be agreed between the Issuer and the relevant Dealer save that the minimum denomination of each Note will be such amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency, see "<i>Subscription and Sale</i>", and save that the minimum denomination of each Note admitted to trading on a regulated market within the European Economic Area or offered to the public either in a Member State of the European Economic Area or in the United Kingdom in circumstances which would otherwise require the publication of a prospectus under the EU Prospectus Regulation will be EUR 100,000 (or, if the Notes are denominated in a currency other than Euro, the equivalent amount in such currency).</p>
<b>Taxation:</b>	<p>All payments in respect of the Notes will be made without withholding or deduction for or on account of withholding taxes imposed by the Kingdom of Denmark as provided in Condition 13 (<i>Taxation</i>). In the event that any such withholding or deduction is made, the Issuer will, save in certain limited circumstances provided in Condition 13 (<i>Taxation</i>), be required to pay additional amounts to cover the amounts so withheld or deducted.</p>
<b>Negative Pledge:</b>	<p>The terms of the Notes will contain a negative pledge provision as further described in Condition 5 (<i>Negative Pledge</i>).</p>
<b>Cross Default:</b>	<p>The terms of the Notes will contain a cross default provision as further described in Condition 14(c) (<i>Events of Default – Cross-Default of Issuer or Subsidiary</i>)</p>
<b>Listing and admission to trading:</b>	<p>Application has been made for Notes to be admitted during the period of twelve months from the date hereof to listing on the official list and to trading on the regulated market of Euronext Dublin.</p> <p>The applicable Final Terms will state whether or not the relevant Notes are to be listed and/or admitted to trading and, if so, on which stock exchanges and/or markets.</p>
<b>United States Selling Restrictions:</b>	<p>Regulation S, Category 2. TEFRA: C, D, or not applicable, as specified in the applicable Final Terms.</p>

<b>Status:</b>	The Notes are senior, unsubordinated, unconditional and unsecured obligations of the Issuer.
<b>Form:</b>	The Notes will be issued in bearer or registered form as specified in the applicable Final Terms.
<b>Rating:</b>	Notes issued under the Programme may be rated, including by Moody's and/or S&P.  In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not (1) issued by a credit rating agency established in the EEA and registered under the EU CRA Regulation or (2) provided by a credit rating agency not established in the EEA but which is endorsed by a credit rating agency established in the EEA and registered under the EU CRA Regulation or (3) provided by a credit rating agency not established in the EEA but which is certified under the EU CRA Regulation.  Similarly, in general, UK regulated investors are restricted from using a rating for regulatory purposes if such rating is not (1) issued by a credit rating agency established in the UK and registered under the UK CRA Regulation or (2) provided by a credit rating agency not established in the UK but which is endorsed by a credit rating agency established in the UK and registered under the UK CRA Regulation or (3) provided by a credit rating agency not established in the UK but which is certified under the UK CRA Regulation.
<b>Governing Law:</b>	The Notes, the Agency Agreement, the Deed of Covenant and Dealer Agreement, and any non-contractual obligations arising out of or in connection therewith, will be governed by English law.
<b>Clearing Systems:</b>	Euroclear and Clearstream, Luxembourg
<b>Selling Restrictions:</b>	See " <i>Subscription and Sale</i> ".
<b>Risk Factors:</b>	Investing in the Notes involves risks. See " <i>Risk Factors</i> ".
<b>Use of proceeds:</b>	The net proceeds from each issue of Notes will be used for the general corporate purposes of the Group, including the refinancing of existing indebtedness. If, in respect of any particular issue, there is a particular identified use of proceeds, this will be stated in the applicable Final Terms.

## RISK FACTORS

*An investment in the Notes is subject to risks. In addition to the other information contained in this Base Prospectus, you should carefully consider the following risk factors before purchasing the Notes. If any of the events described in the risk factors below occurs, the Issuer's results of operations and financial condition could be materially and adversely affected, which, in turn, could adversely affect the Issuer's ability to make payments of interest on the Notes and/or repay the Notes. All of these factors are contingencies which may or may not occur, and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.*

*Factors which the Issuer believes may be material for the purpose of assessing the market risks associated with the Notes are also described below.*

*The Issuer believes that the factors described below represent the principal risks inherent in investing in the Notes. However, the Issuer may be unable to pay interest, principal or other amounts on or in connection with the Notes for other reasons, and the Issuer does not represent that the statements below regarding the risks of holding any Notes are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus (including any documents deemed to be incorporated by reference herein) and reach their own views prior to making any investment decision. Prospective investors should note that the risks relating to the Issuer, its industry and the Notes summarized in this section are the risks that the Issuer believes to be the most essential to an assessment by a prospective investor of whether to consider an investment in the Notes. However, as these risks relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarized in this section, but also, among other things, should consult their financial, legal and tax advisers.*

### RISKS RELATING TO THE ISSUER

#### Market risks

##### *Macroeconomic and socio-political risks*

Jewellery is a highly discretionary product and growth in the jewellery industry is highly dependent on consumer spending and confidence. Economic downturns, inflation, financial market turbulence, currency exchange rate fluctuations, increasing interest rates, disturbances in energy supply and prices, primarily in Europe, as well as socio-political factors such as military conflicts, changes of government, civil unrest, pandemics, nationalization, expropriation, or nationalism could therefore have a material negative impact on the Issuer's capital investments, inventory, business activities and top- and bottom-line performance.

For example, recent developments such as the COVID-19 pandemic, the Russian-Ukrainian war (the "War"), high inflation levels, increasing interest rates and disturbances in energy supply and increasing energy prices have all had a significant impact on macroeconomic conditions around the world which, in turn, directly impacts consumer confidence and average household disposable income (more particularly, the amount of household disposable income allocated to spending on discretionary products like jewellery). Although the Issuer primarily offers products at affordable price points, as opposed to high-end luxury, its average customer is in the mid-income bracket and therefore possibly even more sensitive than the high-income bracket to macroeconomic and socio-political factor driven negative effects on average household disposable income.

While global economic growth rebounded strongly in 2021, primarily driven by increased consumer spending, the economic outlook deteriorated significantly during 2022, and this trend has continued into 2023, where there seems to be consensus among market actors, financial institutions and economists that some degree of economic recession will continue to affect the global economy.

The War and the sanctions and export-control measures instituted by the European Union, the United Kingdom, the United States, Canada and Japan, among others, against the Russian and Belarusian economy and persons and entities in response to the War have contributed, and will likely continue to contribute, to increased inflationary pressures (including increased prices of oil and natural gas), gas supply shortages, supply chain disruptions, market volatility and economic uncertainty, particularly in Europe.

Deteriorating economic and political conditions may also adversely affect the financial health and performance of the Issuer's Retail Partners, on whom the Issuer depends for a large portion (28% share of

revenue as of 31 December 2022) of its sales to end-consumers. This could result in a significant decrease in sales of the Issuer's products.

Any economic downturn or recession, lower than expected growth, increasing interest rates, sustained rates of inflation or an otherwise uncertain economic outlook, either globally or in the markets in which the Issuer operates, or any perception thereof by the Issuer's customers, could have a material adverse effect on the Issuer's business, financial condition and results of operations, which could adversely affect the Issuer's ability to make repayments of interest on the Note and/or repay the Notes issued under the Programme.

#### ***Risks related to consumer demand and product offering***

The Issuer's success largely depends on its ability to continuously create new, innovative, and sustainable products that are regarded as relevant by existing and new customers. Changes in consumer demand can occur suddenly and unexpectedly and the success of the Issuer's products depends not only on market sentiments and trends, but also on other external factors which are hard to predict or control.

Creating and offering products that resonate with consumers is critical to the success of the Pandora brand, especially considering Pandora's focus on attributes like collectability, affordability and sustainability and the fact that the Issuer drives a mono-brand operation. Collectability is a cornerstone of the Issuer's business model, and constantly offering consumers what they desire is crucial for driving repeat purchases and attracting new consumers. With every launch of a new collection, there is an inherent risk that consumers might not find the new products relevant and desirable, which could negatively impact the Pandora brand.

This risk could be exacerbated if the Issuer's marketing activities and brand campaigns fail to generate consumer engagement and excitement. Moreover, due to collaboration with local and global business partners, as well as selected influencers, there is also a risk that marketing and brand campaigns with any one or more of them may fail to achieve their desired effect.

Even more critical in the long term, however, are the risks of continuously overlooking new trends and failing to continuously and timely introduce and successfully commercialize new innovative products and designs.

The Issuer's failure to identify and appropriately respond to shifts in trends or consumer demands, as well as to continuously and timely introduce relevant, successful product designs and innovations, could have a material adverse effect on its business, financial condition and results of operations, which could adversely affect the Issuer's ability to make payments of interest on the Notes and/or repay the Notes issued under the Programme.

#### ***Risks related to brand relevance***

In addition to better and more relevant products, the Issuer's success also depends on its ability to create the most appealing brand experience at all consumer touchpoints, as well as successful collaborations with other brands.

The relevance and desirability of the Pandora brand depends on the Issuer's ability to continuously drive meaningfulness, distinctiveness, and salience. This requires a clear brand identity that defines the Issuer and its Pandora brand, its values, how these values are applied in a contemporary context, and what distinguishes the brand from its competitors. In order to build emotional connections with the Pandora brand, its brand identity should be experienced at all levels of interaction by customers, employees, and other stakeholders, and the brand must be constantly refined as culture, values, and societies evolve.

The desired emotional connections can be built only through insights into consumers' needs and passions, and the barriers consumers face. If the Issuer's insights are off-target or not properly realised, the Pandora brand's relevance could decline and the brand's relevance in key growth markets, such as Europe, North America, Latin America, Australia and Mainland China, could fail to flourish, both of which could have a material adverse effect on the Issuer's business, financial condition and results of operations, which could adversely affect the Issuer's ability to make payments of interest on the Notes and/or repay the Notes issued under the Programme.

### ***Risks related to the COVID-19 pandemic and possible future pandemics***

Although the COVID-19 pandemic has abated in most parts of the world, new variants of the virus that causes COVID-19 and other viruses could emerge. New variants and/or new emerging virus outbreaks could negatively impact the Issuer's ability to successfully execute its business priorities.

Widespread lockdowns, restrictions and containment measures in response to the COVID-19 pandemic across the Issuer's retail markets led to traffic declines and, in many instances, temporary closures in the Issuer's own stores and its franchisees', distributors' and multi-brand dealers' ("**Retail Partners**") stores in 2020, 2021 and 2022. If more harmful variants of the COVID-19 virus or new dangerous viruses were to emerge and governments around the world were to impose lockdowns, restrictions and other containment measures similar to those imposed to control the COVID-19 pandemic, this could have a significant negative impact on the Issuer's financial performance, as was the case in 2020 when the majority of all countries globally were impacted by COVID-19 governmental restrictions (and for which the Issuer recorded a 13% decline in revenue as compared to 2019).

In addition to a pandemic's effect on retail sales through physical stores, new outbreaks, variants and viruses developing into new pandemic(s), together with the restrictions imposed to manage the related risks, such as closures of the Issuer's crafting facilities or distribution centres, as well as widespread illness in the Issuer's workforce, could negatively impact the Issuer's ability to satisfy orders by consumers and Retail Partners and could lead to sales and profit shortfalls, order cancellations, or excess inventory (arising from Retail Partners cancelling purchase orders or returning products to the Issuer).

For example, the lockdowns in many large cities in Mainland China throughout 2022 resulted in the temporary closure of many of the company's own stores and substantial traffic declines in others. This, together with supply chain difficulties and generally increased levels of economic uncertainty throughout Mainland China, resulted in a significant negative impact on the Issuer's performance in Mainland China (with DKK 737 million in 2022, a decline of 34% as compared to the level of DKK 1,126 million in 2021).

Although the Chinese government eased restrictions in December 2022, there are signs that the COVID-19 pandemic still poses a threat to normalized social and economic conditions in China due to increasing infection numbers and potential new virus variants. Both elements could have global implications. In addition, the duration and scope of the easing of restrictions is uncertain and precautionary and restrictive measures, including lockdowns in Mainland China, could be reintroduced. Renewed restrictions and containment measures, both in Mainland China and elsewhere, could lead to declines in economic growth and further deterioration in consumer sentiment.

Any of the factors described above could have a material adverse effect on the Issuer's business, financial condition and results of operations, which could adversely affect the Issuer's ability to make payments of interest on the Notes and/or repay the Notes issued under the Programme.

### ***Risks related to the competitive landscape and retail environment***

Changes in the competitive landscape and the retail environment could impact the Issuer's success, particularly given that jewellery is considered a discretionary item which competes with other discretionary categories, such as (but not limited to) travel, entertainment and dining. Strategic alliances among competitors or retailers, the increase in competing products and services, including unbranded products, and intense competition for consumers, crafting capacity and promotion partnerships between well-established industry peers and new market entrants all pose a substantial risk to the Issuer's performance. This could lead to harmful competitive behaviour, such as sustained less-profitable promotional periods in one or more markets or intense bidding for promotion partnerships. Failure to successfully apply sufficient pricing power on high volume products could threaten the Issuer's financial performance, in particular on profit margins. Lower access to, or inability to sustain, attractive shopping locations, such as (but not limited to) shopping malls and high streets could lead to sales shortfalls in the Issuer's own stores as well as those of its Retail Partners, higher inventories, increased clearance and promotional activity and profit margin pressure. The same would apply if customers were to spend on other discretionary items and services rather than the Issuer's products (see "*Risk Factors – Macroeconomic and socio-political risks*" above).

The Issuer's business has historically been highly seasonal, occasion-driven and gifting-oriented, in particular in relation to key trading periods and holidays, including (but not limited to) Mother's Day, Valentine's Day, Black Friday, Double Eleven and Christmas, with a significant proportion of its sales and



operating profit generated in these key trading periods, and, in particular, in the fourth quarter of the year. There is limited ability for the Issuer to compensate for shortfalls in sales or earnings by changes in its operations and strategies outside of key trading periods, or to recover from any extensive disruption during these periods due to any of the factors noted elsewhere in this "Risk Factors" section.

Inability or failure to anticipate and adequately react to such unfavourable changes in the competitive and retail environment could have a material adverse effect on the Issuer's business, financial condition and results of operations, which could adversely affect the Issuer's ability to make payments of interest on the Notes and/or repay the Notes issued under the Programme.

#### ***Risks related to brand access***

The Issuer's business is evolving from primarily an in-store experience to engaging with consumers online, on social media and in virtual market-places, i.e. omni-channel retailing. Omni-channel retailing is rapidly evolving and the Issuer's success depends on its ability to keep pace with changing trends, consumer expectations and new initiatives by the Issuer's competitors. The Issuer's consumers are increasingly using computers, tablets, mobile phones and other devices to shop, determine product availability and complete purchases online. To remain competitive and relevant and to promote consumer loyalty, the Issuer must offer a consistent, engaging and convenient shopping experience for its consumers regardless of the sales channel.

The Issuer operates a "full-service model" in its physical concept stores, and it is a critical requirement to have the right level of well-trained, available and competent staff to give the customers a good in-store-experience. High staff turnover in key markets, caused by a very competitive recruitment environment, poses a risk to maintain the Issuer's in-store experience (see "Risk Factors – People Risks" below).

The Issuer's failure to maintain and continuously improve its consumers' omni-channel shopping experience could have a material adverse effect on the Issuer's business, financial condition and results of operations, which could adversely affect the Issuer's ability to make payments of interest on the Notes and/or repay the Notes issued under the Programme.

#### ***Risks related to media and stakeholder activities***

The Issuer faces considerable risks if it is unable to uphold high levels of consumer awareness, affiliation and purchase intent for the Pandora brand. Adverse or inaccurate media coverage of its products or business practices, as well as negative social media discussion, may significantly harm the Issuer's reputation and brand image, lead to public misperception of the Issuer's business performance, and eventually result in a sales slowdown (see "Risk Factors – Regulatory compliance risks" below). Activism from political, non-governmental and governmental organizations or other stakeholders, including pressure on the Issuer to substantially adjust operational practices or strategic initiatives, could create negative media coverage, as well as reputational damage, and result in additional costs or a disruption of business activities.

In particular, there is a strong increase in public and consumer interest in sustainability and compliance matters, including topics such as the selection of supply partners, working conditions amongst the supplier landscape, the sustainability of (raw) materials and the reduction of emissions. Any appearance that the Issuer is neglecting these matters, or lagging behind the efforts of competitors, could have a significant negative impact on the Issuer's reputation and market share (see "Risk Factors – Risks related to climate changes" below).

Sustainability matters are becoming increasingly salient among consumers across global markets, making it attractive for companies to leverage sustainability in their marketing efforts. The Issuer aims to bring several sustainability aspects of its product offering closer to the consumer, using sustainability claims to a greater extent as commercial selling propositions. If, at any point in time, the Issuer's sustainability claims in its marketing efforts, or in connection with product descriptions or attributes, turned out not to be sufficiently substantiated, the Issuer could suffer unfavourable backlash and attention from media, consumers and regulators, which could lead to reputational and financial harm to the Issuer.

Stakeholder activism, negative media coverage and public and private legal actions in response to insufficiently substantiated sustainability claims could have a material adverse effect on the Issuer's reputation, business, financial condition and results of operations, which could adversely affect the Issuer's ability to make payments of interest on the Notes and/or repay the Notes issued under the Programme.

### ***Risks relating to global Chinese consumer spending***

The Issuer regards China as a market with one of the highest potential for growth. If Chinese consumer spending patterns were to significantly deteriorate, there would likely be an adverse impact on the Issuer's future sales. Significant changes in the economic, regulatory, social or political environment in China, including a further health emergency or a natural disaster, may adversely impact Chinese domestic consumer confidence and/or disposable income. Any resulting depression in Chinese consumer spending patterns could have a material adverse effect on the Issuer's business, financial condition and results of operations, which could adversely affect the Issuer's ability to make payments of interest on the Notes and/or repay the Notes issued under the Programme.

### **Supply and distribution disruption and retail risks**

#### ***Risks related to failure or breakdown of crafting facilities and OEM/ODM suppliers***

The Issuer operates a fully integrated value chain, and most of its jewellery production takes place in-house in crafting facilities in Bangkok and Lamphun, Thailand. Significant breakdown of, and/or physical damage to, the Issuer's crafting facilities could result in property damage and/or long-term business interruption which would adversely affect the Issuer's business.

In 2022, the Issuer announced plans to build a new crafting facility in Vietnam to become more resilient to potential supply disruptions. The crafting facility is expected to start up production of jewellery in 2026 and will increase the Issuer's total production capacity by approximately 60 million pieces. It will be difficult in the short- to mid-term for the Issuer to find appropriate alternative sources of production of similar volume in case the expansion of the production capacity is delayed. Any significant delay of the expansion of the production capacity would require the Issuer to seek the best available alternative sources of production, which could have a negative effect on inventory availability, sales and, ultimately, profits until such expansion is completed and fully operational and at the capacity needed.

While the Issuer's crafting facilities account for most of the volume of jewellery sold by the Issuer, a smaller volume is produced at a limited number of Original Equipment Manufacturing ("OEM") and Original Design Manufacturing ("ODM") suppliers located both in Thailand and in other countries in East and South East Asia, Europe and the USA. The Issuer's own crafting facilities in Thailand account for the world's largest jewellery production in terms of volume, which would make it difficult in the short- to mid-term for the Issuer to find appropriate sources of production of similar volume in case of significant disruption. Any significant or prolonged disruption of internal crafting operations would require the Issuer to seek the best available alternative sources of production, which could have a negative effect on inventory availability, sales and, ultimately, profits until such sources are eventually fully operational and at the capacity needed (see "*Risk Factors – Business partner risks*" below).

Procurement of raw materials and components, and the ability to produce and distribute finished products, are critical for meeting customer demand. Lockdowns, strikes, breakdowns, energy shortages or rationing, political or military unrest, coup d'états, fire, or natural catastrophes at the Issuer's or its OEM and ODM suppliers' sites may result in disruption of the Issuer's supply chain and could have a significant impact on the Issuer's business, financial condition and results of operations, which could adversely affect the Issuer's ability to make payments of interest on the Notes and/or repay the Notes issued under the Programme.

#### ***Risks related to failure or breakdown of distribution facilities***

The Issuer operates a limited number of distribution facilities. A failure, breakdown, IT outage, major fire or other events affecting the operations of one or more of these facilities (see "*Risk Factors – Risks related to business interruption and hazards*" and "*Risk Factors – IT and cyber security risks*" below) could have a material disruptive impact on the Issuer's ability to supply its own network of physical stores, its e-commerce business and its Retail Partners with product, which could have an adverse effect on the Issuer's business, financial condition, and results of operations, which could, in turn, adversely affect the Issuer's ability to repay the Notes issued under the Programme.

#### ***Risks related to shortage in raw materials and components***

For crafting purposes, the Issuer is heavily reliant on good-quality raw materials and components sourced from third parties. Any disruptive event impacting a supplier of raw materials could potentially have a significant negative impact on the Issuer's ability to maintain its production, either partly or wholly. The

Issuer's failure to supply its products, or unexpected shortages, could adversely impact consumers, which could lead to a decline in consumer confidence vis-à-vis the Issuer and the Pandora brand, and may lead to lower revenue that could adversely affect the Issuer's business, financial condition and results of operations, which could adversely affect the Issuer's ability to make payments of interest on the Notes and/or repay the Notes issued under the Programme.

### ***Business partner risks***

The Issuer interacts and enters partnerships with various third parties, such as influencers, agencies, creative partners, innovation partners, Retail Partners, and suppliers of goods and services, including OEM and ODM suppliers. The Issuer is therefore exposed to a multitude of business partner risks.

The Issuer relies heavily on Retail Partners for its business, but has only a limited level of control over these Retail Partners who, by nature, are independent third parties. While the Issuer has set out certain requirements in its franchisee handbook, and provides *ad hoc* instructions, guidelines and advice (applicable only for franchisees and distributors), there is no guarantee that these rules or guidelines are actually followed. Retail Partners also enjoy considerable freedom and can, for example, initiate their own marketing events. If any action taken by a Retail Partner is in breach of applicable legislation, both the Retail Partner and the Issuer could be subject to litigation. Therefore, a franchisee's failure to comply with the Issuer's franchisee handbook, instructions or guidelines, and/or applicable legislation, could damage the Issuer's reputation and result in litigation. Termination of a franchisee or distributor arrangement may not be sufficient to shield the Issuer, given that a franchisee's or distributor's potential non-compliance with the franchise, or during a crucial distribution period, might negatively affect, and could legally bind, the Issuer upon expiry of the franchise period, and in the event the Issuer assumes control of the former franchisee- or distributor-operated store(s).

The Issuer works with strategic partners in various areas of its business (e.g., collaboration and license partnerships), within product creation and market communication; and with Retail Partners in several markets. The business practices and standards of such strategic partners and Retail Partners might differ from those of the Issuer, which could also negatively impact the Issuer's business performance and reputation. In addition, failure to maintain strong relationships with its business partners and Retail Partners could negatively impact the Issuer's sales and profitability.

Risks may also arise from a dependency on particular partners. For example, the overdependency on a supplier or customer increases the Issuer's vulnerability to production, delivery and sales shortfalls, respectively, and could lead to significant profit-margin pressure. Business partner default (including insolvency) or other disruptive events, such as strikes, may negatively affect the Issuer's business activities and result in additional costs and liabilities as well as lower sales (see "*Risk Factors – Risks related to failure or breakdown of crafting facilities and OEM/ODM suppliers*" and "*Risk Factors – Risks related to shortage in raw materials and components*" above as well as "*Risk Factors – Credit and financial counterparty risks*" below).

Unethical business practices by the Issuer's business partners, and improper behaviour of individuals, could have a negative spillover effect on the Issuer's reputation, lead to higher costs or liabilities or even disrupt business activities. A public conflict with a (former) business partner could also have a negative impact on the Issuer's reputation.

Retail Partners' sale of the Issuer's products in unauthorized channels and/or on unauthorized market places may lead to brand damage and loss of sale opportunities for the Issuer. Particularly, in the event of discontinuation of the business relationship with a Retail Partner, the Issuer may not be obliged or entitled to buy back stock from the former Retail Partner, who might choose to sell the stock to unauthorized dealers and/or in unauthorized channels after termination,

Underperformance, misconduct, or the complete loss of critical business partners, as well as business interruption at a critical business partner, could have a material adverse effect on the Issuer's reputation, business, financial condition and results of operations, which could adversely affect the Issuer's ability to make payments of interest on the Notes and/or repay the Notes issued under the Programme.

## **Operational risks**

### ***Execution of strategic plans***

In September 2021, the Issuer launched its current strategy, "Phoenix" (see "*Description of the Issuer – Business Strategy*" below). Phoenix is focused on the opportunities in the Issuer's core business and has four pillars aimed at delivering sustainable and profitable revenue growth: Brand, Design, Personalisation and Core Markets. The Issuer's success depends on the quality of underlying analysis and predictive accuracy of decisions, the ability to execute strategic decisions, and the relevance of the Pandora brand and collections to consumers around the world. Consumers' changing expectations require the Issuer to continuously evaluate and, if necessary, adapt its business model, focusing on new technology.

The Phoenix strategy was developed based on the best available knowledge. However, the analysis of the Issuer's strategic position, the assessment of customer needs, trends and potential market disruptions, and the focus of Pandora's collection roadmap include an element of business judgement, and the Issuer's overall strategy or the strategy in individual markets may prove not to be effective. Development and deployment of products and content through communication channels may not create sufficient brand "heat" and engagement globally, (see "*Risk Factors – Risks related to consumer demand and product offering*" and "*Risk Factors – Risks related to brand relevance*" above). In addition, there is a risk of making wrong business decisions, implementing decisions poorly or inconsistently, or being unable to adapt to changes in the operating environment, any of which would have an adverse impact on the value of the Issuer's business and market confidence in the Pandora brand.

Any strategic errors or a flawed or inconsistent implementation of the Issuer's strategy, including with respect to the allocation of capital expenditures, could have a material adverse effect on the Issuer's business, financial condition and results of operations, which could adversely affect the Issuer's ability to make payments of interest on the Notes and/or repay the Notes issued under the Programme.

### ***IT and cyber security risks***

Reliable IT systems and infrastructure are critical to the Issuer's ability to operate effectively. In addition, the Issuer has a duty to safeguard the data of its customers, business partners (see "*Risk Factors – Business partner risks*" above) and employees, as well as its own proprietary data. IT security breaches, including, but not limited to, those caused by malware attacks, theft, leakage or corruption, creating unavailability of critical information, could have a severe impact on the Issuer's ability to maintain operations, such as key business processes, product marketing, order management, warehouse management, invoice processing, customer support and financial reporting. Significant outages, application failures or cyber security threats to the Issuer's infrastructure, or that of its business partners, including Retail Partners, could therefore result in considerable business disruption and an adverse impact on the integrity of business-critical data. The disclosure of confidential information could compromise the privacy of customers or other individuals and systems and could lead to reputational damage, regulatory penalties or the inability to perform key business processes.

Operating a global company with a fully integrated value chain is dependent on stable and efficient IT systems. The Issuer operates a number of legacy IT systems, including the Enterprise Resource Planning ("ERP") system, and should it fail or otherwise be unable to upgrade its IT systems in a timely, precise and efficient manner, this could have a negative effect on the Issuer's operations and financial results. Further, a lack of interoperability and the obsolescence of core IT systems could have adverse consequences for operational efficiency and business continuity.

Should the Issuer fail to quickly identify and adequately respond to unavailability of critical information and systems, as well as cyber security incidents, this could have a material adverse effect on its business, reputation, financial condition and results of operations, which could adversely affect the Issuer's ability to repay the Notes issued under the Programme.

### ***Project risks***

To effectively support further business growth and improve efficiency and security, the Issuer continuously invests in new projects, such as the creation, implementation, expansion or harmonization of IT systems, (e.g. ERP, point of sales, workforce management, crafting operations management, order and warehouse management, comprehensive cyber security programs, distribution centre network, sales and distribution

channels (online and offline)) (see "*Risk Factors – IT and cyber security risks*" above) and other growth-generating projects, such as the Issuer's loyalty programme, "My Pandora". Ineffective project management could delay the execution of critical projects and lead to higher expenditures. Inadequate project planning and controlling, as well as executional mistakes, could cause inefficiencies, delays or business disruption, resulting in higher costs and sales shortfalls. Inappropriate project governance, prioritization and oversight of the project portfolio may lead to suboptimal resource allocation and undesired project results.

Ineffective project management and delays in project execution could have a material adverse effect on the Issuer's business, financial condition and results of operations, which could adversely affect the Issuer's ability to make payments of interest on the Notes and/or repay the Notes issued under the Programme.

#### ***Risks related to inventory planning and management***

Both with its OEM and ODM suppliers (see "*Risk Factors – Business partner risks*" above), as well as its own crafting facilities, the Issuer plans and initiates crafting of products several months in advance of them appearing in its own stores and its network of Retail Partners, hence it is exposed to inventory risks relating to sudden or otherwise unexpected shifts, declines or misjudgements of consumer demand at the time of production planning.

Sudden or otherwise unexpected shifts, declines or misjudgements in demand and forecasting, for example triggered by macroeconomic and socio-political risks (see "*Risk Factors – Macroeconomic and socio-political risks*" above) or external events, such as a resurgence of the COVID-19 pandemic (see "*Risk Factors – Risks related to the COVID-19 pandemic and possible future pandemics*" above), have the potential to result in excess inventories. This can have negative implications for the Issuer's financial performance, including higher levels of clearance and promotional activity and inventory obsolescence, as well as reduced liquidity due to higher operating working capital requirements, forcing it to offer the inventory at discounted prices or remelting it at the expense of lower revenue and profit margins.

Similarly, a sudden or otherwise unexpected increase in demand can lead to inventory shortfalls, in both the Issuer's own stores and its network of Retail Partners. In this situation, the Issuer faces the risk of missed sales and/or customer disappointment, which could lead to a reduction in brand loyalty and hurt the Issuer's reputation. In addition, the Issuer faces potential profitability impacts from overtime wages to its production staff, increased costs to OEM and ODM suppliers (see "*Risk Factors – Business partner risks*" above), as well as additional handling and transportation costs in the efforts to speed up replenishment.

If the Issuer fails to adequately assess consumer demand and to plan production and delivery accordingly, this could have a material adverse effect on the Issuer's business, financial condition and results of operations, which could adversely affect the Issuer's ability to make payments of interest on the Notes and/or repay the Notes issued under the Programme.

#### ***People risks***

The Issuer's business is highly dependent on its ability to attract and retain talented employees, including at senior leadership levels. In this respect, strong leadership and a performance-enhancing culture are critical to the Issuer's success.

Ineffective leadership, as well as failure to instil and maintain a performance-oriented culture, while also focusing on succession, diversity, equity, inclusion and strong employee engagement, could materially impede the Issuer's ability to achieve its goals. Ineffective leadership and poor, unbalanced, or insufficient resource allocation to value-creating activities, as well as improper and untimely planning and execution of organizational changes and people-transformation initiatives, may reduce employee engagement and cause business interruption and inefficiencies. In addition, global competition for highly talented and experienced personnel remains fierce, and historic employer loyalty levels are challenged. As a result, the inability to recruit and retain key personnel in strategic positions and skilled talent in general, in particular amongst retail staff, could adversely affect the Issuer's business and financial performance.

The Issuer's ambitious strategy and fast-paced environment entails a risk of lower employee engagement and resilience, thus impacting the Issuer's ability to retain talented employees and senior leadership. In addition, the Issuer operates across, and controls, a fully-integrated value chain, from sourcing and production to distribution and retail activities in its own operated stores, as well as wholesale sales through

Retail Partners, thus entailing risks of organizational misalignment and fatigue, greater complexity and longer decision-making processes.

Ineffective leadership, failure to recruit and retain talented and skilled employees as well as organizational misalignment and complexity could have a material adverse effect on the Issuer's reputation, business, financial condition and results of operations, which could adversely affect the Issuer's ability to make payments of interest on the Notes and/or repay the Notes issued under the Programme.

#### ***Risks related to business interruption and hazards***

Major incidents in countries in which the Issuer operates, has its main locations and crafting sites, or where its suppliers are located, may significantly interrupt the Issuer's ability to conduct business in the ordinary course. Such incidents could be caused by a wide range of events, including, but not limited to, natural catastrophes and phenomena, major fires, or pandemics (see "*Risk Factors – Market risks*" above), as well as political and military unrest, trade wars and other types of geo-political tensions. Ongoing political and regulatory changes could also make it more difficult for the Issuer's fully integrated supply chain to source, craft and distribute products internationally. As an example, the War, as well as sanctions and export-control measures, have caused the Issuer to suspend its supply of product to its then-Russian and Belarus Retail Partners, leading, in-effect, to a closure of the Russian and Belarus markets, (see "*Risk Factors – Macroeconomic and socio-political risks*" above).

These types of events could damage the Issuer's crafting sites and facilities, its own stores, as well as those of its Retail Partners, and its distribution facilities and offices, or disrupt its operational processes, leading to loss of sales, higher cost, and a decline in profitability. Risks related to external hazards, political unrest or regulatory changes could have a material adverse effect on the Issuer's reputation, business, financial condition and results of operations, which could adversely affect the Issuer's ability to make payments of interest on the Notes and/or repay the Notes issued under the Programme.

#### ***Insurance risks***

The Issuer may incur costs due to inadequate insurance cover, including, but not limited to, property, business interruption and product liability. The Issuer aims to maintain insurance coverage that maintains an acceptable level of risk in accordance with the Issuer's risk profile. While the Issuer has been able to obtain insurance coverage in the past to partially cover its primary known business risks, there can be no assurances that insurance coverage will be available in the future or that the Issuer will be able to maintain adequate insurance coverage on terms acceptable to the Issuer. Furthermore, there can be no assurance that the insurance coverage obtained will always prove to be sufficient or that the Issuer's insurance carriers will not dispute their coverage obligations. In addition, there is generally no or limited insurance coverage for certain risks such as war, strikes, terrorism, communicable diseases and pandemics, explosions, punitive damages and consequential loss. Moreover, if the Issuer makes claims under its insurance policies, claims handling costs and relevant insurance premiums and deductibles may rise in the future.

#### ***Risks related to climate change***

The Issuer 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 the Issuer, such as the demand for more sustainable products and packaging and further legal requirements with focus on Environmental, Social and Governance ("**ESG**") for the supply chain.

A primary transitional risk is the actual and potential development in climate-related policy and regulation. Future policy actions, both at a national and EU level, may seek to either constrain actions which contribute to the adverse effects of climate change or promote adaptation. Examples include the implementation of a carbon tax, tightening of energy efficiency standards or extended producer responsibility. In addition, the Issuer may need to comply with regulatory developments that may include new disclosure or reporting requirements to address climate-related issues. Moreover, the Issuer has committed to report step-by-step according to the recommendations of the Task Force on Climate-related Financial Disclosures ("**TCFD**"), and has pledged to ensure alignment with the Paris Agreement under the UN Framework Convention on Climate Change setting targets for 1.5°C science-based emission reduction for Scope 1, 2 and 3 emissions.

The Issuer has the stated aim to reduce greenhouse gas emissions in own operations and in its fully integrated value chain by 50% by 2030 and to achieve net zero emissions by 2040. In addition, in 2020 the

Issuer announced its target to stop procuring newly mined silver and gold for its jewellery by 2025 and by then only procure from recycled sources. There is limited global supply of and increased demand for recycled metals, including silver and gold, which drives up their prices, hence there is a risk for the Issuer of increased production costs and negative impact on profit margins. In addition, there is still to date limited traceability in the silver and gold supply chain as to the source and origin of the metal, which in case of any fraud in the supply chain could cause adverse media focus on the Issuer (see "*Risk Factors – Risks related to media and stakeholder activities*").

Failure to comply with these targets could have a material adverse effect on the Issuer's business, financial condition and results of operations, which could adversely affect the Issuer's ability to make payments of interest on the Notes and/or repay the Notes issued under the Programme.

The Issuer is also subject to physical risks related to climate change such as extreme weather patterns affecting supply chains, rising temperatures, changes in precipitation patterns, fluctuations in water levels or more frequent occurrence of extreme temperatures, droughts or other extreme meteorological phenomena, such as cyclones, earthquakes or hurricanes, which is part of the reason for following the TCFD recommendations. Such physical effects of climate change can negatively impact the Issuer's crafting and distribution infrastructures and supply chains that it depends on (see "*Risk Factors – Risks related to business interruption and hazards*" above). They can also add insurance costs to the Issuer's management of its operations (see "*Risk Factors – Insurance risks*" above).

## **Financial risks**

### ***Risks related to changes in the Issuer's financial condition***

The Issuer's business regularly requires significant levels of capital investments, including product and design development, crafting and maintenance and expansionary expenditures, as well as significant spending on marketing, projects as part of key strategic initiatives, store openings and refurbishments and entries into new markets. Any adverse change in the Issuer's financial position, as a result of any of the risks described in this section "*Risk Factors*", could result in it being more difficult for the Issuer to access sources of financing at commercially acceptable rates and terms or at all. As a result, the Issuer may not be able to fund required capital expenditures or its growth ambitions in the current Phoenix strategy, which would have an adverse effect on its ability to maintain or expand its crafting capacity, maintain and extend the relevance and recognition of the Pandora brand and product offering, defend its competitive position or meet customer demand. This could have a material adverse effect on the Issuer's reputation, business, financial condition and results of operations, which could adversely affect the Issuer's ability to make payments of interest on the Notes and/or repay the Notes issued under the Programme.

### ***Risks related to financing arrangements***

The Issuer is a party to the following financing facility agreements: a EUR 950,000,000 revolving credit facility maturing in 2027, a EUR 100,000,000 amortising loan maturing in 2030 and a DKK 3,000,000,000 term loan maturing in 2023 (together, the "**Facility Agreements**"). The Facility Agreements contain various restrictive covenants such as restrictions on disposals, mergers, change of business, negative pledge and requirements as to financial information and a financial covenant. Additionally, a violation of certain sanctions (as specified in the Facility Agreements) will give each lender under the Facility Agreements a right to demand repayment of (and to cancel) its part of the facilities thereunder.

In the event of a default under the Facilities Agreements (which may occur due to circumstances beyond the Issuer's control), the lenders could terminate their commitments and the Issuer's borrowings thereunder could become immediately due and payable. Defaulting under the Facility Agreements could also result in a cross-default on the Issuer's other financing agreements.

The Issuer's assets and cash flow may not be sufficient to fully repay these debts in such circumstances, which could have a material adverse effect on the Issuer's business, financial condition and results of operations, which could adversely affect the Issuer's ability to make payments of interest on the Notes and/or repay the Notes issued under the Programme.

### ***Currency and commodity risks***

The majority of the Issuer's activities and investments are conducted in foreign currencies. The Issuer has significant net cost in Thai baht (THB) and US dollars, due to the location of its crafting facilities in

Thailand as well as a substantial portion of Pandora's cost relates to raw materials purchased in US dollars, and significant net income in US dollars, EUR, AUD, MXN, CAD, CNY and GBP, and is therefore exposed to currency fluctuations in cash flow and in the income statement.

Further, the Issuer is exposed to commodity price fluctuations with respect to precious metals, primarily, but not limited to, silver and gold for use as raw materials in the crafting process.

While the Issuer seeks to partly reduce the impact of exchange rate and commodity price fluctuations through derivative hedging instruments, there is no guarantee that sufficient derivative hedging instruments will be available on acceptable terms at the time they are desired or that the scope of the hedging activities will fully meet actual requirements. As a result, the Issuer's hedging strategy may prove to be ineffective. Furthermore, the value of derivative hedging instruments is subject to market fluctuations, which may result in mark-to-market losses.

Unhedged fluctuations in currency and commodity prices could have a material adverse effect on the Issuer's business, financial condition and results of operations, including profit margins, which could adversely affect the Issuer's ability to make payments of interest on the Notes and/or repay the Notes issued under the Programme.

#### ***Interest rate risks***

The Issuer's exposure to market risk for changes in interest rates relates primarily to cash, borrowings, short-term deposits and overdrafts. The Issuer is also exposed to future cashflow fluctuation risks due to changes in market interest rates. Although the Issuer's overall exposure to interest rate risks is low, significant changes in interest rates may have an impact on the Group's financial results.

#### ***Risks related to indirect and direct tax regulations***

Numerous laws and regulations regarding indirect and direct taxes as well as changes in such laws and regulations affect the Issuer's business practices worldwide. Non-compliance with regulations concerning corporate income taxes, customs, VAT and other indirect taxes, transfer pricing and withholding taxes could lead to substantial financial penalties and additional costs as well as negative media coverage and therefore reputational damage, for example in case of understatements or underpayments of corporate income taxes or customs duties. Changes in regulations regarding indirect and direct taxes may also have a substantial impact on the Issuer's indirect or direct taxes. Increasingly aggressive positions taken by tax and customs authorities in audits could increase the potential impact of such risks and the likelihood that they materialise.

As a result of the location of its crafting facilities in Thailand, the Issuer enjoys certain time-limited tax privileges under the Thai Board of Investment (BOI) scheme, the continuation of which is associated with certain conditions, for example investment size, fixed assets requirements, machines layout, production processes, production capacity and sales income. To the extent the Issuer is not able to comply with these conditions the benefits could be forfeited, leading to increased tax expenses.

The core principles of the international tax landscape will change with effect for the Issuer from 2024. Almost all countries in the G20/OECD Inclusive Framework on BEPS (base erosion and profit shifting) have signed up to a joint political statement on the agreed components of their 'two-pillar' approach to global tax reform, where only Pillar 2 is relevant for the Issuer. Pillar 2 sets out global minimum tax rules designed to ensure that large multinational businesses pay a minimum effective rate of tax of 15% on profits in all countries where such business is located or have subsidiaries, and thus is expected to increase the Issuer's consolidated income tax expense by approximately 1% to 2%.

Should the Issuer fail to comply with indirect or direct tax regulations, this could have a material adverse effect on the Issuer's reputation, business, financial condition and results of operations, which could adversely affect the Issuer's ability to make payments of interest on the Notes and/or repay the Notes issued under the Programme.

#### ***Risks related to liquidity***

The Issuer's ability to generate sufficient cash flow from operations to make scheduled payments on its debt obligations, including those under Notes issued under the Programme, will depend on its future financial performance, which will be affected by a range of economic, competitive, regulatory, legislative and



business factors, many of which are outside the Issuer's control. If the Issuer is unable to meet debt service obligations or comply with covenants, a default under debt agreements would occur, which, depending on the debt instrument, could have a material adverse effect on the Issuer's business, financial condition and results of operations, which could adversely affect the Issuer's ability to make payments of interest on the Notes and/or repay the Notes issued under the Programme.

### ***Risks related to access to financing***

The Issuer's business regularly requires significant levels of capital investments, including product design and development, manufacturing and maintenance and expansionary expenditures, as well as significant spending on design. Any adverse change in the Issuer's financial position, as a result of any of the risks described in this section "*Risk Factors*", could result in making it more difficult for the Issuer to access sources of financing at commercially acceptable rates and terms or at all. As a result, the Issuer may not be able to fund required capital expenditures or its design activities, which would have an adverse effect on the Issuer's ability to maintain or expand its manufacturing capacity, defend its competitive position or meet customer demand.

### ***Credit and financial counterparty risks***

The Issuer has no significant concentrations of credit risk. However, as a result of the global uncertainty arising from the current and expected macro-economic environment (see "*Risk Factors – Macroeconomic and socio-political risks*" above) and potentially an escalation of the COVID-19 pandemic (see "*Risk Factors – Risks related to the COVID-19 pandemic and possible future pandemics*" above), the Issuer's credit risk may rise to the effect that the Issuer may be required to further increase its expected loss rates for trade receivables and make future impairments in its reported financial results.

The Issuer's inability to effectively collect outstanding trade receivables and increased impairments could have an adverse effect on the Issuer's business, financial condition and results of operations, including profit margins.

Financial instruments that potentially expose the Issuer to significant concentrations of credit risk consist principally of the Issuer's cash pool and other cash and deposits and derivatives. The Issuer maintains cash pools with several of its core banks as well as bank deposits, and short- and long-term investments with various financial institutions approved by the Issuer. These expose the Issuer to the risk that its counterparties may not for any reason fulfil their obligations to the relevant subsidiary in the Issuer's Group. The Issuer is also exposed to credit risk in the event of non-performance by counterparties to derivative instruments.

A counterparty's non-performance of its obligations to a company in the Issuer's Group could have an adverse effect on the Issuer's business, financial condition and results of operations, which could adversely affect the Issuer's ability to make payments of interest on the Notes and/or repay the Notes issued under the Programme.

### ***Legal and compliance risks***

#### ***Risks related to changes in regulations***

Given the Issuer's multinational activities throughout the entire value chain from sourcing, crafting, distribution and sales, the Issuer must comply with and is affected by a large number of different legal and regulatory frameworks. Changes in these frameworks including (but not limited to) with respect to existing or new requirements relating to health and safety, ESG matters, human rights compliance in the Issuer's supply chain, trade restrictions, ability to repatriate funds from subsidiaries, restrictions on the ability to own or operate subsidiaries or acquire new businesses in certain countries, insufficient protection of intellectual property, impairment of the Issuer's ability to enforce contracts, or the imposition of withholding or other taxes and transfer pricing regulations may materially adversely affect the Issuer's legal and regulatory environment.

The materialisation of any of these risks or other related risks could severely impact the Issuer's sourcing, sales, production, operations and logistics, could lead to a loss of customers and access to customers, or a loss of know-how and tangible and intangible property, and could have a material adverse effect on the Issuer's business, financial condition and results of operations, which could adversely affect the Issuer's ability to make payments of interest on the Notes and/or repay the Notes issued under the Programme.

### ***Intellectual property risks***

As a global consumer and lifestyle brand, which highly relies on brand awareness and design innovation, the Issuer's Pandora brand and product designs are frequent targets of counterfeiting, imitation and replication. In the event of the Issuer's failure to implement and manage effective and sufficient brand protection initiatives and controls, the offering and sale of a significant number of counterfeits and other infringing products could lead to lost sales and profits and negatively impact the value and reputation of the Pandora brand.

The Issuer devotes substantial resources to the protection of its intellectual property rights, including by registering its core trademarks and design rights for selected designs and by patenting its relevant innovations, in all relevant markets. The Issuer also devotes substantial resources to preserve a high level of consumer recognition. As a result of the Issuer's enforcement and defence of its brand and intellectual property rights, the Issuer might be involved in legal disputes and proceedings in different jurisdictions.

A lack of global overview and control over identifying its intellectual assets, registering/protecting these, and enforcing the Issuer's intellectual property rights and challenging third parties' alleged intellectual property rights, might lead to loss of opportunities, loss of access to the market, and brand damage.

The Issuer is continuously identifying new market trends and consumer preferences which may have an impact on the Issuer's overall business strategy. The Issuer's failure to identify these new market trends – and to ensure proper intellectual property rights registration or other protection in the outcome – may have adverse effects on the Issuer's success and access to the market with new initiatives.

Legal action taken against the Issuer because of the Issuer's use of designs, design elements, product names, product or production technologies, or other intellectual property alleged to infringe claimed intellectual property rights of a third party, may result in the loss of rights to use those designs, design elements, product names, product or production technologies or other rights. In addition, the Issuer may be required to make royalty payments, or have other financial commitments imposed on it, or suffer withdrawal of products and market communication from the market, legal costs and reputational damage.

Ineffective brand protection measures, the Issuer's failure to protect its intellectual property rights, and the Issuer's own violation of third-party intellectual property rights could have a material adverse effect on the Issuer's reputation, business, financial condition and results of operations, which could adversely affect the Issuer's ability to make payments of interest on the Notes and/or repay the Notes issued under the Programme.

### ***Risks related to litigation, arbitration, and governmental proceedings***

From time to time, the Issuer is involved in, or threatened with, legal, arbitration and governmental proceedings in the ordinary course of its business, including audits, disputes with employees, competitors, customers, Retail Partners, suppliers, competition authorities, regulators and other authorities, purported whistle-blowers, or regulatory agencies regarding, for example (but not limited to) breaches of contract, product liability, product defects, intellectual property infringement, data privacy and cybersecurity, logistics or crafting-related topics, quality regulations, environmental or employment issues, termination of business relationship, and/or alleged or suspected violations of applicable laws in various jurisdictions.

The outcome of pending or potential future legal, arbitration and governmental proceedings including audits is, as a general matter, difficult to predict. If such proceedings are determined against the Issuer, the Issuer may be subject to fines, required to change its business practices or may incur liabilities or monetary losses, some of which may not be covered by its existing insurance policies and may be significantly disruptive to the operation of the Issuer's business. In addition, the costs and penalties related to litigation, arbitration and governmental proceedings including audits may be significant. Exposure to litigation, whether directed at the Issuer, its employees and executives, customers, suppliers, or Retail Partners or the Issuer's respective business partners, could also result in the distraction of management resources and materially adversely affect the Issuer's reputation or the reputation of the Issuer's products.

### ***Regulatory compliance risks***

As a company operating on a global scale, the Issuer is subject to a significant number of laws and regulations. Non-compliance with such laws and regulations by the Issuer itself or any business partner, including Retail Partners, could lead to penalties and fines and cause significant reputational damage for

the Issuer. For example, non-compliance with laws and regulations concerning human rights, data protection and privacy, may result in substantial fines and loss of consumer trust, thus resulting in reputational damage. Similarly, engaging in non-compliant conduct with respect to anti-competition rules may result in significant fines and civil liability. The Issuer also faces the risk that members of top management as well as its employees may breach rules and standards that guide appropriate and responsible business behaviour, including, but not limited to, fraud, financial misstatements or manipulation, bribery, corruption, workplace discrimination and harassment.

The Issuer's compliance framework and programme may prove to be inadequate to prevent and discover breaches of laws and regulations and to identify, evaluate and take appropriate countermeasures against relevant risks. In addition, individual employees, suppliers or distributors may not adhere to the letter or spirit of the Issuer's Code of Conduct or its underlying compliance framework and hierarchy of policies, standards and local addenda that require and are designed to help guide all employees to comply with applicable laws and regulations. However, the Issuer's Code of Conduct as well as the underlying compliance framework and hierarchy of policies, standards and local addenda may be insufficient, and may intentionally or unintentionally violate applicable laws and internal policies, standards and addenda. Furthermore, the Issuer's compliance framework and programme may not be appropriate for the Issuer's size, complexity and geographical diversification or may otherwise fail for various reasons.

If the Issuer fails to ensure compliance with laws and regulations and does not take appropriate action to prevent, detect and respond to non-compliant or fraudulent activities, this could have a material adverse effect on the Issuer's reputation, business, financial condition and results of operations, which could adversely affect the Issuer's ability to make payments of interest on the Notes and/or repay the Notes issued under the Programme.

#### ***Risks related to risk management measures***

The Issuer's internal risk management process, which aims to map, identify, evaluate and quantify the Issuer's risk landscape from a business operation and continuity perspective and counteract such risks within management's risk appetite, may fail to timely and properly identify, quantify and adequately address and mitigate relevant risks. Such failure could have a material adverse effect on the Issuer's reputation, business, financial condition and results of operations, which could adversely affect the Issuer's ability to repay the Notes issued under the Programme.

#### ***Risks relating to consumer safety***

As the Issuer manufactures and sells consumer products, the Issuer's business and operations are subject to laws and regulations on general consumer protection and product safety in various countries. Some of the Issuer's products are subject to specific regulations, which apply to production and manufacturing conditions, as well as to sales, consumer safety, product labelling, and import and export regulation. Breaches of consumer safety laws and regulation could lead to fines and loss of consumer trust, thus resulting in reputational damage and an adverse impact on the Issuer's financial condition.

If the Issuer fails to ensure compliance with consumer safety laws and regulations, this could have a material adverse effect on the Issuer's reputation, business, financial condition and results of operations, which could adversely affect the Issuer's ability to make payments of interest on the Notes and/or repay the Notes issued under the Programme.

### **RISK RELATING TO THE NOTES**

#### ***The Notes may be redeemed prior to maturity.***

In the event that, as a result of a change in law or regulation, the Issuer would be obliged to increase the amounts payable in respect of any Notes due to any withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the Kingdom of Denmark or any political subdivision thereof or any authority therein or thereof having power to tax, and such obligation cannot be avoided by reasonable measures, the Issuer may redeem all outstanding Notes in accordance with the Conditions.

In addition, if in the case of any particular Tranche of Notes the Final Terms specify that the Notes are redeemable at the Issuer's option in certain other circumstances and accordingly the Issuer may choose to redeem the Notes at times when prevailing interest rates may be relatively low. In such circumstances an

investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the Notes and may only be able to do so at a significantly lower rate. An optional redemption feature is likely to limit the market value of the Notes. During any period when the Issuer may elect to redeem the Notes, the market value of the Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

***There is no active trading market for the Notes.***

The Notes are new securities which may not be widely distributed and for which there is currently no active trading market (unless in the case of any particular Tranche, such Tranche is to be consolidated with and form a single series with a Tranche of Notes which is already issued). Although applications have been made to the Central Bank for the Notes to be admitted to the official list and to trading on the regulated market of Euronext Dublin there can be no assurance that such application will be accepted, that any particular Tranche of Notes will be so admitted, or that an active trading market will develop or, if developed, that it will continue. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. Illiquidity may have a severely adverse effect on the market value of Notes. If the Notes are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Issuer.

***Credit Rating may not reflect all risks***

One or more independent credit rating agencies may assign credit rating to the issue of Notes. The rating may not reflect the potential impact of all risks related to structure, market, additional factors discussed in this section, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not (1) issued by a credit rating agency established in the EEA and registered under the EU CRA Regulation or (2) provided by a credit rating agency not established in the EEA but is endorsed by a credit rating agency established in the EEA and registered under the EU CRA Regulation or (3) provided by a credit rating agency not established in the EEA which is certified under the EU CRA Regulation. Similarly, in general, UK regulated investors are restricted from using a rating for regulatory purposes if such rating is not (1) issued by a credit rating agency established in the UK and registered under the UK CRA Regulation or (2) provided by a credit rating agency not established in the UK but is endorsed by a credit rating agency established in the UK and registered under the UK CRA Regulation or (3) provided by a credit rating agency not established in the UK which is certified under the UK CRA Regulation.

***Modifications***

The Conditions contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

Subject to and in accordance with Condition 7(m) (*Benchmark Replacement*) certain changes may be made to the interest calculation of Floating Rate Notes, without the consent of the Noteholders.

Accordingly, there is a risk that the terms of the Notes, the Conditions or the Agency Agreement may be modified, waived or amended in circumstances where a Noteholder does not agree to such modification, waiver or amendment, which may adversely impact the rights of such Noteholder.

***Notes with integral multiples***

In relation to any issue of Notes which have a denomination consisting of the minimum Specified Denomination plus a higher integral multiple of another smaller amount, it is possible that the Notes may be traded in amounts in excess of the minimum Specified Denomination that are not integral multiples of the minimum Specified Denomination. Noteholders who, as a result of trading such amounts, hold a principal amount of Notes other than a multiple of the minimum Specified Denomination will receive definitive Notes in respect of their holding (provided that the aggregate amount of Notes they hold is in

excess of the minimum Specified Denomination), however, any such definitive Notes which are printed in denominations other than the minimum Specified Denomination may be illiquid and difficult to trade. Furthermore, a Noteholder who, as a result of trading such amounts, holds a principal amount of less than the minimum Specified Denomination may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes such that its holding amounts to the minimum Specified Denomination.

***Because the Global Notes are held by or on behalf of Euroclear and Clearstream, Luxembourg, holders of the Notes will have to rely on their procedures for transfer, payment and communication with the Issuer***

Notes issued under the Programme may be represented by one or more Global Bearer Notes or Global Registered Notes (together the "**Global Notes**") (as the case may be). Such Global Notes will be deposited with a common depositary or common safekeeper, as the case may be, for Euroclear and Clearstream, Luxembourg. Except in the circumstances described in the relevant Global Note, holders of the Notes will not be entitled to receive definitive Notes or, in the case of Global Registered Notes, Individual Note Certificates. Euroclear and Clearstream, Luxembourg will maintain records of the beneficial interests in the Global Notes. While the Notes are represented by one or more Global Notes, holders of the Notes will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg and their participants.

While the Notes are represented by one or more Global Notes the Issuer will discharge its payment obligations under the Notes by making payments to the common depositary or common safekeeper, as the case may be, for Euroclear and Clearstream, Luxembourg for distribution to their account holders. A holder of a beneficial interest in a Global Note must rely on the procedures of Euroclear and Clearstream, Luxembourg to receive payments under the relevant Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Notes.

Holders of beneficial interests in the Global Notes will not have a direct right to vote in respect of the relevant Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by Euroclear and Clearstream, Luxembourg to appoint appropriate proxies. Similarly, holders of beneficial interests in the Global Notes will not have a direct right under the Global Notes to take enforcement action against the Issuer in the event of a default under the relevant Notes but will have to rely upon their rights under the Deed of Covenant.

#### ***Risks related to limited enforcement of English court judgements***

A judgement entered against a company incorporated in Denmark in the courts of a state which is not, under the terms of (i) Regulation (EU) No. 1215/2012 of the European Parliament and of the Council on Jurisdiction and the Recognition and Enforcement of Judgments (the "**2012 Brussels Regulation**"), (ii) the bilateral agreement relating to the 2012 Brussels Regulation between Denmark and the European Community of 19 October 2005 (and any protocol and accession convention in respect thereof), (iii) Danish Act No. 1563 of 20 December 2006 (as amended), consolidated in Danish Consolidated Act No. 1282 of 14 November 2018, implementing the 2012 Brussels Regulation, (iv) the Convention on Jurisdiction and the Recognition and Enforcement of Judgments in Civil and Commercial Matters made at Lugano on 30 October 2007 (the "**Lugano Convention**") or (v) the Convention on Choice of Court Agreements on 30 June 2005 (the "**Hague Choice of Court Convention**"), a Member State (as defined in the 2012 Brussels Regulation) or a Contracting State (as defined in the Lugano Convention and the Hague Choice of Court Convention), will be neither recognised nor enforced by the Danish courts without re-examination of the substantive matters thereby adjudicated. In addition, a judgment entered against a company incorporated in Denmark in the courts of a state which is a Contracting State under the Hague Choice of Court Convention will not be recognised nor enforced by the Danish courts without re-examination of the substantive matters thereby adjudicated unless the parties had agreed to settle their disputes exclusively in the jurisdiction of one Contracting State. In connection with any re-examination, the judgment of a foreign court will generally be accepted as material evidence, but the parties must provide the Danish courts with satisfactory information about the contents of the relevant law of the contract and, if they fail to do so, the Danish courts may apply Danish law (respectively) instead. There is a risk that the application of Danish law to the terms of the Notes may in qualified circumstances result in an adverse result for the holders of Notes compared to the application of English law.

## ***Interest Rate Risks***

Investment in fixed rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of fixed rate Notes.

***If an investor holds Notes which are not denominated in the investor's home currency, it will be exposed to movements in exchange rates adversely affecting the value of its holding. In addition, the imposition of exchange controls in relation to any Notes could result in an investor not receiving payments on those Notes***

The Issuer will pay principal and interest on the Notes in the currency specified in the applicable Final Terms (the "**Specified Currency**"). This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease: (1) the Investor's Currency-equivalent yield on the Notes; (2) the Investor's Currency equivalent value of the principal payable on the Notes; and (3) the Investor's Currency equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate or the ability of the Issuer to make payments in respect of the Note. As a result, investors may receive less interest or principal than expected, or no interest or principal.

***Certain benchmark rates, including CIBOR, EURIBOR, NIBOR and STIBOR may be discontinued or reformed in the future.***

The Copenhagen Interbank Offered Rate ("**CIBOR**"), Euro Interbank Offered Rate ("**EURIBOR**"), Norwegian Interbank Offered Rate ("**NIBOR**"), Stockholm Interbank Offered Rate ("**STIBOR**") and other interest rates or other types of rates and indices which are deemed to be benchmarks are the subject of ongoing national and international regulatory discussions and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented.

The EU Benchmarks Regulation applies, subject to certain transitional provisions, to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark, within the EU. Regulation (EU) No. 2016/1011 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK Benchmarks Regulation**") applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark, within the UK. The EU Benchmarks Regulation or the UK Benchmarks Regulation, as applicable, could have a material impact on any Notes linked to EURIBOR or another benchmark rate or index, in particular, if the methodology or other terms of the benchmark are changed in order to comply with the terms of the EU Benchmarks Regulation or UK Benchmarks Regulation, and such changes could (amongst other things) have the effect of reducing or increasing the rate or level, or affecting the volatility of the published rate or level, of the benchmark. More broadly, any of the international, national or other proposals for reform, or the general increased regulatory scrutiny of benchmarks, could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements. Such factors may have the effect of discouraging market participants from continuing to administer or contribute to certain "benchmarks", trigger changes in the rules or methodologies used in certain "benchmarks" or lead to the discontinuance or unavailability of quotes of certain "benchmarks".

As an example of such benchmark reforms, on 21 September 2017, the European Central Bank announced that it would be part of a new working group tasked with the identification and adoption of a "risk free overnight rate" which can serve as a basis for an alternative to current benchmarks used in a variety of financial instruments and contracts in the euro area. On 13 September 2018, the working group on Euro risk-free rates recommended the new Euro short-term rate ("**€STR**") as the new risk-free rate for the euro area. €STR was published for the first time on 2 October 2019. Although EURIBOR has subsequently been reformed in order to comply with the terms of the EU Benchmarks Regulation, it remains uncertain as to how long it will continue in its current form, or whether it will be further reformed or replaced with €STR or an alternative benchmark.

The elimination of CIBOR, EURIBOR, NIBOR or STIBOR or any other benchmark, or changes in the manner of administration of any benchmark, could require or result in an adjustment to the interest calculation provisions of the Conditions (as further described in Condition 7(m) (*Benchmark Replacement-Independent Adviser*), or result in adverse consequences to holders of any Notes linked to such benchmark (including Floating Rate Notes whose interest rates are linked to CIBOR, EURIBOR, NIBOR or STIBOR or any other such benchmark that is subject to reform). Furthermore, even prior to the implementation of any changes, uncertainty as to the nature of alternative reference rates and as to potential changes to such benchmark may adversely affect such benchmark during the term of the relevant Notes, the return on the relevant Notes and the trading market for securities (including the Notes) based on the same benchmark.

The Conditions of the Notes provide for certain fallback arrangements in the event that a published benchmark, such as CIBOR, EURIBOR, NIBOR or STIBOR, (including any page on which such benchmark may be published (or any other successor service)) becomes unavailable or a Benchmark Event or a Benchmark Transition Event (each as defined in the Conditions), as applicable, otherwise occurs. Such an event may be deemed to have occurred prior to the issue date for a Series of Notes. Such fallback arrangements include the possibility that the rate of interest could be set by reference to a successor rate or an alternative rate and that such successor rate or alternative rate may be adjusted (if required) in accordance with the recommendation of a relevant governmental body or in order to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to investors arising out of the replacement of the relevant benchmark, although the application of such adjustments to the Notes may not achieve this objective. Any such changes may result in the Notes performing differently (which may include payment of a lower interest rate) than if the original benchmark continued to apply. In certain circumstances the ultimate fallback of interest for a particular Interest Period may result in the rate of interest for the last preceding Interest Period being used.

This may result in the effective application of a fixed rate for Floating Rate Notes based on the rate which was last observed on the Relevant Screen Page. In addition, due to the uncertainty concerning the availability of successor rates and alternative rates and the involvement of an Independent Adviser (as defined in the Conditions) in certain circumstances, the relevant fallback provisions may not operate as intended at the relevant time.

Any such consequences could have a material adverse effect on the value of and return on any such Notes.

Investors should consult their own independent advisers and make their own assessment about the potential risks arising from the possible cessation or reform of certain reference rates in making any investment decision with respect to any Notes linked to or referencing a benchmark.

***The market continues to develop in relation to risk-free rates (including overnight rates) as reference rates for Floating Rate Notes***

The use of risk-free rates - including those such as the Sterling Overnight Index Average ("**SONIA**"), the Secured Overnight Financing Rate ("**SOFR**") and €STR, as reference rates for Eurobonds continues to develop. This relates not only to the substance of the calculation and the development and adoption of market infrastructure for the issuance and trading of bonds referencing such rates, but also how widely such rates and methodologies might be adopted.

The market or a significant part thereof may adopt an application of risk-free rates that differs significantly from that set out in the Conditions and used in relation to Notes that reference risk-free rates issued under this Programme. The Issuer may in the future also issue Notes referencing SONIA, the SONIA Compounded Index, SOFR, the SOFR Compounded Index or €STR that differ materially in terms of interest determination when

compared with any previous Notes issued by it under this Programme. The development of risk-free rates for the Eurobond markets could result in reduced liquidity or increased volatility, or could otherwise affect the market price of any Notes that reference a risk-free rate issued under this Programme from time to time.

In addition, the manner of adoption or application of risk-free rates in the Eurobond markets may differ materially compared with the application and adoption of risk-free rates in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of such reference rates in the bond, loan and derivatives markets may impact any hedging or other financial

arrangements which they may put in place in connection with any acquisition, holding or disposal of Notes referencing such risk-free rates.

In particular, investors should be aware that several different methodologies have been used in risk-free rate notes issued to date. No assurance can be given that any particular methodology, including the compounding formula in the terms and conditions of the Notes, will gain widespread market acceptance. In addition, market participants and relevant working groups are still exploring alternative reference rates based on risk-free rates, including various ways to produce term versions of certain risk-free rates (which seek to measure the market's forward expectation of an average of these reference rates over a designated term, as they are overnight rates) or different measures of such risk-free rates. If the relevant risk-free rates do not prove to be widely used in securities like the Notes, the trading price of such Notes linked to such risk-free rates may be lower than those of Notes referencing indices that are more widely used.

Investors should consider these matters when making their investment decision with respect to any Notes which reference SONIA, SOFR, €STR or any related indices.

***Risk-free rates may differ from LIBOR and other inter-bank offered rates in a number of material respects and have a limited history***

Risk-free rates may differ from The London Interbank Offered Rate ("**LIBOR**") and other inter-bank offered rates in a number of material respects. These include (without limitation) being backwards-looking, in most cases, calculated on a compounded or weighted average basis, risk-free, overnight rates and, in the case of SOFR, secured, whereas such interbank offered rates are generally expressed on the basis of a forward-looking term, are unsecured and include a risk-element based on interbank lending. As such, investors should be aware that risk-free rates may behave materially differently to interbank offered rates as interest reference rates for the Notes. Furthermore, SOFR is a secured rate that represents overnight secured funding transactions, and therefore will perform differently over time to an unsecured rate. For example, since publication of SOFR began on 3 April 2018, daily changes in SOFR have, on occasion, been more volatile than daily changes in comparable benchmarks or other market rates.

Risk-free rates offered as alternatives to interbank offered rates also have a limited history. For that reason, future performance of such rates may be difficult to predict based on their limited historical performance. The level of such rates during the term of the Notes may bear little or no relation to historical levels. Prior observed patterns, if any, in the behaviour of market variables and their relation to such rates such as correlations, may change in the future. Investors should not rely on historical performance data as an indicator of the future performance of such risk-free rates nor should they rely on any hypothetical data.

Furthermore, interest on Notes which reference a backwards-looking risk-free rate is only capable of being determined immediately prior to the relevant Interest Payment Date. It may be difficult for investors in Notes which reference such risk-free rates reliably to estimate the amount of interest which will be payable on such Notes, and some investors may be unable or unwilling to trade such Notes without changes to their IT systems, both of which could adversely impact the liquidity of such Notes. Further, in contrast to Notes linked to interbank offered rates, if Notes referencing backwards-looking rates become due and payable as a result of an Event of Default under Condition 14 (*Events of Default*), or are otherwise redeemed early on a date which is not an Interest Payment Date, the final Rate of Interest Rate payable in respect of such Notes shall be determined by reference to a shortened period ending immediately prior to the date on which the Notes become due and payable or are scheduled for redemption.

***The administrator of SONIA, SOFR or €STR or any related indices may make changes that could change the value of SONIA, SOFR or €STR or any related index, or discontinue SONIA, SOFR or €STR or any related index***

The Bank of England, the Federal Reserve, Bank of New York or the European Central Bank (or their successors) as administrators of SONIA (and the SONIA Compounded Index), SOFR (and the SOFR Compounded Index) or €STR, respectively, may make methodological or other changes that could change the value of these risk-free rates and/or indices, including changes related to the method by which such risk-free rate is calculated, eligibility criteria applicable to the transactions used to calculate SONIA, SOFR or €STR, or timing related to the publication of SONIA, SOFR or €STR or any related indices. In addition, the administrator may alter, discontinue or suspend calculation or dissemination of SONIA, SOFR or €STR or any related index (in which case a fallback method of determining the interest rate on the Notes will



apply). The administrator has no obligation to consider the interests of Noteholders when calculating, adjusting, converting, revising or discontinuing any such risk-free rate.

### **Sustainability-Linked Notes**

#### ***The Notes may not satisfy an investor's requirements or future standards for assets with sustainability characteristics***

Although the Notes issued as Sustainability-Linked Notes are structured with the interest rate relating to the Notes being subject to upward adjustment, a premium amount payable, in the event that the Issuer fails to achieve the SPTs (as described in the section "*Description of the Issuer – Sustainability*") relevant to the Notes within the relevant timeframe, such Notes may not satisfy an investor's requirements or any future legal or quasi legal standards for investment in assets with sustainability characteristics. Any such Notes are not 'green', 'social' or 'sustainable' bonds and are not being marketed as such and the Issuer expects to use the net proceeds of any issue of Notes issued as Sustainability-Linked Notes for general corporate purposes. Therefore, the Issuer does not intend to allocate the net proceeds of any such Notes specifically to projects or business activities meeting environmental or sustainability criteria, or to be subject to any other limitations associated with green, social or sustainable bonds.

The interest rate adjustment, or premium payment, in respect of any Notes issued as Sustainability-Linked Notes depends on a definition of KPIs and/or SPTs, that may be inconsistent with investor requirements or expectations or other definitions relevant to these factors. The KPIs/SPTs are calculated with reference to the Issuer's business, operations and capabilities and they do not easily lend themselves to benchmarking against similar KPIs/SPTs.

In addition, any future investments the Issuer makes in furtherance of the SPTs may not meet investor expectations or any binding or non-binding legal standards regarding sustainability performance, whether by any present or future applicable law or regulations or by its own by-laws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental, sustainability or social impact.

#### ***Risks that may result from the efforts to achieve the SPTs***

As described in the section "*Description of the Issuer – Sustainability*" of this Base Prospectus, achieving the SPTs will require the Issuer to make changes to its business and operations. In order to achieve the SPTs or any similar sustainability performance targets the Issuer may choose to link to in future financings or other arrangements, the Issuer will need to invest and allocate significant resources, including but not limited to new technologies. The Issuer's efforts in achieving the SPTs may further become controversial or be criticised by activist groups or other stakeholders.

#### ***Risks that may result from a failure to meet the SPTs***

No assurance can be given of the extent to which the Issuer will be successful in satisfying the SPTs. The failure of the Issuer to achieve any of its SPTs or any such similar sustainability performance targets the Issuer may choose to include in any future financings would not only result in a payment of a premium or other relevant financing arrangements, but could also harm the Issuer's reputation, the consequences of which could, in each case, have a material adverse effect on the Issuer, its business prospects, its financial condition or its results of operations and ultimately its ability to fulfil its payments obligations in respect of any Notes issued as Sustainability-Linked Notes.

A failure by the Issuer to meet the SPTs under any Notes issued as Sustainability-Linked Notes will not be an Event of Default, nor will the Issuer be required to repurchase or redeem such Notes as a consequence of such failure.

#### ***The relevant baseline may change during the term of a Sustainability-Linked Note, which may impact the occurrence of a Sustainability-Linked Trigger Event.***

Under the terms and conditions of Sustainability-Linked Notes, whilst the relevant KPI(s) and SPT(s) are to remain constant until maturity of the relevant Notes, the applicable baseline may be recalculated by the Issuer if there has been any: (i) significant or structural change to the Issuer and/or Group structure (by way of acquisition, divestiture, merger or otherwise); or (ii) a change in the methodology for, or the discovery of any significant errors in, calculating the Group's Scope 1 and 2 Emissions and/or Scope 3 Emissions

(each as defined in the Conditions), in either case of (i) or (ii) which would have resulted in an increase or decrease of 5 per cent. or more to the calculation of a Key Performance Indicator for the relevant Base Year if such change had occurred prior to the relevant Base Year. Any recalculation of the relevant baselines may impact, positively or negatively, the ability of the Issuer to satisfy the relevant SPT, and may mean the Issuer is able to avoid the occurrence of a Sustainability-Linked Trigger Event, which could in turn adversely affect the market price of any Sustainability-Linked Notes.

***No assurance of suitability or reliability of any Second Party Opinion or any other opinion or certification of any third party relating to any Sustainability-Linked Notes***

Moody's has issued an independent opinion, dated 28 February 2023, on the Issuer's Sustainability-Linked Finance Framework and its alignment with the ICMA SLB Principles (the "**Second Party Opinion**"). The Second Party Opinion provides an opinion on certain environmental and related considerations is a statement of opinion, not a statement of fact. No representation or assurance is given as to the suitability or reliability of the Second Party Opinion or any other opinion or certification of any third party made available in connection with an issue of Notes issued as Sustainability-Linked Notes. The Second Party Opinion and any other such opinion or certification is not intended to address any credit, market or other aspects of any investment in any Note, including without limitation market price, marketability, investor preference or suitability of any security or any other factors that may affect the value of the Notes. The Second Party Opinion and any other opinion or certification is not a recommendation to buy, sell or hold any such Notes and is current only as of the date it was issued. The criteria and/or considerations that formed the basis of the Second Party Opinion and any other such opinion or certification may change at any time and the Second Party Opinion may be amended, updated, supplemented, replaced and/or withdrawn. As at the date of this Base Prospectus, the providers of such opinions and certifications are not subject to any specific regulatory or other regime or oversight. Prospective investors must determine for themselves the relevance of any such opinion or certification and/or the information contained therein. The Second Party Opinion and any other such opinion or certification does not form part of, nor is incorporated by reference, in this Base Prospectus.

***No assurance that Sustainability-Linked Notes will be admitted to trading on any dedicated "green", "sustainable", "social" (or similar) segment of any stock exchange or market, or that any admission obtained will be maintained***

In the event any such Notes are, or are intended to be, listed, or admitted to trading on a dedicated "green", "sustainable", "social" or other equivalently-labelled segment of a stock exchange or securities market, no representation or assurance is given that such listing or admission will be obtained or maintained for the lifetime of the Notes.

If any of the risks outlined in this risk factor materialise this may have a material adverse effect on the value of such Notes and/or may have consequences for certain investors with portfolio mandates to invest in assets with sustainability characteristics (which may lead to a need to sell the Notes as a result of the Notes not falling within the investor's investment criteria or mandate).

## INFORMATION INCORPORATED BY REFERENCE

The following information has been filed with the Central Bank and Euronext Dublin and shall be deemed to be incorporated in, and to form part of, this Base Prospectus:

- the audited consolidated financial statements (including the management statement and auditors' report thereon and notes thereto) of the Issuer and the Group in respect of the year ended 31 December 2022 (set out on pages 51 to 95 of the annual reports of the Issuer for 2022) ("**2022 Audited Financial Statements**"); and
- the audited consolidated financial statements (including the management statement and auditors' report thereon and notes thereto) of the Issuer and the Group in respect of the year ended 31 December 2021 (set out on pages 50 to 98 of the annual reports of the Issuer for 2021) ("**2021 Audited Financial Statements**").

The consolidated financial statements of the Issuer have been audited without qualification for the years ended 31 December 2021 and 2022 by EY Godkendt Revisionspartnerselskab, a member of FSR Danish Auditors (FSR-danske revisorer). The financial statements have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board and in accordance with IFRS as endorsed by the EU and further requirements in the Danish Financial Statements Act.

Copies of the documents specified above as containing information incorporated by reference in this Base Prospectus may be inspected, free of charge, at <https://pandoragroup.com/investor/news-and-reports/annual-reports>. Any information contained in or incorporated by reference in any of the documents specified above which is not incorporated by reference in this Base Prospectus is either not relevant to investors or is covered elsewhere in this Base Prospectus and, for the avoidance of doubt, unless specifically incorporated by reference into this Base Prospectus, information contained on the website does not form part of this Base Prospectus.

### Supplements

Following the publication of this Base Prospectus a supplement may be prepared by the Issuer and approved by the Central Bank in accordance with Article 23 of the EU Prospectus Regulation. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to supersede statements contained in this Base Prospectus (or any earlier supplement) or in a document which is incorporated by reference in this Base Prospectus.

The Issuer will, in the event of any significant new factor, material mistake or material inaccuracy relating to information included in this Base Prospectus which may affect the assessment of any Notes, prepare a supplement to this Base Prospectus or publish a new Base Prospectus for use in connection with any subsequent issue of Notes.

## **FINAL TERMS AND DRAWDOWN PROSPECTUSES**

In this section the expression "necessary information" means, in relation to any Tranche of Notes, the necessary information which is material to an investor for making an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Issuer and of the rights attaching to the Notes and the reasons for the issuance and its impact on the issuer. In relation to the different types of Notes which may be issued under the Programme the Issuer has included in this Base Prospectus all of the necessary information except for information relating to the Notes which is not known at the date of this Base Prospectus and which can only be determined at the time of an individual issue of a Tranche of Notes.

Any information relating to the Notes which is not included in this Base Prospectus and which is required in order to complete the necessary information in relation to a Tranche of Notes will be contained either in the relevant Final Terms or in a Drawdown Prospectus.

For a Tranche of Notes which is the subject of Final Terms, those Final Terms will, for the purposes of that Tranche only, complete this Base Prospectus and must be read in conjunction with this Base Prospectus. The terms and conditions applicable to any particular Tranche of Notes which is the subject of Final Terms are the Conditions described in the relevant Final Terms as completed by the relevant Final Terms.

The terms and conditions applicable to any particular Tranche of Notes which is the subject of a Drawdown Prospectus will be the Conditions as supplemented, amended and/or replaced to the extent described in the relevant Drawdown Prospectus. In the case of a Tranche of Notes which is the subject of a Drawdown Prospectus, each reference in this Base Prospectus to information being specified or identified in the relevant Final Terms shall be read and construed as a reference to such information being specified or identified in the relevant Drawdown Prospectus unless the context requires otherwise.

Each Drawdown Prospectus will be constituted either by a single document containing the necessary information relating to the Issuer and the relevant Notes.

## FORMS OF THE NOTES

### Bearer Notes

Each Tranche of Notes in bearer form ("**Bearer Notes**") will initially be in the form of either a temporary global note in bearer form (the "**Temporary Global Note**"), without interest coupons, or a permanent global note in bearer form (the "**Permanent Global Note**"), without interest coupons, in each case as specified in the relevant Final Terms. Each Temporary Global Note or, as the case may be, Permanent Global Note (each a "**Global Note**") which is not intended to be issued in new global note ("**NGN**") form, as specified in the relevant Final Terms, will be deposited on or around the issue date of the relevant Tranche of the Notes with a depository or a common depository for Euroclear Bank SA/NV ("**Euroclear**") and/or Clearstream Banking S.A. ("**Clearstream, Luxembourg**") and/or any other relevant clearing system and each Global Note which is intended to be issued in NGN form, as specified in the relevant Final Terms, will be deposited on or around the issue date of the relevant Tranche of the Notes with a common safekeeper for Euroclear and/or Clearstream, Luxembourg.

On 13 June 2006 the European Central Bank (the "**ECB**") announced that Notes in NGN form are in compliance with the "Standards for the use of EU securities settlement systems in ESCB credit operations" of the central banking system for the euro (the "**Eurosystem**"), **provided that** certain other criteria are fulfilled. At the same time the ECB also announced that arrangements for Notes in NGN form will be offered by Euroclear and Clearstream, Luxembourg as of 30 June 2006 and that debt securities in global bearer form held on behalf of Euroclear and Clearstream, Luxembourg after 31 December 2006 will only be eligible as collateral for Eurosystem operations if the NGN form is used.

The relevant Final Terms will indicate whether such Bearer Notes are intended to be held in a manner which would allow Eurosystem eligibility. Any indication that the Bearer Notes are to be so held does not necessarily mean that the Bearer Notes of the relevant Tranche will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any times during their life as such recognition depends upon satisfaction of the Eurosystem eligibility criteria.

In the case of each Tranche of Bearer Notes, the relevant Final Terms will also specify whether United States Treasury Regulation §1.163-5(c)(2)(i)(C) (the "**TEFRA C Rules**") or United States Treasury Regulation §1.163-5(c)(2)(i)(D) (the "**TEFRA D Rules**") are applicable in relation to the Notes or, if the Notes do not have a maturity of more than 365 days, that neither the TEFRA C Rules nor the TEFRA D Rules are applicable.

### Temporary Global Note exchangeable for Permanent Global Note

If the relevant Final Terms specifies the form of Notes as being "Temporary Global Note exchangeable for a Permanent Global Note", then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole or in part, for interests in a Permanent Global Note, without interest coupons, not earlier than 40 days after the issue date of the relevant Tranche of the Notes upon certification as to non-U.S. beneficial ownership. No payments will be made under the Temporary Global Note unless exchange for interests in the Permanent Global Note is improperly withheld or refused. In addition, interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

Whenever any interest in the Temporary Global Note is to be exchanged for an interest in a Permanent Global Note, the Issuer shall procure (in the case of first exchange) the delivery of a Permanent Global Note, duly authenticated and, in the case of a NGN, effectuated, to the bearer of the Temporary Global Note or (in the case of any subsequent exchange) an increase in the principal amount of the Permanent Global Note in accordance with its terms against:

- (i) presentation and (in the case of final exchange) presentation and surrender of the Temporary Global Note to or to the order of the Fiscal Agent; and
- (ii) receipt by the Fiscal Agent of a certificate or certificates of non-U.S. beneficial ownership.

The principal amount of Notes represented by the Permanent Global Note shall be equal to the aggregate of the principal amounts specified in the certificates of non-U.S. beneficial ownership provided, however, that in no circumstances shall the principal amount of Notes represented by the Permanent Global Note exceed the initial principal amount of Notes represented by the Temporary Global Note.

If:

- (a) the Permanent Global Note has not been delivered or the principal amount thereof increased by 5.00 p.m. (London time) on the seventh day after the bearer of the Temporary Global Note has requested exchange of an interest in the Temporary Global Note for an interest in a Permanent Global Note; or
- (b) the Temporary Global Note (or any part thereof) has become due and payable in accordance with the Terms and Conditions of the Notes or the date for final redemption of the Temporary Global Note has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the bearer of the Temporary Global Note in accordance with the terms of the Temporary Global Note on the due date for payment,

then the Temporary Global Note (including the obligation to deliver a Permanent Global Note) will become void at 5.00 p.m. (London time) on such seventh day (in the case of (a) above) or at 5.00 p.m. (London time) on such due date (in the case of (b) above) and the bearer of the Temporary Global Note will have no further rights thereunder (but without prejudice to the rights which the bearer of the Temporary Global Note or others may have under the Deed of Covenant).

The Permanent Global Note will become exchangeable, in whole but not in part only and at the request of the bearer of the Permanent Global Note, for Bearer Notes in definitive form ("**Definitive Notes**"):

- (a) on the expiry of such period of notice as may be specified in the relevant Final Terms; or
- (b) at any time, if so specified in the Final Terms; or
- (c) if the relevant Final Terms specifies "in the limited circumstances specified in the Permanent Global Note", then if either of the following events occurs:
  - (i) Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business; or
  - (ii) an Event of Default as defined in Condition 14 (*Events of Default*) occurs and the Notes become due and payable.

Whenever the Permanent Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Final Terms), in an aggregate principal amount equal to the principal amount of Notes represented by the Permanent Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note to or to the order of the Fiscal Agent within 30 days of the bearer requesting such exchange.

If:

- (a) Definitive Notes have not been duly delivered by 5.00 p.m. (London time) on the thirtieth day after the bearer has requested exchange of the Permanent Global Note for Definitive Notes; or
- (b) the Permanent Global Note was originally issued in exchange for part only of a Temporary Global Note representing the Notes and such Temporary Global Note becomes void in accordance with its terms; or
- (c) the Permanent Global Note (or any part thereof) has become due and payable in accordance with the Terms and Conditions of the Notes or the date for final redemption of the Permanent Global Note has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the bearer of the Permanent Global Note in accordance with the terms of the Permanent Global Note on the due date for payment,

then the Permanent Global Note (including the obligation to deliver Definitive Notes) will become void at 5.00 p.m. (London time) on such thirtieth day (in the case of (a) above) or at 5.00 p.m. (London time) on the date on which such Temporary Global Note becomes void (in the case of (b) above) or at 5.00 p.m. (London time) on such due date (in the case of (c) above) and the bearer of the Permanent Global Note will

have no further rights thereunder (but without prejudice to the rights which the bearer of the Permanent Global Note or others may have under the Deed of Covenant).

#### **Temporary Global Note exchangeable for Definitive Notes**

If the relevant Final Terms specifies the form of Notes as being "Temporary Global Note exchangeable for Definitive Notes" and also specifies that the TEFRA C Rules are applicable or that neither the TEFRA C Rules or the TEFRA D Rules are applicable, then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole but not in part, for Definitive Notes not earlier than 40 days after the issue date of the relevant Tranche of the Notes.

If the relevant Final Terms specifies the form of Notes as being "Temporary Global Note exchangeable for Definitive Notes" and also specifies that the TEFRA D Rules are applicable, then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole or in part, for Definitive Notes not earlier than 40 days after the issue date of the relevant Tranche of the Notes upon certification as to non-U.S. beneficial ownership. Interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

Whenever the Temporary Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Final Terms), in an aggregate principal amount equal to the principal amount of the Temporary Global Note to the bearer of the Temporary Global Note against the surrender of the Temporary Global Note to or to the order of the Fiscal Agent within 30 days of the bearer requesting such exchange.

If:

- (a) Definitive Notes have not been duly delivered by 5.00 p.m. (London time) on the thirtieth day after the bearer has requested exchange of the Temporary Global Note for Definitive Notes; or
- (b) the Temporary Global Note (or any part thereof) has become due and payable in accordance with the Terms and Conditions of the Notes or the date for final redemption of the Temporary Global Note has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the bearer of the Temporary Global Note in accordance with the terms of the Temporary Global Note on the due date for payment,

then the Temporary Global Note (including the obligation to deliver Definitive Notes) will become void at 5.00 p.m. (London time) on such thirtieth day (in the case of (a) above) or at 5.00 p.m. (London time) on such due date (in the case of (b) above) and the bearer of the Temporary Global Note will have no further rights thereunder (but without prejudice to the rights which the bearer of the Temporary Global Note or others may have under the Deed of Covenant).

#### **Permanent Global Note exchangeable for Definitive Notes**

If the relevant Final Terms specifies the form of Notes as being "Permanent Global Note exchangeable for Definitive Notes", then the Notes will initially be in the form of a Permanent Global Note which will be exchangeable in whole, but not in part, for Definitive Notes:

- (a) on the expiry of such period of notice as may be specified in the relevant Final Terms; or
- (b) at any time, if so specified in the relevant Final Terms; or
- (c) if the relevant Final Terms specifies "in the limited circumstances specified in the Permanent Global Note", then if either of the following events occurs:
  - (i) Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business; or
  - (ii) an Event of Default as defined in Condition 14 (*Events of Default*) occurs and the Notes become due and payable.

Whenever the Permanent Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Final Terms), in an aggregate principal amount equal to the principal amount of Notes represented by the Permanent Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note to or to the order of the Fiscal Agent within 30 days of the bearer requesting such exchange.

If:

- (a) Definitive Notes have not been duly delivered by 5.00 p.m. (London time) on the thirtieth day after the bearer has requested exchange of the Permanent Global Note for Definitive Notes; or
- (b) the Permanent Global Note (or any part thereof) has become due and payable in accordance with the Terms and Conditions of the Notes or the date for final redemption of the Permanent Global Note has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the bearer of the Permanent Global Note in accordance with the terms of the Permanent Global Note on the due date for payment,

then the Permanent Global Note (including the obligation to deliver Definitive Notes) will become void at 5.00 p.m. (London time) on such thirtieth day (in the case of (a) above) or at 5.00 p.m. (London time) on such due date (in the case of (b) above) and the bearer of the Permanent Global Note will have no further rights thereunder (but without prejudice to the rights which the bearer of the Permanent Global Note or others may have under the Deed of Covenant).

#### **Rights under Deed of Covenant**

Under the Deed of Covenant, persons shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system as being entitled to an interest in a Temporary Global Note or a Permanent Global Note which becomes void will acquire directly against the Issuer all those rights to which they would have been entitled if, immediately before the Temporary Global Note or Permanent Global Note became void, they had been the holders of Definitive Notes in an aggregate principal amount equal to the principal amount of Notes they were shown as holding in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.

#### **Terms and Conditions applicable to the Notes**

The terms and conditions applicable to any Definitive Note will be endorsed on that Note and will consist of the terms and conditions set out under "*Terms and Conditions of the Notes*" below and the provisions of the relevant Final Terms which complete those terms and conditions.

The terms and conditions applicable to any Note in global form will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under "*Summary of Provisions Relating to the Notes while in Global Form*" below.

#### **Legend concerning United States persons**

In the case of any Tranche of Bearer Notes having a maturity of more than 365 days, the Notes in global form, the Notes in definitive form and any Coupons and Talons appertaining thereto will bear a legend to the following effect:

*"Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code."*

#### **Registered Notes**

Each Tranche of Notes in registered form ("**Registered Notes**"), will be represented by either individual note certificates in registered form ("**Individual Note Certificates**") or a global note in registered form (a "**Global Registered Note**"), in each case as specified in the relevant Final Terms.

In a press release dated 22 October 2008, "*Evolution of the custody arrangement for international debt securities and their eligibility in Eurosystem credit operations*", the ECB announced that it has assessed the



new holding structure and custody arrangements for registered notes which the ICSDs had designed in cooperation with market participants and that Notes to be held under the new structure (the "**New Safekeeping Structure**" or "**NSS**") would be in compliance with the "*Standards for the use of EU securities settlement systems in ESCB credit operations*" of the central banking system for the euro (the "**Eurosystem**"), subject to the conclusion of the necessary legal and contractual arrangements. The press release also stated that the new arrangements for Notes to be held in NSS form will be offered by Euroclear and Clearstream, Luxembourg as of 30 June 2010 and that registered debt securities in global registered form issued through Euroclear and Clearstream, Luxembourg after 30 September 2010 will only be eligible as collateral in Eurosystem operations if the New Safekeeping Structure is used.

The relevant Final Terms will indicate whether such Registered Notes are intended to be held in a manner which would allow Eurosystem eligibility. Any indication that the Registered Notes are to be so held does not necessarily mean that the Registered Notes of the relevant Tranche will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any times during their life as such recognition depends upon satisfaction of the Eurosystem eligibility criteria.

Each Global Registered Note will either be: (a) in the case of a Note which is not to be held under the new safekeeping structure ("**New Safekeeping Structure**" or "**NSS**"), registered in the name of a common depository (or its nominee) for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and the relevant Global Registered Note will be deposited on or about the issue date with the common depository and will be exchangeable in accordance with its terms; or (b) in the case of a Note to be held under the New Safekeeping Structure, be registered in the name of a common safekeeper (or its nominee) for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and the relevant Global Registered Note will be deposited on or about the issue date with the common safekeeper for Euroclear and/or Clearstream, Luxembourg and will be exchangeable for Individual Note Certificates in accordance with its terms.

If the relevant Final Terms specifies the form of Notes as being "Individual Note Certificates", then the Notes will at all times be represented by Individual Note Certificates issued to each Noteholder in respect of their respective holdings.

#### ***Global Registered Note exchangeable for Individual Note Certificates***

If the relevant Final Terms specifies the form of Notes as being "Global Registered Note exchangeable for Individual Note Certificates", then the Notes will initially be in the form of a Global Registered Note which will be exchangeable in whole, but not in part, for Individual Note Certificates:

- (i) on the expiry of such period of notice as may be specified in the relevant Final Terms; or
- (ii) at any time, if so specified in the relevant Final Terms; or
- (iii) if the relevant Final Terms specifies "in the limited circumstances described in the "Global Registered Note", then if either of the following events occurs:
  - (a) if Euroclear, Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business; or
  - (b) an Event of Default (as defined in Condition 14 (*Events of Default*)) occurs and the Notes become due and payable.

Whenever a Global Registered Note is to be exchanged for Individual Note Certificates, the Issuer shall procure that Individual Note Certificates will be issued in an aggregate principal amount equal to the principal amount of the Global Registered Note within five business days of the delivery, by or on behalf of the registered holder of the Global Registered Note to the Registrar of such information as is required to complete and deliver such Individual Note Certificates against the surrender of the Global Registered Note at the specified office of the Registrar.

Such exchange will be effected in accordance with the provisions the Agency Agreement and the regulations concerning the transfer and registration of Notes scheduled to the Agency Agreement and, in particular, shall be effected without charge to any holder, but against such indemnity as the Registrar may

require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such exchange.

If:

- (a) Individual Note Certificates have not been delivered by 5.00 p.m. (London time) on the thirtieth day after they are due to be issued and delivered in accordance with the terms of the Global Registered Note; or
- (b) any of the Notes represented by a Global Registered Note (or any part of it) has become due and payable in accordance with the Terms and Conditions of the Notes or the date for final redemption of the Notes has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the holder of the Global Registered Note in accordance with the terms of the Global Registered Note on the due date for payment,

then the Global Registered Note (including the obligation to deliver Individual Note Certificates) will become void at 5.00 p.m. (London time) on such thirtieth day (in the case of (a) above) or at 5.00 p.m. (London time) on such due date (in the case of (b) above) and the holder of the Global Registered Note will have no further rights thereunder (but without prejudice to the rights which the holder of the Global Registered Note or others may have under the Deed of Covenant. Under the Deed of Covenant, persons shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system as being entitled to an interest in a Global Registered Note will acquire directly against the Issuer all those rights to which they would have been entitled if, immediately before the Global Registered Note became void, they had been the holders of Individual Note Certificates in an aggregate principal amount equal to the principal amount of Notes they were shown as holding in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.

***Terms and Conditions applicable to the Notes***

The terms and conditions applicable to any Individual Note Certificate will be endorsed on that Individual Note Certificate and will consist of the terms and conditions set out under "Terms and Conditions of the Notes" below and the provisions of the relevant Final Terms which complete those terms and conditions.

The terms and conditions applicable to any Global Registered Note will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under "*Summary of Provisions Relating to the Notes while in Global Form*" below.

## TERMS AND CONDITIONS OF THE NOTES

*The following is the text of the terms and conditions which, as completed by the relevant Final Terms, will be endorsed on each Note in definitive form issued under the Programme. In the case of any Tranche of Notes which are being admitted to trading on a regulated market in a Member State, the relevant Final Terms shall not amend or replace any information in this Base Prospectus. Subject to this, to the extent permitted by applicable law and/or regulation, the Final Terms in respect of any Tranche of Notes may supplement, amend or replace any information in this Base Prospectus.*

*The terms and conditions applicable to any Note in global form will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under "Summary of Provisions Relating to the Notes while in Global Form" below.*

### 1. Introduction

- (a) *Programme:* Pandora A/S (the "**Issuer**") has established a Euro Medium Term Note Programme (the "**Programme**") for the issuance of up to EUR 1,500,000,000 in aggregate principal amount of notes (the "**Notes**").
- (b) *Final Terms:* Notes issued under the Programme are issued in series (each a "**Series**") and each Series may comprise one or more tranches (each a "**Tranche**") of Notes. Each Tranche is the subject of a final terms (the "**Final Terms**") which completes these terms and conditions (the "**Conditions**"). The terms and conditions applicable to any particular Tranche of Notes are these Conditions as completed by the relevant Final Terms. In the event of any inconsistency between these Conditions and the relevant Final Terms, the relevant Final Terms shall prevail.
- (c) *Agency Agreement:* The Notes are the subject of a fiscal agency agreement dated 28 February 2023 (the "**Agency Agreement**") between the Issuer BNP Paribas, Luxembourg Branch as fiscal agent (the "**Fiscal Agent**", which expression includes any successor fiscal agent appointed from time to time in connection with the Notes), BNP Paribas, Luxembourg Branch as registrar (the "**Registrar**", which expression includes any successor registrar appointed from time to time in connection with the Notes), the paying agents named therein (together with the Fiscal Agent, the "**Paying Agents**", which expression includes any successor or additional paying agents appointed from time to time in connection with the Notes), the transfer agents named therein (together with the Registrar, the "**Transfer Agents**", which expression includes any successor or additional transfer agents appointed from time to time in connection with the Notes). In these Conditions references to the "**Agents**" are to the Paying Agents and the Transfer Agents and any reference to an "**Agent**" is to any one of them.
- (d) *Deed of Covenant:* The Note may be issued in bearer form ("**Bearer Notes**"), or in registered form ("**Registered Notes**"). Registered Notes are constituted by a deed of covenant dated 28 February 2023 (the "**Deed of Covenant**").
- (e) *The Notes:* All subsequent references in these Conditions to "Notes" are to the Notes which are the subject of the relevant Final Terms.
- (f) *Summaries:* Certain provisions of these Conditions are summaries of the Agency Agreement and the Deed of Covenant and are subject to their detailed provisions. The holders of the Notes (the "**Noteholders**") and the holders of the related interest coupons, if any, (the "**Couponholders**" and the "**Coupons**", respectively) are bound by, and are deemed to have notice of, all the provisions of the Agency Agreement and the Deed of Covenant applicable to them. Copies of the Agency Agreement and the Deed of Covenant are available for inspection by Noteholders during normal business hours at the Specified Offices of each of the Paying Agents, the initial Specified Offices of which are set out below.

### 2. Interpretation

- (a) *Definitions:* In these Conditions the following expressions have the following meanings:

"**2006 ISDA Definitions**" means, in relation to a Series of Notes, the 2006 ISDA Definitions (as supplemented, amended and updated as at the date of issue of the first Tranche of the Notes of such Series) as published by ISDA (copies of which may be obtained from ISDA at [www.isda.org](http://www.isda.org));

**"Accounting Principles"** means generally acceptable accounting principles in Denmark, including IFRS;

**"Accrual Yield"** has the meaning given in the relevant Final Terms;

**"Additional Business Centre(s)"** means the city or cities specified as such in the relevant Final Terms;

**"Additional Financial Centre(s)"** means the city or cities specified as such in the relevant Final Terms;

**"Business Day"** means:

- (a) in relation to any sum payable in euro, a TARGET Settlement Day and a day on which commercial banks and foreign exchange markets settle payments generally in each (if any) Additional Business Centre;
- (b) in relation to any sum payable in a currency other than euro, a day on which commercial banks and foreign exchange markets settle payments generally in the Principal Financial Centre of the relevant currency and in each (if any) Additional Business Centre; and
- (c) in respect of Notes for which the Reference Rate is specified as SOFR in the relevant Final Terms, any weekday that is a U.S. Government Securities Business Day and is not a legal holiday in New York and each (if any) Additional Business Centre(s) and is not a date on which banking institutions in those cities are authorised or required by law or regulation to be closed;

**"Business Day Convention"**, in relation to any particular date, has the meaning given in the relevant Final Terms and, if so specified in the relevant Final Terms, may have different meanings in relation to different dates and, in this context, the following expressions shall have the following meanings:

- (a) **"Following Business Day Convention"** means that the relevant date shall be postponed to the first following day that is a Business Day;
- (b) **"Modified Following Business Day Convention"** or **"Modified Business Day Convention"** means that the relevant date shall be postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date will be the first preceding day that is a Business Day save in respect of Notes for which the Reference Rate is SOFR, for which the final Interest Payment Date will not be postponed and interest on that payment will not accrue during the period from and after the scheduled final Interest Payment Date;
- (c) **"Preceding Business Day Convention"** means that the relevant date shall be brought forward to the first preceding day that is a Business Day;
- (d) **"FRN Convention"**, **"Floating Rate Convention"** or **"Eurodollar Convention"** means that each relevant date shall be the date which numerically corresponds to the preceding such date in the calendar month which is the number of months specified in the relevant Final Terms as the Specified Period after the calendar month in which the preceding such date occurred **provided, however, that:**
  - (i) if there is no such numerically corresponding day in the calendar month in which any such date should occur, then such date will be the last day which is a Business Day in that calendar month;
  - (ii) if any such date would otherwise fall on a day which is not a Business Day, then such date will be the first following day which is a Business Day unless that day falls in the next calendar month, in which case it will be the first preceding day which is a Business Day; and

- (iii) if the preceding such date occurred on the last day in a calendar month which was a Business Day, then all subsequent such dates will be the last day which is a Business Day in the calendar month which is the specified number of months after the calendar month in which the preceding such date occurred; and
- (e) "**No Adjustment**" means that the relevant date shall not be adjusted in accordance with any Business Day Convention;

"**Calculation Agent**" means the Fiscal Agent or such other Person specified in the relevant Final Terms as the party responsible for calculating the Rate(s) of Interest and Interest Amount(s) and/or such other amount(s) as may be specified in the relevant Final Terms;

"**Calculation Amount**" has the meaning given in the relevant Final Terms;

"**CIBOR**" means, in respect of any currency and any period specified hereIn, the interest rate benchmark known as the Copenhagen interbank offered rate administered by Danish Financial Benchmark Facility ApS (or any other person which takes over administration of that rate) based on estimated interbank borrowing rates for Danish kroner for a number of designated maturities which are provided by a panel of contributor banks;

"**Coupon Sheet**" means, in respect of a Note, a coupon sheet relating to the Note;

"**DA Selected Bond**" means the government security or securities selected by the Determination Agent as having the nearest actual or interpolated maturity comparable with the Remaining Term of the relevant Notes to be redeemed and that would be utilised, at the time of selection and in accordance with customary financial practice, in determining the redemption price of corporate debt securities denominated in the Specified Currency of such Notes and with a comparable remaining maturity to the Remaining Term of such Notes;

"**Day Count Fraction**" means, in respect of the calculation of an amount for any period of time (the "**Calculation Period**"), such day count fraction as may be specified in these Conditions or the relevant Final Terms and:

- (a) if "**Actual/Actual (ICMA)**" is so specified, means:
  - (i) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
  - (ii) where the Calculation Period is longer than one Regular Period, the sum of:
    - (A) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
    - (B) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (a) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year;
- (iii) if "**Actual/Actual (ISDA)**" is so specified, means the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (iv) if "**Actual/365 (Fixed)**" is so specified, means the actual number of days in the Calculation Period divided by 365;

- (v) if "**Actual/360**" is so specified, means the actual number of days in the Calculation Period divided by 360;
- (vi) if "**30/360**" is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows

$$\text{Day Count Fraction} = \frac{[360x(Y_2 - Y_1)] + [30x(M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"**Y<sub>1</sub>**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y<sub>2</sub>**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M<sub>1</sub>**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M<sub>2</sub>**" is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

"**D<sub>1</sub>**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

"**D<sub>2</sub>**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D<sub>1</sub> is greater than 29, in which case D<sub>2</sub> will be 30";

- (vii) if "**30E/360**" or "**Eurobond Basis**" is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360x(Y_2 - Y_1)] + [30x(M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"**Y<sub>1</sub>**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y<sub>2</sub>**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M<sub>1</sub>**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M<sub>2</sub>**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D<sub>1</sub>**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

"**D<sub>2</sub>**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D<sub>2</sub> will be 30; and

if "**30E/360 (ISDA)**" is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360(Y_2 - Y_1)] + [30(M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y<sub>1</sub>" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y<sub>2</sub>" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M<sub>1</sub>" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M<sub>2</sub>" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D<sub>1</sub>" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D<sub>1</sub> will be 30; and

"D<sub>2</sub>" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D<sub>2</sub> will be 30,

**provided, however, that** in each such case the number of days in the Calculation Period is calculated from and including the first day of the Calculation Period to but excluding the last day of the Calculation Period;

"**Determination Agent**" means an independent adviser, investment bank or financial institution of recognised standing with appropriate expertise selected by the Issuer;

"**Early Redemption Amount (Tax)**" means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms;

"**Early Termination Amount**" means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, these Conditions or the relevant Final Terms;

"**EURIBOR**" means, in respect of any specified currency and any specified period, the interest rate benchmark known as the Euro zone interbank offered rate which is calculated and published by a designated distributor (currently Thomson Reuters) in accordance with the requirements from time to time of the European Money Markets Institute (or any person which takes over administration of that rate);

"**Extraordinary Resolution**" has the meaning given in the Agency Agreement;

"**Final Redemption Amount**" means, in respect of any Note, its principal amount or such other amount as may be specified in the relevant Final Terms;

"**First Interest Payment Date**" means the date specified in the relevant Final Terms;

"**Fixed Coupon Amount**" has the meaning given in the relevant Final Terms;

"**Gross Redemption Yield**" means, with respect to a security, the gross redemption yield to maturity (or if a Par Redemption Date is specified in the relevant Final Terms, to the Par Redemption Date) on such security, expressed as a percentage and calculated by the Determination Agent on the basis set out by the United Kingdom Debt Management Office in the paper "*Formulae for Calculating Gilt Prices from Yields*", page 5, Section One: Price/Yield Formulae "*Conventional Gilts; Double-dated and Undated Gilts with Assumed (or Actual) Redemption on a Quasi-Coupon*"

*Date*"(published on 8 June 1998 and updated on 15 January 2002 and 16 March 2005, and as further amended, updated, supplemented or replaced from time to time on a semi-annual compounding basis (converted to an annualised yield and rounded up (if necessary) to four decimal places)) or, if such formula does not reflect generally accepted market practice at the time of redemption, a gross redemption yield calculated in accordance with generally accepted market practice at such time as determined by the Determination Agent;

**"Group"** means the Issuer and its consolidated Subsidiaries taken as a whole;

**"Guarantee"** means, in relation to any Indebtedness of any Person, any obligation of another Person to pay such Indebtedness including (without limitation):

- (a) any obligation to purchase such Indebtedness;
- (b) any obligation to lend money, to purchase or subscribe shares or other securities or to purchase assets or services in order to provide funds for the payment of such Indebtedness;
- (c) any indemnity against the consequences of a default in the payment of such Indebtedness; and
- (d) any other agreement to be responsible for such Indebtedness;

**"Holder"**, in the case of Bearer Notes, has the meaning given in Condition 3(b) (*Form, Denomination and Title - Title to Bearer Notes*) and, in the case of Registered Notes, has the meaning given in Condition 3(d) (*Form, Denomination and Title – Title to Registered Notes*);

**"Indebtedness"** means any indebtedness of any Person for money borrowed or raised including (without limitation) any indebtedness for or in respect of:

- (a) amounts raised by acceptance under any acceptance credit facility;
- (b) amounts raised under any note purchase facility;
- (c) the amount of any liability in respect of leases or hire purchase contracts which would, in accordance with applicable law and generally accepted accounting principles, be treated as finance or capital leases;
- (d) the amount of any liability in respect of any purchase price for assets or services the payment of which is deferred for a period in excess of 180 days; and
- (e) amounts raised under any other transaction (including, without limitation, any forward sale or purchase agreement) having the commercial effect of a borrowing;

**"Independent Adviser"** means an independent financial institution of international repute or other independent financial adviser experienced in the international capital markets, in each case appointed by the Issuer at its own expense;

**"Interest Amount"** means, in relation to a Note and an Interest Period, the amount of interest payable in respect of that Note for that Interest Period;

**"Interest Commencement Date"** means the Issue Date of the Notes or such other date as may be specified as the Interest Commencement Date in the relevant Final Terms;

**"Interest Determination Date"** has the meaning given in the relevant Final Terms;

**"Interest Payment Date"** means the First Interest Payment Date and any other date or dates specified as such in, or determined in accordance with the provisions of, the relevant Final Terms and, if a Business Day Convention is specified in the relevant Final Terms:

- (a) as the same may be adjusted in accordance with the relevant Business Day Convention; or



- (b) if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention and an interval of a number of calendar months is specified in the relevant Final Terms as being the Specified Period, each of such dates as may occur in accordance with the FRN Convention, Floating Rate Convention or Eurodollar Convention at such Specified Period of calendar months following the Interest Commencement Date (in the case of the first Interest Payment Date) or the previous Interest Payment Date (in any other case);

**"Interest Period"** means each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date (or, if the Notes are redeemed on any earlier date, the relevant redemption date);

**"ISDA"** means the International Swaps and Derivatives Association, Inc. (or any successor);

**"Issue Date"** has the meaning given in the relevant Final Terms;

**"Make Whole Redemption Price"** has the meaning given in Condition 10(c) (*Redemption and Purchase - Redemption at the option of the Issuer*);

**"Margin"** has the meaning given in the relevant Final Terms;

**"Material Subsidiary"** means, at any time a Subsidiary of the Issuer which:

- (a) has a turnover representing 7 per cent. or more of the total turnover of the Group calculated on a consolidated basis in accordance with the Accounting Principles; or
- (b) has total assets (excluding intra-group items), calculated in accordance with the Accounting Principles, representing 5 per cent. or more of the total assets of the Group, calculated on a consolidated basis in accordance with the Accounting Principles.

Compliance with the above shall be determined by reference to the latest financial statements of the relevant Subsidiary (consolidated in the case of a Subsidiary which itself has Subsidiaries) and the latest consolidated financial statements of the Group. However, if a Subsidiary has been acquired since the date as at which the latest audited consolidated financial statements of the Group were prepared, the financial statements shall be deemed to be adjusted in order to take into account the acquisition of that Subsidiary (that adjustment being certified by the Group's auditors as representing an accurate reflection of the revised total assets, net assets or turnover of the Group).

A report by the Group's auditors that a Subsidiary is or is not a Material Subsidiary shall, in the absence of manifest error, be conclusive and binding on the Issuer and the Noteholders;

**"Maturity Date"** has the meaning given in the relevant Final Terms;

**"Maximum Rate of Interest"** for any Interest Period has the meaning given in the relevant Final Terms;

**"Maximum Redemption Amount"** has the meaning given in the relevant Final Terms;

**"Minimum Rate of Interest"** for any Interest Period has the meaning given in the Final Terms but shall never be less than zero, including any relevant margin;

**"Minimum Redemption Amount"** has the meaning given in the relevant Final Terms;

**"NIBOR"** means, in respect of Norwegian Kroner and for any specified period, the interest rate benchmark known as the Norwegian interbank offered rate which is calculated and published by a designated distributor (currently Global Rate Set Systems) in accordance with the requirements from time to time of the Norwegian association for banks, insurance companies and financial institutions, Norske Finansielle Referanser AS based on estimated interbank borrowing rates for Norwegian Kroner for a number of designated maturities which are provided by a panel of contributor banks (details of historic NIBOR rates can be obtained from the designated distributor);

**"Non-Sterling Make Whole Redemption Amount"** has the meaning given in Condition 10(c) (*Redemption and Purchase - Redemption at the option of the Issuer*);

**"Noteholder"**, in the case of Bearer Notes, has the meaning given in Condition 3(b) (*Form, Denomination and Title - Title to Bearer Notes*) and, in the case of Registered Notes, has the meaning given in Condition 3(d) (*Form, Denomination and Title - Title to Registered Notes*);

**"Optional Redemption Amount (Call)"** means, in respect of any Note, its principal amount or such other amount as may be specified in the relevant Final Terms;

**"Optional Redemption Amount (Put)"** means, in respect of any Note, its principal amount or such other amount as may be specified in the relevant Final Terms;

**"Optional Redemption Date (Call)"** has the meaning given in the relevant Final Terms;

**"Optional Redemption Date (Put)"** has the meaning given in the relevant Final Terms;

**"Par Redemption Date"** has the meaning given in the relevant Final Terms;

**"Payment Business Day"** means:

- (a) if the currency of payment is euro, any day which is:
  - (i) a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies; and
  - (ii) in the case of payment by transfer to an account, a TARGET Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre; or
- (b) if the currency of payment is not euro, any day which is:
  - (i) a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies; and
  - (ii) in the case of payment by transfer to an account, a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre;

**"Permitted Security Interest"** means any Security Interest securing any Relevant Indebtedness (or any guarantee or indemnity in respect of Relevant Indebtedness):

- (i) of any Person where such Security Interest existed at the time such Person is acquired by, and becomes a Subsidiary of, the Issuer; and
- (ii) the obligations in respect of which are assumed by the Issuer as obligor (or, as the case may be, as guarantor or indemnifier) pursuant to a merger between the Issuer and a third party which had incurred the Relevant Indebtedness (or guarantee or indemnity in respect of Relevant Indebtedness) prior to the merger,

so long as such Security Interest was outstanding on the date on which the relevant entity became a Subsidiary of, or merged with, the Issuer, was not created in contemplation of such entity becoming a Subsidiary of, or merging with, the Issuer and the principal amount of Relevant Indebtedness (or any guarantee or indemnity in respect of Relevant Indebtedness) so secured was not increased in contemplation of such entity becoming a Subsidiary of, or merging with, the Issuer;

**"Person"** means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality;

**"Principal Financial Centre"** means, in relation to any currency, the principal financial centre for that currency **provided, however, that:**

- (a) in relation to euro, it means the principal financial centre of such Member State of the European Union as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Calculation Agent; and
- (b) in relation to New Zealand dollars, it means either Wellington or Auckland as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Calculation Agent;

**"Put Option Notice"** means a notice which must be delivered to a Paying Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder;

**"Put Option Receipt"** means a receipt issued by a Paying Agent to a depositing Noteholder upon deposit of a Note with such Paying Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder;

**"Quotation Time"** has the meaning given in the relevant Final Terms;

**"Rate of Interest"** means the rate or rates (expressed as a percentage per annum) of interest payable in respect of the Notes specified in the relevant Final Terms or calculated or determined in accordance with the provisions of these Conditions and/or the relevant Final Terms;

**"Redemption Amount"** means, as appropriate, the Final Redemption Amount, the Early Redemption Amount (Tax), the Optional Redemption Amount (Call), the Sterling Make Whole Redemption Amount, the Non-Sterling Make Whole Redemption Amount, the Optional Redemption Amount (Clean-up Call), the Optional Redemption Amount (Put), the Early Termination Amount or such other amount in the nature of a redemption amount as may be specified in the relevant Final Terms;

**"Redemption Date"** means, in respect of any Note, the relevant Maturity Date or any earlier date of redemption of the relevant Notes;

**"Redemption Margin"** means the figure specified in the relevant Final Terms;

**"Reference Bond"** means the bond specified in the relevant Final Terms or, if not so specified or to the extent that such Reference Bond specified in the Final Terms is no longer outstanding on the relevant Reference Date, the DA Selected Bond;

**"Reference Bond Price"** means, with respect to any Reference Bond and any Reference Date, (i) if at least five Reference Government Bond Dealer Quotations are received, the arithmetic average of the Reference Government Bond Dealer Quotations for such Reference Date, after excluding the highest (or in the event of equality, one of the highest) and lowest (or in the event of equality, one of the lowest) such Reference Government Bond Dealer Quotations, or (ii) if fewer than five such Reference Government Bond Dealer Quotations are received, the arithmetic average of all such quotations;

**"Reference Bond Rate"** means, with respect to any Reference Bond and any Reference Date, the rate per annum equal to the annual or semi-annual yield (as the case may be) or interpolated yield of the Reference Bond for the Remaining Term (on the relevant day count basis) of the Notes, assuming a price for the Reference Bond (expressed as a percentage of its nominal amount) equal to the Reference Bond Price for such Reference Date;

**"Reference Date"** means the date falling three London Business Days prior to the Optional Redemption Date (Call);

**"Reference Government Bond Dealer"** means each of five banks selected by the Issuer (following, where practicable, consultation with the Determination Agent, if one is specified in the relevant Final Terms), or their affiliates, which are (i) primary government securities dealers, and their respective successors, or (ii) market makers in pricing corporate bond issues;

**"Reference Government Bond Dealer Quotations"** means, with respect to each Reference Government Bond Dealer and any Reference Date, the arithmetic average, as determined by the Determination Agent, of the bid and offered prices for the Reference Bond (expressed in each case as a percentage of its nominal amount): (a) which appear on the Relevant Make Whole Screen Page as at the Quotation Time on the Reference Date; or (b) to the extent that in the case of (a) above either such bid and offered prices do not appear on that page, fewer than two such bid and offered prices appear on that page, or if the Relevant Make Whole Screen Page is unavailable, then as quoted in writing to the Determination Agent by such Reference Government Bond Dealer;

**"Reference Price"** has the meaning given in the relevant Final Terms;

**"Reference Rate"** means CIBOR / EURIBOR / NIBOR / STIBOR / SONIA / SONIA Compounded Index / SOFR / SOFR Compounded Index / €STR as specified in the relevant Final Terms in respect of the currency and period specified in the relevant Final Terms. Other than in the case of U.S. dollar-denominated floating rate Notes for which the "Reference Rate" is specified in the relevant Final Terms as being SOFR, the term Reference Rate shall, following the occurrence of a Benchmark Event under Condition 7(m) (*Benchmark Replacement (Independent Adviser)*), include any Successor Rate or Alternative Rate and shall, if a Benchmark Event should occur subsequently in respect of any such Successor Rate or Alternative Rate, also include any further Successor Rate or further Alternative Rate;

**"Regular Period"** means:

- (a) in the case of Notes where interest is scheduled to be paid only by means of regular payments, each period from and including the Interest Commencement Date to but excluding the first Interest Payment Date and each successive period from and including one Interest Payment Date to but excluding the next Interest Payment Date;
- (b) in the case of Notes where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where "**Regular Date**" means the day and month (but not the year) on which any Interest Payment Date falls; and
- (c) in the case of Notes where, apart from one Interest Period other than the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where "**Regular Date**" means the day and month (but not the year) on which any Interest Payment Date falls other than the Interest Payment Date falling at the end of the irregular Interest Period.

**"Relevant Date"** means, in relation to any payment, whichever is the later of (a) the date on which the payment in question first becomes due and (b) if the full amount payable has not been received by the Fiscal Agent on or prior to such due date, the date on which (the full amount having been so received) notice to that effect has been given to the Noteholders;

**"Relevant Indebtedness"** means any Indebtedness which is in the form of or represented by any bond, note, debenture, debenture stock, loan stock, certificate or other instrument which is, or is capable of being, listed, quoted or traded on any stock exchange or in any securities market (including, without limitation, any over-the-counter market);

**"Relevant Make Whole Screen Page"** means the page, section or other part of a particular information service (or any successor or replacement page, section or other part of a particular information service, including, without limitation, Bloomberg) as may be specified as the Relevant Make Whole Screen Page in the relevant Final Terms, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the Determination Agent for the purpose of displaying comparable relevant bid and offered prices for the Reference Bond;

**"Relevant Screen Page"** means the page, section or other part of a particular information service (including, without limitation, Reuters) specified as the Relevant Screen Page in the relevant Final Terms, or such other page, section or other part as may replace it on that information service or

such other information service, in each case, as may be nominated by the Person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate;

"**Relevant Time**" has the meaning given in the relevant Final Terms;

"**Remaining Term**" means the term to maturity or, if a Par Redemption Date is specified in the relevant Final Terms, to such Par Redemption Date;

"**Reserved Matter**" means any proposal by the Issuer to change any date fixed for payment of principal or interest in respect of the Notes, to reduce the amount of principal or interest payable on any date in respect of the Notes, to alter the method of calculating the amount of any payment in respect of the Notes or the date for any such payment, to change the currency of any payment under the Notes or to change the quorum requirements relating to meetings or the majority required to pass an Extraordinary Resolution;

"**Security Interest**" means any mortgage, charge, pledge, lien or other security interest including, without limitation, anything analogous to any of the foregoing under the laws of any jurisdiction;

"**Specified Currency**" has the meaning given in the relevant Final Terms;

"**Specified Denomination(s)**" has the meaning given in the relevant Final Terms;

"**Specified Office**" has the meaning given in the Agency Agreement;

"**Specified Period**" has the meaning given in the relevant Final Terms;

"**Sterling Make Whole Redemption Amount**" has the meaning given in Condition 10(c) (*Redemption and Purchase – Redemption at the option of the Issuer*);

"**STIBOR**" means, in respect of Swedish Kronor and for any specified period, the interest rate benchmark known as the Stockholm interbank offered rate which is calculated and published by a designated distributor (currently Swedish Financial Benchmark Facility) based on estimated interbank borrowing rates for Swedish Kronor for a number of designated maturities which are provided by a panel of contributor banks (details of historic STIBOR rates can be obtained from the designated distributor);

"**Subsidiary**" means, in relation to any Person (the "**first Person**") at any particular time, any other Person (the "**second Person**");

- (a) whose affairs and policies the first Person controls or has the power to control, whether by ownership of share capital, contract, the power to appoint or remove members of the governing body of the second Person or otherwise; or
- (b) whose financial statements are, in accordance with applicable law and generally accepted accounting principles, consolidated with those of the first Person;

"**Talon**" means a talon for further Coupons;

"**TARGET2**" means the Trans-European Automated Real-Time Gross Settlement Express Transfer payment system or any successor thereto;

"**TARGET Settlement Day**" means any day on which TARGET2 is open for the settlement of payments in euro; and

"**Zero Coupon Note**" means a Note specified as such in the relevant Final Terms.

(b) *Interpretation:* In these Conditions:

- (i) if the Notes are Zero Coupon Notes or are Registered Notes, references to Coupons and Couponholders are not applicable;

- (ii) if Talons are specified in the relevant Final Terms as being attached to the Notes at the time of issue, references to Coupons shall be deemed to include references to Talons;
- (iii) if Talons are not specified in the relevant Final Terms as being attached to the Notes at the time of issue, references to Talons are not applicable;
- (iv) any reference to principal shall be deemed to include the Redemption Amount, any additional amounts in respect of principal which may be payable under Condition 13 (*Taxation*), any premium payable in respect of a Note and any other amount in the nature of principal payable pursuant to these Conditions;
- (v) any reference to interest shall be deemed to include any additional amounts in respect of interest which may be payable under Condition 13 (*Taxation*) and any other amount in the nature of interest payable pursuant to these Conditions;
- (vi) references to Notes being "outstanding" shall be construed in accordance with the Agency Agreement;
- (vii) if an expression is stated in Condition 2(a) (*Definitions*) to have the meaning given in the relevant Final Terms, but the relevant Final Terms gives no such meaning or specifies that such expression is "not applicable" then such expression is not applicable to the Notes;
- (viii) any reference to the Agency Agreement shall be construed as a reference to the Agency Agreement, as amended and/or supplemented up to and including the Issue Date of the Notes; and
- (ix) any reference in these Conditions to any legislation (whether primary legislation or regulations or other subsidiary legislation made pursuant to primary legislation) shall be construed as a reference to such legislation as the same may have been, or may from time to time be, amended or re-enacted.

### 3. **Form, Denomination and Title**

- (a) *Bearer Notes:* Bearer Notes are in the Specified Denomination(s) with Coupons and, if specified in the relevant Final Terms, Talons attached at the time of issue. In the case of a Series of Bearer Notes with more than one Specified Denomination, Bearer Notes of one Specified Denomination will not be exchangeable for Bearer Notes of another Specified Denomination.
- (b) *Title to Bearer Notes:* Title to Bearer Notes and the Coupons will pass by delivery. In the case of Bearer Notes, "**Holder**" means the holder of such Bearer Note and "**Noteholder**" and "**Couponholder**" shall be construed accordingly.
- (c) *Registered Notes:* Registered Notes are in the Specified Denomination(s), which may include a minimum denomination specified in the relevant Final Terms and higher integral multiples of a smaller amount specified in the relevant Final Terms.
- (d) *Title to Registered Notes:* The Registrar will maintain the register in accordance with the provisions of the Agency Agreement. A certificate (each, a "**Note Certificate**") will be issued to each Holder of Registered Notes in respect of its registered holding. Each Note Certificate will be numbered serially with an identifying number which will be recorded in the Register. In the case of Registered Notes, "**Holder**" means the person in whose name such Registered Note is for the time being registered in the Register (or, in the case of a joint holding, the first named thereof) and "**Noteholder**" shall be construed accordingly.
- (e) *Ownership:* The Holder of any Note or Coupon shall (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest therein, any writing thereon or, in the case of Registered Notes, on the Note Certificate relating thereto (other than the endorsed form of transfer) or any notice of any previous loss or theft thereof) and no Person shall be liable for so treating such Holder. No person shall have any right to enforce any term or condition of any Note under the Contracts (Rights of Third Parties) Act 1999.

- (f) *Transfers of Registered Notes:* Subject to paragraphs (i) (*Closed periods*) and (j) (*Regulations concerning transfers and registration*) below, a Registered Note may be transferred upon surrender of the relevant Note Certificate, with the endorsed form of transfer duly completed, at the Specified Office of the Registrar or any Transfer Agent, together with such evidence as the Registrar or (as the case may be) such Transfer Agent may reasonably require to prove the title of the transferor and the authority of the individuals who have executed the form of transfer; **provided, however, that** a Registered Note may not be transferred unless the principal amount of Registered Notes transferred and (where not all of the Registered Notes held by a Holder are being transferred) the principal amount of the balance of Registered Notes not transferred are Specified Denominations. Where not all the Registered Notes represented by the surrendered Note Certificate are the subject of the transfer, a new Note Certificate in respect of the balance of the Registered Notes will be issued to the transferor.
- (g) *Registration and delivery of Note Certificates:* Within five business days of the surrender of a Note Certificate in accordance with paragraph (f) (*Transfers of Registered Notes*) above, the Registrar will register the transfer in question and deliver a new Note Certificate of a like principal amount to the Registered Notes transferred to each relevant Holder at its Specified Office or (as the case may be) the Specified Office of any Transfer Agent or (at the request and risk of any such relevant Holder) by uninsured first class mail (airmail if overseas) to the address specified for the purpose by such relevant Holder. In this paragraph, "**business day**" means a day on which commercial banks are open for general business (including dealings in foreign currencies) in the city where the Registrar or (as the case may be) the relevant Transfer Agent has its Specified Office.
- (h) *No charge:* The transfer of a Registered Note will be effected without charge by or on behalf of the Issuer or the Registrar or any Transfer Agent but against such indemnity as the Registrar or (as the case may be) such Transfer Agent may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such transfer.
- (i) *Closed periods:* Noteholders may not require transfers to be registered during the period of 15 days ending on the due date for any payment of principal or interest in respect of the Registered Notes.
- (j) *Regulations concerning transfers and registration:* All transfers of Registered Notes and entries on the Register are subject to the detailed regulations concerning the transfer of Registered Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer with the prior written approval of the Registrar. A copy of the current regulations will be mailed (free of charge) by the Registrar to any Noteholder who requests in writing a copy of such regulations.

#### 4. **Status**

*Status of the Notes:* The Notes constitute direct, general, senior, unsubordinated, unconditional and (save in the case of Condition 5 (*Negative Pledge*) below) unsecured obligations of the Issuer which will at all times rank *pari passu* among themselves and at least *pari passu* with all other present and future unsecured and unsubordinated obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

#### 5. **Negative Pledge**

So long as any Note remains outstanding, the Issuer shall not and the Issuer shall procure that none of its Subsidiaries will, create or permit to subsist any Security Interest, other than a Permitted Security Interest, upon the whole or any part of its present or future undertaking, assets or revenues (including uncalled capital) to secure any Relevant Indebtedness, or any guarantee or indemnity in respect of any Relevant Indebtedness, without (a) at the same time or prior thereto securing the Notes equally and rateably therewith or (b) providing such other security for the Notes as may be approved by an Extraordinary Resolution of Noteholders.

#### 6. **Fixed Rate Note Provisions**

- (a) *Application:* This Condition 6 is applicable to the Notes only if the Fixed Rate Note Provisions are specified in the relevant Final Terms as being applicable.

- (b) *Accrual of interest:* The Notes bear interest from (and including) the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 11 (*Payments - Bearer Notes*) and Condition 12 (*Payments - Registered Notes*). Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 6 (both before and after judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).
- (c) *Fixed Coupon Amount:* The amount of interest payable in respect of each Note for any Interest Period shall be the relevant Fixed Coupon Amount and, if the Notes are in more than one Specified Denomination, shall be the relevant Fixed Coupon Amount in respect of the relevant Specified Denomination.
- (d) *Calculation of interest amount:* The amount of interest payable in respect of each Note for any period for which a Fixed Coupon Amount is not specified shall be calculated by applying the Rate of Interest to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of such Note divided by the Calculation Amount. For this purpose a "**sub-unit**" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

**7. Floating Rate Note Provisions**

- (a) *Application:* This Condition 7 is applicable to the Notes only if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable.
- (b) *Accrual of interest:* The Notes bear interest from (and including) the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 11 (*Payments - Bearer Notes*) and Condition 12 (*Payments - Registered Notes*). Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition (both before and after judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).
- (c) *Screen Rate Determination:* If Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be (other than in respect of Notes for which SONIA, SOFR and/or €STR or any related index is specified as the Reference Rate in the relevant Final Terms) determined by the Calculation Agent on the following basis:
  - (i) if the Reference Rate is a composite quotation or customarily supplied by one entity, the Calculation Agent will determine the Reference Rate which appears on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;
  - (ii) if Linear Interpolation is specified as applicable in respect of an Interest Period in the applicable Final Terms, the Rate of Interest for such Interest Period shall be calculated by the Calculation Agent by straight-line linear interpolation by reference to two rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date, where:
    - (A) one rate shall be determined as if the relevant Interest Period were the period of time for which rates are available next shorter than the length of the relevant Interest Period; and



- (B) the other rate shall be determined as if the relevant Interest Period were the period of time for which rates are available next longer than the length of the relevant Interest Period;

**provided, however, that** if no rate is available for a period of time next shorter or, as the case may be, next longer than the length of the relevant Interest Period, then the Calculation Agent shall calculate the Rate of Interest at such time and by reference to such sources as the Issuer, in consultation with an Independent Adviser appointed by the Issuer, with such Independent Adviser acting in good faith and in a commercially reasonable manner determine to be appropriate;

- (iii) in any other case, the Calculation Agent will determine the arithmetic mean of the Reference Rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;
- (iv) if, in the case of (i) or (ii) above, such rate does not appear on that page or, in the case of (iii) above, fewer than two such rates appear on that page or if, in any case, the Relevant Screen Page is unavailable, the Rate of Interest applicable to the Notes during such Interest Period will be the sum of the Margin and the rate or (as the case may be) the arithmetic mean last determined in relation to the Notes in respect of a preceding Interest Period.

(d) *Interest – Floating Rate Notes referencing SONIA (Screen Rate Determination)*

- (i) This Condition 7(d) is applicable to the Notes only if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable, Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, and the "Reference Rate" is specified in the relevant Final Terms as being "SONIA".
- (ii) Where "SONIA" is specified as the Reference Rate in the Final Terms, the Rate of Interest for each Interest Period will, subject as provided below, be Compounded Daily SONIA plus or minus (as specified in the relevant Final Terms) the Margin, all as determined by the Calculation Agent.
- (iii) For the purposes of this Condition 7(d):

"**Compounded Daily SONIA**" with respect to an Interest Period, will be calculated by the Calculation Agent on each Interest Determination Date in accordance with the following formula, and the resulting percentage will be rounded, if necessary, to the fourth decimal place, with 0.00005 being rounded upwards:

$$\left[ \prod_{i=1}^{d_o} \left( 1 + \frac{SONIA_i \times n_i}{D} \right) - 1 \right] \times \frac{D}{d}$$

"**d**" means the number of calendar days in:

- (i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or
- (ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period;

"**D**" is the number specified in the relevant Final Terms (or, if no such number is specified, 365);

"**d<sub>o</sub>**" means the number of London Banking Days in:

- (i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or

- (ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period;

"**i**" means a series of whole numbers from one to  $d_o$ , each representing the relevant London Banking Day in chronological order from, and including, the first London Banking Day in:

- (i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or
- (ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period;

to, and including, the last London Banking Day in such period;

"**Interest Determination Date**" means, in respect of any Interest Period, the date falling "p" London Banking Days prior to the Interest Payment Date for such Interest Period (or the date falling p London Banking Days prior to such earlier date, if any, on which the Notes are due and payable).

"**London Banking Day**" or "**LBD**" means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

"**n<sub>i</sub>**" for any London Banking Day "i", in the relevant Interest Period or Observation Period (as applicable) is the number of calendar days from, and including, such London Banking Day "i" up to, but excluding, the following London Banking Day;

"**Observation Period**" means, in respect of an Interest Period, the period from, and including, the date falling "p" London Banking Days prior to the first day of such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and ending on, but excluding, the date which is "p" London Banking Days prior to the Interest Payment Date for such Interest Period (or the date falling "p" London Banking Days prior to such earlier date, if any, on which the Notes become due and payable);

"**p**" for any Interest Period or Observation Period (as applicable), means the number of London Banking Days specified as the "Lag Period" or the "Observation Shift Period" (as applicable) in the relevant Final Terms or if no such period is specified, five London Banking Days;

"**SONIA Reference Rate**" means, in respect of any London Banking Day, a reference rate equal to the daily Sterling Overnight Index Average ("**SONIA**") rate for such London Banking Day as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page (or if the Relevant Screen Page is unavailable, as otherwise is published by such authorised distributors) on the London Banking Day immediately following such London Banking Day; and

"**SONIA<sub>i</sub>**" means the SONIA Reference Rate for:

- (i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the London Banking Day falling "p" London Banking Days prior to the relevant London Banking Day "i"; or
- (ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant London Banking Day "i";

*For the avoidance of doubt, the formula for the calculation of Compounded Daily SONIA only compounds the SONIA Reference Rate in respect of any London Banking Day. The SONIA Reference Rate applied to a day that is a non-London Banking Day will be taken by applying the SONIA Reference Rate for the previous London Banking Day but without compounding.*

- (iv) If, in respect of any London Banking Day in the relevant Interest Period or Observation Period (as applicable), the Calculation Agent determines that the SONIA Reference Rate is not available on the Relevant Screen Page and has not otherwise been published by the relevant authorised distributors, such SONIA Reference Rate shall, subject to Condition 7(m) (*Benchmark Replacement (Independent Adviser)*), be:
- (A) the sum of (a) the Bank of England's Bank Rate (the "**Bank Rate**") prevailing at close of business on the relevant London Banking Day; and (b) the mean of the spread of the SONIA Reference Rate to the Bank Rate over the previous five London Banking Days on which a SONIA Reference Rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate; or
  - (B) if the Bank Rate is not published by the Bank of England at close of business on the relevant London Banking Day, (a) the SONIA Reference Rate published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) for the first preceding London Banking Day on which the SONIA Reference Rate was published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) or (b) if it is more recent, the latest determined rate under (A).
- (v) Subject to Condition 7(m) (*Benchmark Replacement (Independent Adviser)*), if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this Condition 7(d), the Rate of Interest shall be (A) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period) or (B) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to the Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin applicable to the first Interest Period).
- (e) *Interest – Floating Rate Notes referencing SOFR (Screen Rate Determination)*
- (i) This Condition 7(e) is applicable to the Notes only if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable, Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, and the "Reference Rate" is specified in the relevant Final Terms as being "SOFR".
  - (ii) Where "SOFR" is specified as the Reference Rate in the Final Terms, the Rate of Interest for each Interest Period will, subject as provided below, be the Benchmark plus or minus (as specified in the relevant Final Terms) the Margin, all as determined by the Calculation Agent on each Interest Determination Date.
  - (iii) For the purposes of this Condition 7(e):
 

**"Benchmark"** means Compounded SOFR, which is a compounded average of daily SOFR, as determined for each Interest Period in accordance with the specific formula and other provisions set out in this Condition 7(e).

*Daily SOFR rates will not be published in respect of any day that is not a U.S. Government Securities Business Day, such as a Saturday, Sunday or holiday. For this reason, in determining Compounded SOFR in accordance with the specific formula and other provisions set forth herein, the daily SOFR rate for any U.S. Government Securities Business Day that immediately precedes one or more days that are not U.S. Government Securities Business Days will be multiplied by the number of calendar days from and including such U.S. Government Securities Business Day to, but excluding, the following U.S. Government Securities Business Day.*

If the Issuer, in consultation with an Independent Adviser appointed by the Issuer with such Independent Adviser acting in good faith and in a commercially reasonable manner, determines that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred in respect of Compounded SOFR (or the daily SOFR used in the calculation hereof) prior to the relevant SOFR Determination Time, then the provisions under Condition 7(e)(iv) below will apply.

"**Compounded SOFR**" with respect to any Interest Period, means the rate of return of a daily compound interest investment computed in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

$$\left[ \prod_{i=1}^{d_0} \left( 1 + \frac{SOFR_i \times n_i}{D} \right) - 1 \right] \times \frac{D}{d}$$

"**d**" is the number of calendar days in:

- (i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or
- (ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period.

"**D**" is the number specified in the relevant Final Terms (or, if no such number is specified, 360);

"**d<sub>0</sub>**" is the number of U.S. Government Securities Business Days in:

- (i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or
- (ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period.

"**i**" is a series of whole numbers from one to **d<sub>0</sub>**, each representing the relevant U.S. Government Securities Business Day in chronological order from, and including, the first U.S. Government Securities Business Day in:

- (i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or
- (ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period,

to and including the last U.S. Government Securities Business Day in such period;

"**Interest Determination Date**" means, in respect of any Interest Period, the date falling "p" U.S. Government Securities Business Days prior to the Interest Payment Date for such Interest Period (or the date falling "p" U.S. Government Securities Business Days prior to such earlier date, if any, on which the Notes are due and payable);

"**n<sub>i</sub>**" for any U.S. Government Securities Business Day "i" in the relevant Interest Period or Observation Period (as applicable), is the number of calendar days from, and including, such U.S. Government Securities Business Day "i" to, but excluding, the following U.S. Government Securities Business Day;

"**Observation Period**" in respect of an Interest Period means the period from, and including, the date falling "p" U.S. Government Securities Business Days preceding the first day in such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) to, but excluding, the date falling "p" U.S. Government Securities Business Days preceding the Interest Payment Date for such Interest Period (or

the date falling "p" U.S. Government Securities Business Days prior to such earlier date, if any, on which the Notes become due and payable);

"p" for any Interest Period or Observation Period (as applicable) means the number of U.S. Government Securities Business Days specified as the "Lag Period" or the "Observation Shift Period" (as applicable) in the relevant Final Terms or if no such period is specified, five U.S. Government Securities Business Days;

"SOFR" with respect to any U.S. Government Securities Business Day, means:

- (i) the Secured Overnight Financing Rate published for such U.S. Government Securities Business Day as such rate appears on the SOFR Administrator's Website at 3:00 p.m. (New York time) on the immediately following U.S. Government Securities Business Day (the "**SOFR Determination Time**"); or
- (ii) Subject to Condition 7(e)(iv) below, if the rate specified in (i) above does not so appear, the Secured Overnight Financing Rate as published in respect of the first preceding U.S. Government Securities Business Day for which the Secured Overnight Financing Rate was published on the SOFR Administrator's Website;

"**SOFR Administrator**" means the Federal Reserve Bank of New York (or a successor administrator of the Secured Overnight Financing Rate);

"**SOFR Administrator's Website**" means the website of the Federal Reserve Bank of New York, or any successor source;

"**SOFR<sub>i</sub>**" means the SOFR for:

- (i) where "Lag" is specified as the Observation Method in the applicable Final Terms, the U.S. Government Securities Business Day falling "p" U.S. Government Securities Business Days prior to the relevant U.S. Government Securities Business Day "i"; or
- (ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant U.S. Government Securities Business Day "i"; and

"**U.S. Government Securities Business Day**" means any day except for a Saturday, a Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

- (iv) If the Issuer, in consultation with an Independent Adviser appointed by the Issuer with such Independent Adviser acting in good faith and in a commercially reasonable manner, determines on or prior to the relevant Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to the then-current Benchmark, the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the Notes in respect of all determinations on such date and for all determinations on all subsequent dates. In connection with the implementation of a Benchmark Replacement, the Issuer will have the right to make Benchmark Replacement Conforming Changes from time to time, without any requirement for the consent or approval of the Noteholders.

Any determination, decision or election that may be made by the Issuer pursuant to this section, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection:

- (i) will be conclusive and binding absent manifest error;
- (ii) will be made in the sole discretion of the Issuer; and

- (iii) notwithstanding anything to the contrary in the documentation relating to the Notes, shall become effective without consent from the holders of the Notes or any other party.

**"Benchmark"** means, initially, Compounded SOFR, as such term is defined above; provided that if the Issuer determines on or prior to the Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to Compounded SOFR (or the published daily SOFR used in the calculation thereof) or the then-current Benchmark, then "Benchmark" shall mean the applicable Benchmark Replacement.

**"Benchmark Replacement"** means the first alternative set forth in the order below that can be determined by the Issuer as of the Benchmark Replacement Date:

- (i) the sum of: (A) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark and (B) the Benchmark Replacement Adjustment;
- (ii) the sum of: (A) the ISDA Fallback Rate and (B) the Benchmark Replacement Adjustment; or
- (iii) the sum of: (A) the alternate rate of interest that has been selected by the Issuer as the replacement for the then-current Benchmark giving due consideration to any industry-accepted rate of interest as a replacement for the then-current Benchmark for U.S. dollar-denominated floating rate notes at such time and (B) the Benchmark Replacement Adjustment;

**"Benchmark Replacement Adjustment"** means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the Benchmark Replacement Date:

- (i) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;
- (ii) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, the ISDA Fallback Adjustment; or
- (iii) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated floating rate notes at such time;

**"Benchmark Replacement Conforming Changes"** means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the timing and frequency of determining rates and making payments of interest, rounding of amounts or tenors, and other administrative matters) that the Issuer decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Issuer decides that adoption of any portion of such market practice is not administratively feasible or if the Issuer determines that no market practice for use of the Benchmark Replacement exists, in such other manner as the Issuer determines is reasonably necessary), the foregoing determinations and decisions of the Issuer shall be made by the Issuer in consultation with an Independent Adviser appointed by the Issuer with such Independent Adviser acting in good faith and in a commercially reasonable manner;

**"Benchmark Replacement Date"** means the earliest to occur of the following events with respect to the then-current Benchmark (including the daily published component used in the calculation thereof):

- (i) in the case of clause (i) or (ii) of the definition of "Benchmark Transition Event", the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark (or such component); or
- (ii) in the case of clause (iii) of the definition of "Benchmark Transition Event", the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event that gives rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination;

**"Benchmark Transition Event"** means the occurrence of one or more of the following events with respect to the then-current Benchmark (including the daily published component used in the calculation thereof):

- (i) a public statement or publication of information by or on behalf of the administrator of the Benchmark (or such component) announcing that such administrator has ceased or will cease to provide the Benchmark (or such component), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component); or
- (ii) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark (or such component), the central bank for the currency of the Benchmark (or such component), an insolvency official with jurisdiction over the administrator for the Benchmark (or such component), a resolution authority with jurisdiction over the administrator for the Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for the Benchmark, which states that the administrator of the Benchmark (or such component) has ceased or will cease to provide the Benchmark (or such component) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component); or
- (iii) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark announcing that the Benchmark is no longer representative;

**"ISDA Fallback Adjustment"** means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the 2006 ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark;

**"ISDA Fallback Rate"** means the rate that would apply for derivatives transactions referencing the 2006 ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Benchmark for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

**"Reference Time"** with respect to any determination of the Benchmark means (i) if the Benchmark is Compounded SOFR, the SOFR Determination Time, and (ii) if the Benchmark is not Compounded SOFR, the time determined by the Issuer after giving effect to the Benchmark Replacement Conforming Changes;

**"Relevant Governmental Body"** means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto; and

**"Unadjusted Benchmark Replacement"** means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

- (v) Any Benchmark Replacement, Benchmark Replacement Adjustment and the specific terms of any Benchmark Replacement Conforming Changes, determined under Condition 77(e)(iv) above will be notified promptly by the Issuer to the Fiscal Agent, the Calculation Agent, the Paying Agents and, in accordance with Condition 20 (*Notices*), the Noteholders. Such notice shall be irrevocable and shall specify the effective date on which such changes take effect.

No later than notifying the Fiscal Agent of the same, the Issuer shall deliver to the Fiscal Agent a certificate signed by two authorised signatories of the Issuer:

- (A) confirming (x) that a Benchmark Transition Event has occurred, (y) the relevant Benchmark Replacement and, (z) where applicable, any Benchmark Replacement Adjustment and/or the specific terms of any relevant Benchmark Replacement Conforming Changes, in each case as determined in accordance with the provisions of this Condition 7(e); and
- (B) certifying that the relevant Benchmark Replacement Conforming Changes are necessary to ensure the proper operation of such Benchmark Replacement and/or Benchmark Replacement Adjustment.
- (vi) If the Rate of Interest cannot be determined in accordance with the foregoing provisions of this Condition 7(e), the Rate of Interest shall be (A) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period) or (B) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to the Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin applicable to the first Interest Period).
- (f) *Interest – Floating Rate Notes referencing €STR (Screen Rate Determination)*
- (i) This Condition 7(f) is applicable to the Notes only if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable, Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, and the "Reference Rate" is specified in the relevant Final Terms as being "€STR".
- (ii) Where "€STR" is specified as the Reference Rate in the Final Terms, the Rate of Interest for each Interest Period will, subject as provided below, be Compounded Daily €STR plus or minus (as specified in the relevant Final Terms) the Margin, all as determined by the Calculation Agent on each Interest Determination Date.
- (iii) For the purposes of this Condition 7(f):

**"Compounded Daily €STR"** means, with respect to any Interest Period, the rate of return of a daily compound interest investment (with the daily euro short-term rate as reference rate for the calculation of interest) as calculated by the Calculation Agent as at the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded if necessary to the nearest fifth decimal place, with 0.000005 being rounded upwards):

$$\left[ \prod_{i=1}^{d_o} \left( 1 + \frac{\text{€STR}_i \times n_i}{D} \right) - 1 \right] \times \frac{D}{d}$$

where:



"d" means the number of calendar days in:

- (i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or
- (ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period;

"D" means the number specified as such in the relevant Final Terms (or, if no such number is specified, 360);

"d<sub>0</sub>" means the number of TARGET Settlement Days in:

- (i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or
- (ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period;

the "**€STR reference rate**", in respect of any TARGET Settlement Day, is a reference rate equal to the daily euro short-term rate ("**€STR**") for such TARGET Settlement Day as provided by the European Central Bank as the administrator of €STR (or any successor administrator of such rate) on the website of the European Central Bank (or, if no longer published on its website, as otherwise published by it or provided by it to authorised distributors and as then published on the Relevant Screen Page or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors) on the TARGET Settlement Day immediately following such TARGET Settlement Day (in each case, at the time specified by, or determined in accordance with, the applicable methodology, policies or guidelines, of the European Central Bank or the successor administrator of such rate);

"**€STR<sub>i</sub>**" means the €STR reference rate for:

- (i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the TARGET Settlement Day falling "p" TARGET Settlement Days prior to the relevant TARGET Settlement Day "i"; or
- (ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant TARGET Settlement Day "i".

"i" is a series of whole numbers from one to "d<sub>0</sub>", each representing the relevant TARGET Settlement Day in chronological order from, and including, the first TARGET Settlement Day in:

- (i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or
- (ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period;

to, and including, the last TARGET Settlement Day in such period;

"**Interest Determination Date**" means, in respect of any Interest Period, the date falling "p" TARGET Settlement Days prior to the Interest Payment Date for such Interest Period (or the date falling "p" TARGET Settlement Days prior to such earlier date, if any, on which the Notes are due and payable);

"n<sub>i</sub>" for any TARGET Settlement Day "i" in the relevant Interest Period or Observation Period (as applicable), means the number of calendar days from (and including) such TARGET Settlement Day "i" up to (but excluding) the following TARGET Settlement Day;

**"Observation Period"** means, in respect of any Interest Period, the period from (and including) the date falling "p" TARGET Settlement Days prior to the first day of the relevant Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) to (but excluding) the date falling "p" TARGET Settlement Days prior to (A) (in the case of an Interest Period) the Interest Payment Date for such Interest Period or (B) such earlier date, if any, on which the Notes become due and payable; and

"p" for any latest Interest Period or Observation Period (as applicable), means the number of TARGET Settlement Days specified as the "Lag Period" or the "Observation Shift Period" (as applicable) in the relevant Final Terms or, if no such period is specified, five TARGET Settlement Days.

- (iv) Subject to Condition 7(m) (*Benchmark Replacement (Independent Adviser)*), if, where any Rate of Interest is to be calculated pursuant to Condition 7(f)(ii) above, in respect of any TARGET Settlement Day in respect of which an applicable €STR reference rate is required to be determined, such €STR reference rate is not made available on the Relevant Screen Page and has not otherwise been published by the relevant authorised distributors, then the €STR reference rate in respect of such TARGET Settlement Day shall be the €STR reference rate for the first preceding TARGET Settlement Day in respect of which €STR reference rate was published by the European Central Bank on its website, as determined by the Calculation Agent.
- (v) Subject to Condition 7(m) (*Benchmark Replacement (Independent Adviser)*), if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this Condition 7(f), the Rate of Interest shall be (A) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period) or (B) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to the Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin applicable to the first Interest Period).

(g) *Interest – SONIA Compounded Index and SOFR Compounded Index (Screen Rate Determination)*

This Condition 7(g) is applicable to the Notes only if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable, Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, and "Index Determination" is specified in the relevant Final Terms as being applicable.

Where "Index Determination" is specified in the relevant Final Terms as being applicable, the Rate of Interest for each Interest Period will be the compounded daily reference rate for the relevant Interest Period, calculated in accordance with the following formula:

$$\left( \frac{\text{Compounded Index End}}{\text{Compounded Index Start}} - 1 \right) \times \frac{\text{Numerator}}{d}$$

and rounded to the Relevant Decimal Place, plus or minus the Margin (if any), all as determined and calculated by the Calculation Agent, where:

**"Compounded Index"** means either the SONIA Compounded Index or the SOFR Compounded Index, as specified in the relevant Final Terms;

**"Compounded Index End"** means the relevant Compounded Index value on the End date;

**"Compounded Index Start"** means the relevant Compounded Index value on the Start date;

**"d"** is the number of calendar days from (and including) the day on which the relevant Compounded Index Start is determined to (but excluding) the day on which the relevant Compounded Index End is determined;

**"End"** means the day falling the Relevant Number of Index Days prior to the Interest Payment Date for such Interest Period, or such other date on which the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Interest Period);

**"Index Days"** means, in the case of the SONIA Compounded Index, London Banking Days and, in the case of the SOFR Compounded Index, U.S. Government Securities Business Days;

**"Numerator"** means, in the case of the SONIA Compounded Index, 365 and, in the case of the SOFR Compounded Index, 360;

**"Relevant Decimal Place"** shall, unless otherwise specified in the Final Terms, be the fifth decimal place, rounded up or down, if necessary (with 0.000005 being rounded upwards); and

**"Relevant Number"** is as specified in the applicable Final Terms, but, unless otherwise specified shall be five.

**"SONIA Compounded Index"** means the Compounded Daily SONIA rate as published at 10:00 am (London time) by the Bank of England (or a successor administrator of SONIA) on the Bank of England's Interactive Statistical Database or any successor source;

**"SOFR Compounded Index"** means the Compounded SOFR rate as published at 15:00 (New York time) by Federal Reserve Bank of New York (or a successor administrator of SOFR) on the website of the Federal Reserve Bank of New York, or any successor source; and

**"Start"** means the day falling the Relevant Number of Index Days prior to the first day of the relevant Interest Period.

If, with respect to any Interest Period, the relevant rate is not published for the relevant Compounded Index either on the relevant Start or End date, then the Calculation Agent shall calculate the rate of interest for that Interest Period as if Index Determination was not specified in the applicable Final Terms and as if Compounded Daily SONIA or Compounded Daily SOFR (as defined in Condition 7(d) or Condition 7(e), as applicable) had been specified instead in the Final Terms, and in each case "Observation Shift" had been specified as the Observation Method in the relevant Final Terms, and where the Observation Period for the purposes of that definition in Condition 7(d) or Condition 7(e) (as applicable) shall be deemed to be the same as the Relevant Number specified in the Final Terms and where, in the case of Compounded Daily SONIA, the Relevant Screen Page will be determined by the Issuer. For the avoidance of doubt, if (i) (in the case of SONIA Compounded Index) a Benchmark Event has occurred in respect of SONIA, the provisions of Condition 7(m)(*Benchmark Replacement (Independent Adviser)*) shall apply, and (ii) (in the case of SOFR Compounded Index) a Benchmark Transition Event and its related Benchmark Replacement Date has occurred in respect of SOFR, the provisions of Condition 7(e)(iv) shall apply.

- (h) *Maximum or Minimum Rate of Interest:* If any Maximum Rate of Interest or Minimum Rate of Interest is specified in the relevant Final Terms, then the Rate of Interest shall in no event be greater than the maximum or be less than the minimum so specified.
- (i) *Calculation of Interest Amount:* The Calculation Agent will, as soon as practicable after the time at which the Rate of Interest is to be determined in relation to each Interest Period, calculate the Interest Amount payable in respect of each Note for such Interest Period. The Interest Amount will be calculated by applying the Rate of Interest for such Interest Period to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of the relevant Note divided by the Calculation Amount. For this purpose a "**sub-unit**" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.
- (j) *Publication:* The Calculation Agent will cause each Rate of Interest and Interest Amount determined by it, together with the relevant Interest Payment Date, and any other amount(s) required to be determined by it together with any relevant payment date(s) to be notified to the

Paying Agents and each competent authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation as soon as practicable after such determination. Notice thereof shall also promptly be given to the Noteholders. The Calculation Agent will be entitled to recalculate any Interest Amount (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant Interest Period. If the Calculation Amount is less than the minimum Specified Denomination the Calculation Agent shall not be obliged to publish each Interest Amount but instead may publish only the Calculation Amount and the Interest Amount in respect of a Note having the minimum Specified Denomination.

- (k) *Notifications etc:* All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition by the Calculation Agent will (in the absence of manifest error) be binding on the Issuer, the Paying Agents, the Noteholders and the Couponholders and (subject as aforesaid) no liability to any such Person will attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.
- (l) *Determination of Rate of Interest following acceleration:* If (i) the Notes become due and payable in accordance with Condition 14 (*Events of Default*) and (ii) the Rate of Interest for the Interest Period during which the Notes become due and payable is to be determined by reference to any of Conditions 7(d) (*Interest – Floating Rate Notes referencing SONIA (Screen Rate Determination)*), 7(e) (*Interest – Floating Rate Notes referencing SOFR (Screen Rate Determination)*), 7(f) (*Interest – Floating Rate Notes referencing €STR (Screen Rate Determination)*) and 7(g) (*Interest – SONIA Compounded Index and SOFR Compounded Index (Screen Rate Determination)*), then the final Interest Determination Date shall be the date on which the Notes become so due and payable, and such Rate of Interest shall continue to apply to the Notes for so long as interest continues to accrue thereon as provided in the Conditions.
- (m) *Benchmark Replacement (Independent Adviser)*

Other than in the case of a U.S. dollar-denominated floating rate Note for which the Reference Rate is specified in the relevant Final Terms as being "SOFR" or "SOFR Compounded Index", if a Benchmark Event occurs in relation to the Reference Rate when the Rate of Interest (or any component part thereof) for any Interest Period remains to be determined by reference to such Reference Rate, then the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine a Successor Rate, failing which an Alternative Rate (in accordance with Condition 7(m)(i)) and, in either case, an Adjustment Spread, if any (in accordance with Condition 7(m)(ii)) and any Benchmark Amendments (in accordance with Condition 7(m)(iii)).

In the absence of bad faith or fraud, the Independent Adviser shall have no liability whatsoever to the Issuer, the Fiscal Agent, Agents or the Noteholders for any determination made by it pursuant to this Condition 7(m) and the Fiscal Agent will not be liable for any loss, liability, cost, charge or expense which may arise as a result thereof

- (i) If the Independent Adviser determines in its discretion that:
  - (A) there is a Successor Rate, then such Successor Rate shall (subject to adjustment as provided in Condition 7(m)(i)) subsequently be used in place of the Reference Rate to determine the Rate of Interest (or the relevant component part(s) thereof) for the relevant Interest Period and all following Interest Periods, subject to the subsequent operation of this Condition 7(m) in the event of a further Benchmark Event affecting the Successor Rate; or
  - (B) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate shall (subject to adjustment as provided in Condition 7(m)(i)) subsequently be used in place of the Reference Rate to determine the Rate of Interest (or the relevant component part(s) thereof) for the relevant Interest Period and all following Interest Periods, subject to the subsequent operation of this Condition 7(m) in the event of a further Benchmark Event affecting the Alternative Rate.

- (ii) If the Independent Adviser determines in its discretion (A) that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) and (B) the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall apply to the Successor Rate or the Alternative Rate (as the case may be).
- (iii) If any relevant Successor Rate, Alternative Rate or Adjustment Spread is determined in accordance with this Condition 7(m) and the Independent Adviser determines in its discretion (i) that amendments to these Conditions are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread (such amendments, the "**Benchmark Amendments**") and (ii) the terms of the Benchmark Amendments, then the Issuer shall, following consultation with the Calculation Agent (or the person specified in the relevant Final Terms as the party responsible for calculating the Rate of Interest and the Interest Amount(s)), subject to giving notice thereof in accordance with Condition 7(m)(iv), without any requirement for the consent or approval of relevant Noteholders, vary these Conditions to give effect to such Benchmark Amendments with effect from the date specified in such notice (and for the avoidance of doubt, the Fiscal Agent shall, at the direction and expense of the Issuer, consent to and effect such consequential amendments to the Agency Agreement and these Conditions as the Fiscal Agent may require in order to give effect to this Condition 7(m)).
- (iv) If (A) the Issuer is unable to appoint an Independent Adviser or (B) the Independent Adviser appointed by it fails to determine a Successor Rate or, failing which, an Alternative Rate in accordance with this Condition 7(m) prior to the relevant Interest Determination Date, the Reference Rate applicable to the relevant Interest Period shall be the Reference Rate applicable as at the last preceding Interest Determination Date. If there has not been a first Interest Payment Date, the Reference Rate shall be the Reference Rate that would have been applicable to the Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date. For the avoidance of doubt, any adjustment pursuant to this Condition 7(m)(iv) shall apply to the relevant Interest Period only. Any subsequent Interest Period may be subject to the subsequent operation of this Condition 7(m) (*Benchmark Replacement (Independent Adviser)*).
- (v) Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 7(m) will be notified promptly by the Issuer to the Fiscal Agent, the Calculation Agent, the Paying Agents and, in accordance with Condition 20 (*Notices*), the Noteholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.
- (vi) No later than notifying the Fiscal Agent of the same, the Issuer shall deliver to the Fiscal Agent a certificate signed by two authorised signatories of the Issuer:
  - (A) confirming (x) that a Benchmark Event has occurred, (y) the relevant Successor Rate, or, as the case may be, the relevant Alternative Rate and, (z) where applicable, any relevant Adjustment Spread and/or the specific terms of any relevant Benchmark Amendments, in each case as determined in accordance with the provisions of this Condition 7(m); and
  - (B) certifying that (1) the relevant Benchmark Amendments are necessary to ensure the proper operation of such relevant Successor Rate, Alternative Rate and/or Adjustment Spread and (2) the intent of the drafting of such changes is solely to implement the relevant Benchmark Amendments.

The Fiscal Agent and the Agents shall be entitled to rely on such certificate (without further enquiry and without liability to any person) as sufficient evidence thereof.

- (vii) The Successor Rate or Alternative Rate and the Adjustment Spread (if any) and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of such Successor Rate or Alternative Rate and such Adjustment Spread (if any) and such Benchmark Amendments (if any)) be

binding on the Issuer, Fiscal Agent, the Calculation Agent, any other Paying Agents and the Noteholders.

(viii) As used in this Condition 7(m):

**"Adjustment Spread"** means either a spread (which may be zero, positive or negative), or the formula or methodology for calculating a spread, in either case, which the Independent Adviser determines is required to be applied to the relevant Successor Rate or the relevant Alternative Rate (as the case may be) and is the spread, formula or methodology which:

- (A) in the case of a Successor Rate, is formally recommended, or formally provided as an option for parties to adopt, in relation to the replacement of the Reference Rate with the Successor Rate by any Relevant Nominating Body; or
- (B) (if no such recommendation has been made, or in the case of an Alternative Rate), the Independent Adviser, determines is customarily applied to the relevant Successor Rate or Alternative Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Reference Rate; or
- (C) (if no such determination has been made) the Independent Adviser determines, is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); or
- (D) (if the Independent Adviser determines that no such industry standard is recognised or acknowledged) the Independent Adviser determines to be appropriate to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders as a result of the replacement of the Reference Rate with the Successor Rate or the Alternative Rate (as the case may be).

**"Alternative Rate"** means an alternative benchmark or screen rate which the Independent Adviser determines in accordance with this Condition 7(m) is customary in market usage in the international debt capital markets for the purposes of determining floating rates of interest (or the relevant component part thereof) for a commensurate period and in the Specified Currency;

**"Benchmark Amendments"** has the meaning given to it in Condition 7(m)(iii);

**"Benchmark Event"** means:

- (A) the relevant Reference Rate has ceased to be published on the Relevant Screen Page as a result of such benchmark ceasing to be calculated or administered; or
- (B) a public statement by the administrator of the relevant Reference Rate that (in circumstances where no successor administrator has been or will be appointed that will continue publication of such Reference Rate) it has ceased publishing such Reference Rate permanently or indefinitely or that it will cease to do so by a specified future date (the **"Specified Future Date"**); or
- (C) a public statement by the supervisor of the administrator of the relevant Reference Rate that such Reference Rate has been or will, by a specified future date (the **"Specified Future Date"**), be permanently or indefinitely discontinued; or
- (D) a public statement by the supervisor of the administrator of the relevant Reference Rate that means that such Reference Rate will, by a specified future date (the **"Specified Future Date"**), be prohibited from being used or that its use will be subject to restrictions or adverse consequences, either generally or in respect of the Notes; or

- (E) a public statement by the supervisor of the administrator of the relevant Reference Rate (as applicable) that, in the view of such supervisor, (i) such Reference Rate is or will, by a specified future date (the "**Specified Future Date**"), be no longer representative of an underlying market or (ii) the methodology to calculate such Reference Rate has materially changed; or
- (F) it has or will, by a specified date within the following six months, become unlawful for the Calculation Agent to calculate any payments due to be made to any Noteholder using the relevant Reference Rate (as applicable) (including, without limitation, under the Benchmarks Regulation (EU) 2016/1011, if applicable).

Notwithstanding the sub-paragraphs above, where the relevant Benchmark Event is a public statement within sub-paragraphs (B), (C), (D), or (E) above and the Specified Future Date in the public statement is more than six months after the date of that public statement, the Benchmark Event shall not be deemed to occur until the date falling six months prior to such Specified Future Date.

**"Relevant Nominating Body"** means, in respect of a benchmark or screen rate (as applicable):

- (A) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or
- (B) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (c) a group of the aforementioned central banks or other supervisory authorities or (d) the Financial Stability Board or any part thereof; and

**"Successor Rate"** means a successor to or replacement of the Reference Rate which is formally recommended by any Relevant Nominating Body.

## 8. **Sustainability-Linked Notes**

This Condition 8 applies if Sustainability-Linked Trigger Event is specified in the relevant Final Terms as being applicable ("**Sustainability-Linked Notes**").

### (a) *Sustainability-Linked Trigger Event (Interest)*

If Sustainability-Linked Trigger Event (Interest) is specified as applicable in the relevant Final Terms, then for any Interest Period commencing on or after the Interest Payment Date immediately following the occurrence of a Sustainability-Linked Trigger Event (Interest), the Rate of Interest shall be increased by the relevant Sustainability-Linked Step-Up Margin(s) as specified in the relevant Final Terms.

If Sustainability-Linked Trigger Event (Interest) is specified in the relevant Final Terms as applicable and:

- (i) one Sustainability-Linked Trigger Event (Interest) is specified as applicable in the applicable Final Terms, an increase in the Rate of Interest will occur no more than once following the occurrence of the relevant Sustainability-Linked Trigger Event (Interest);
- (ii) two or more Sustainability-Linked Trigger Events (Interest) with only one Sustainability-Linked Step-Up Margin are specified as applicable in the applicable Final Terms, an increase in the Rate of Interest will occur no more than once following the occurrence of any of the relevant Sustainability-Linked Trigger Events (Interest); or

- (iii) two or more Sustainability-Linked Trigger Events (Interest) together with two or more Sustainability-Linked Step-Up Margins are specified as applicable in the applicable Final Terms, an increase in the Rate of Interest of the Sustainability-Linked Notes will occur in accordance with the terms specified in the relevant Final Terms. For the avoidance of doubt, an increase in the Rate of Interest shall occur no more than once as a result of the occurrence of each Sustainability-Linked Trigger Event (Interest) (as specified in the relevant Final Terms).

For the avoidance of doubt, in the case of any such Notes, following any such increase in the Rate of Interest, the Rate of Interest will not subsequently decrease to a previous Rate of Interest.

(b) *Sustainability-Linked Trigger Event (Premium)*

If Sustainability-Linked Trigger Event (Premium) is specified as applicable in the relevant Final Terms, if a Sustainability-Linked Trigger Event has occurred, the Issuer shall pay to the holders of the Notes an amount equal to the relevant Sustainability-Linked Premium Amount on the relevant Sustainability-Linked Premium Payment Date.

If Sustainability-Linked Trigger Event (Premium) is specified in the relevant Final Terms as applicable and:

- (i) one Sustainability-Linked Trigger Event (Premium) with only one Sustainability-Linked Premium Amount is specified as applicable in the applicable Final Terms, then the Sustainability-Linked Premium Amount shall be payable following the occurrence of the Sustainability-Linked Trigger Event (Premium), as specified in the relevant Final Terms;
- (ii) two or more Sustainability-Linked Trigger Events (Premium), with only one Sustainability-Linked Premium Amount, are specified in the applicable Final Terms, then the Sustainability-Linked Premium Amount shall be payable on the Sustainability-Linked Premium Payment Date to which it relates following the occurrence of the relevant Sustainability-Linked Trigger Event, as specified in the relevant Final Terms; or
- (iii) two or more Sustainability-Linked Trigger Events (Premium), with two or more Sustainability-Linked Step-Up Premium Amounts, are specified as applicable in the applicable Final Terms, then the relevant Sustainability-Linked Premium Amount shall be payable on the Sustainability-Linked Premium Payment Date to which it relates following the occurrence of the Sustainability-Linked Trigger Event to which it relates, as specified in the relevant Final Terms.

For the avoidance of doubt: (a) payment of a Sustainability-Linked Premium Amount shall occur no more than once as a result of the occurrence of each Sustainability-Linked Trigger Event (Premium) to which it relates (as specified in the relevant Final Terms); and (b) no increase in the Rate of Interest will occur as a result of the occurrence of a relevant Sustainability-Linked Trigger Event (Premium).

(c) *Notice*

If a Sustainability-Linked Trigger Event has occurred, the Issuer shall give notice of such Sustainability-Linked Trigger Event and (x) if Sustainability-Linked Trigger Event (Interest) is specified in the relevant Final Terms, the Sustainability-Linked Step-Up Margin; or (y) if Sustainability-Linked Trigger Event (Premium) is specified in the relevant Final Terms, the Sustainability-Linked Premium Amount, to the Fiscal Agent, any Calculation Agent and the Noteholders in accordance with Condition 20 (*Notices*) as soon as reasonably practicable following the publication of the SPT Verification Assurance Certificate for the fiscal year in which the Target Observation Date falls in accordance with Condition 8(e), if applicable, and in any event such notice shall be given to Noteholders not later than the Sustainability-Linked Reference Date (as defined below).

(d) *Reporting*

For each fiscal year ending on 31 December from and including the fiscal year during which the Issue Date of any Sustainability-Linked Notes falls up to and including the fiscal year in which the



final Target Observation Date falls in respect of such Notes, the Issuer will publish on its website a report (the "**Sustainability Performance Report**"), which shall disclose the Key Performance Indicators of the Group for the relevant fiscal year as determined by the Issuer in accordance with these Conditions.

Each such Sustainability Performance Report shall include or be accompanied by an assurance report issued by the External Verifier (an "**Assurance Report**"). Each Sustainability Performance Report and related Assurance Report will be published no later than the date of publication of the Issuer's Annual Report in respect of such fiscal year, and each may form part of the Issuer's Annual Report in respect of such fiscal year provided that if the Issuer gives notice to the Noteholders in accordance with Condition 20 (*Notices*) that additional time will be required for the External Verifier to complete the Assurance Report then the Assurance Report shall be published as soon as reasonably practicable, but in no event later than the Sustainability-Linked Reference Date (as defined below)

(e) *Verification Assurance*

For the fiscal year in which the Target Observation Date falls, the Issuer will publish on its website a verification assurance certificate by the External Verifier (such report, the "**SPT Verification Assurance Certificate**"), which shall confirm whether the Group has achieved each Sustainability Performance Target on the relevant Target Observation Date. The SPT Verification Assurance Certificate will be published no later than the date of publication of the Issuer's Annual Report for the fiscal year in which the Target Observation Date falls; provided that if the Issuer gives notice to the Noteholders in accordance with Condition 20 (*Notices*) that additional time will be required for the External Verifier to complete the relevant SPT Verification Assurance Certificate then the SPT Verification Assurance Certificate shall be published as soon as reasonably practicable, but in no event later than the date falling 30 Business Days prior to next following Interest Payment Date of the Notes (the "**Sustainability-Linked Reference Date**").

(f) *Recalculation Event*

In the event of a Recalculation Event, the level of the KPI used as a baseline on the Base Year and/or the relevant Sustainability Performance Target in respect of the Notes may be recalculated by the Issuer to reflect such change, provided that:

- (i) the Issuer notifies Noteholders in accordance with Condition 20 (*Notices*) that a Recalculation Event has occurred, and publishes details of the Recalculation Event, the revised level of KPIs used as a baseline, and the revised Sustainability Performance Target in respect of the Notes, each in a Sustainability Performance Report (or supplement thereto);
- (ii) any recalculation of the KPIs or the relevant Sustainability Performance Target and/or methodology will be conducted in accordance with any applicable SBTi guidance for recalculation; and
- (iii) an External Verifier has independently confirmed that the proposed revision:
  - (A) is consistent with the Issuer's sustainability strategy; and
  - (B) is materially in line with, or better than, the initial level of ambition of the Sustainability Performance Target,

each as described in the Issuer's Sustainability-Linked Financing Framework relevant to the Notes.

Any such change will be communicated as soon as reasonably practicable by the Issuer to the Fiscal Agent and the Calculation Agent and notified to the Noteholders (in accordance with Condition 20 (*Notices*)) and the conditions of the relevant Notes shall accordingly be amended from the date of publication of such notice.

(g) *Absence of Event of Default*

For the avoidance of doubt, neither the occurrence of a Sustainability-Linked Trigger Event, the failure of the Issuer to give notice of the occurrence of a Sustainability-Linked Trigger Event, nor a failure to publish a Sustainability Performance Report, Assurance Report, or SPT Verification Assurance Certificate, shall constitute an Event of Default, nor would the Issuer be required to repurchase or redeem the relevant Notes.

In this Condition:

**"Base Year"** means the year as specified in the applicable Final Terms;

**"External Verifier"** means the SBTi or any independent accounting or appraisal firm or other independent expert of internationally recognised standing, appointed by or on behalf of the Issuer, in each case with the expertise necessary to perform the functions required to be performed by the External Verifier under these Conditions, as determined by the Issuer;

**"GHG Protocol Standard"** means the document entitled "*The Greenhouse Gas Protocol, A Corporate Accounting and Reporting Standard (Revised Edition)*" published by the World Business Council for Sustainable Development and the World Resources Institute (as amended, updated or replaced from time to time).

**"Key Performance Indicator"** or **"KPI"** refers to each of: Scope 1 and 2 Emissions; Scope 3 Emissions; and Recycled Supply Percentage, as specified in the relevance Final Terms;

**"mtCO<sub>2</sub>e"** means metric tons of carbon dioxide equivalent;

**"Recalculation Event"** means the occurrence of any: (i) significant or structural change to the Issuer and/or Group structure (by way of acquisition, divestiture, merger or otherwise); or (ii) a change in the methodology for, or the discovery of any significant errors in, calculating the Group's Scope 1 and 2 Emissions and/or Scope 3 Emissions (each as defined in the Conditions), in either case of (i) or (ii) which would have resulted in an increase or decrease of 5 per cent. or more to the calculation of a Key Performance Indicator for the relevant Base Year if such change had occurred prior to the relevant Base Year;

**"Recycled Supply Percentage"** is the percentage share of total purchased silver and gold (which consists of grains, components, plating solutions for Group in-house production, and finished goods from external production but excludes refinery from scrap and rework metals from Group in-house production, production material, tooling, and machinery) that are from recycled sources;

**"SBTi"** refers to the Science Based Targets initiative;

**"Scope 1"** refers to direct greenhouse gas emissions of the Group, and is as defined in the GHG Protocol Standard, including, but not limited to, on-site fuels used to craft jewellery, refrigerants to cool the crafting facilities, and fuel used in employee trams;

**"Scope 2"** refers to indirect greenhouse gas emissions of the Group, and is as defined in the GHG Protocol Standard including, but not limited to, the purchase of electricity and district heating for offices, distribution centre, crafting facilities and stores owned and operated by the Group;

**"Scope 1 and 2 Emissions"** means the aggregate amount of greenhouse gas emissions (Scope 1 and Scope 2 combined) of the Group measured in mtCO<sub>2</sub>e, as determined by the Issuer and published in a Sustainability Performance Report;

**"Scope 3 Emissions"** refers to the Scope 3 emissions (being all indirect emissions, not included in Scope 2, that occur in the value chain of the Group, both upstream and downstream) as defined in the GHG Protocol Standard;

**"Sustainability-Linked Financing Framework"** means the framework defining the Issuer's sustainability strategy, key performance indicators and performance targets prepared by the Issuer in connection with the Notes and available on the Issuer's website;

**"Sustainability-Linked Premium Amount"** is the amount specified as such in the applicable Final Terms;

**"Sustainability-Linked Premium Payment Date"** means, as specified in the applicable Final Terms:

- (i) if "Redemption" is specified, the Redemption Date of the relevant Notes; or
- (ii) any other date as specified in the relevant Final Terms (in which case the Sustainability-Linked Premium Amount will be payable upon such date, or upon any earlier Redemption Date of the relevant Notes);

**"Sustainability-Linked Step-Up Margin"** has the meaning given in the applicable Final Terms;

**"Sustainability-Linked Trigger Event"** means either:

- (i) the Group does not achieve the relevant Sustainability Performance Target on the Target Observation Date as determined by the External Verifier and confirmed in the SPT Verification Assurance Certificate;
- (ii) the Issuer has not published the relevant SPT Verification Assurance Certificate on or before the date falling 5 Business Days prior to the Sustainability-Linked Reference Date; or
- (iii) the SPT Verification Assurance Certificate contains a reservation about whether or not the Sustainability Performance Target has been achieved on the Target Observation Date;

**"Sustainability Performance Target"** means:

- (i) where the KPI is Scope 1 and 2 Emissions, the percentage reduction in Scope 1 and 2 Emissions compared to the Base Year being equal to or greater than the percentage specified in the applicable Final Terms as being the Sustainability Performance Target; or
- (ii) where the KPI is Scope 3 Emissions, the percentage reduction in Scope 3 Emissions compared to the Base Year being equal to or greater than the percentage specified in the applicable Final Terms as being the Sustainability Performance Target; or
- (iii) where the KPI is Recycled Supply Percentage, a Recycled Supply Percentage greater than or equal to the Recycled Supply Percentage specified in the applicable Final Terms as being the Sustainability Performance Target; and

**"Target Observation Date"** is the date specified in the applicable Final Terms as being the Target Observation Date.

## 9. **Zero Coupon Note Provisions**

(a) *Application:* This Condition 9 is applicable to the Notes only if the Zero Coupon Note Provisions are specified in the relevant Final Terms as being applicable.

(b) *Late payment on Zero Coupon Notes:* If the Redemption Amount payable in respect of any Zero Coupon Note is improperly withheld or refused, the Redemption Amount shall thereafter be an amount equal to the sum of:

- (i) the Reference Price; and
- (ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price on the basis of the relevant Day Count Fraction from (and including) the Issue Date to (but excluding) whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

10. **Redemption and Purchase**

- (a) *Scheduled redemption:* Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed at their Final Redemption Amount on the Maturity Date, subject as provided in Condition 11 (*Payments – Bearer Notes*) and Condition 12 (*Payments – Registered Notes*).
- (b) *Redemption for tax reasons:* The Notes may be redeemed at the option of the Issuer in whole, but not in part:
- (i) at any time (if the Floating Rate Note Provisions are not specified in the relevant Final Terms as being applicable); or
  - (ii) on any Interest Payment Date (if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable),

on giving not less than 15 nor more than 60 days' notice to the Noteholders, or such other period(s) as may be specified in the relevant Final Terms, (which notice shall be irrevocable), at their Early Redemption Amount (Tax), together with interest accrued (if any) to the date fixed for redemption, if:

- (A) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 13 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of the Kingdom of Denmark or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after the date of issue of the first Tranche of the Notes; and
- (B) such obligation cannot be avoided by the Issuer taking reasonable measures available to it,

**provided, however, that** no such notice of redemption shall be given earlier than:

- (1) where the Notes may be redeemed at any time, 90 days (or such other period as may be specified in the relevant Final Terms) prior to the earliest date on which the Issuer would be obliged to pay such additional amounts if a payment in respect of the Notes were then due; or
- (2) where the Notes may be redeemed only on an Interest Payment Date, 60 days (or such other period as may be specified in the relevant Final Terms) prior to the Interest Payment Date occurring immediately before the earliest date on which the Issuer would be obliged to pay such additional amounts if a payment in respect of the Notes were then due.

Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Fiscal Agent (A) a certificate signed by two directors or other senior officers of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred and (B) an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment. Upon the expiry of any such notice as is referred to in this Condition 10, the Issuer shall be bound to redeem the Notes in accordance with this Condition 10.

- (c) *Redemption at the option of the Issuer:* If the Call Option is specified in the relevant Final Terms as being applicable, the Notes may be redeemed at the option of the Issuer in whole or, if so specified in the relevant Final Terms, in part on any Optional Redemption Date (Call) on the Issuer's giving not less than 30 nor more than 60 days' notice to the Noteholders, or such other period(s) as may be specified in the relevant Final Terms (which notice shall be irrevocable, but may (at the option of the Issuer) be conditional on one or more conditions precedent being satisfied,

or waived by the Issuer, and shall oblige the Issuer to redeem the Notes or, as the case may be, the Notes specified in such notice on the relevant Optional Redemption Date (Call) at the applicable amount specified in the relevant Final Terms (together, if appropriate, with accrued interest to (but excluding) the relevant Optional Redemption Date (Call)) at one of:

- (i) the Optional Redemption Amount (Call); or
- (ii) the Make Whole Redemption Price.

The "**Make Whole Redemption Price**" will, in respect of Notes to be redeemed, be:

- (i) if "**Sterling Make Whole Redemption Amount**" is specified as being applicable in the relevant Final Terms an amount equal to the higher of (i) 100 per cent. of the nominal amount outstanding of such Notes and (ii) the nominal amount outstanding of such Notes multiplied by the price (expressed as a percentage), as reported in writing to the Issuer by the Determination Agent (if one is specified in the relevant Final Terms), at which the Gross Redemption Yield to maturity (or if a Par Redemption Date is specified in the relevant Final Terms yield to the Par Redemption Date) on such Notes on the Reference Date is equal to the sum of (x) the Gross Redemption Yield (as determined by reference to the middle market price) at the Quotation Time on the Reference Date of the Reference Bond, plus (y) the Redemption Margin; or
- (ii) if "**Non-Sterling Make Whole Redemption Amount**" is specified in the relevant Final Terms an amount equal to the higher of (i) 100 per cent. of the nominal amount outstanding of such Notes and (ii) the nominal amount outstanding of such Notes multiplied by the price (expressed as a percentage), as reported in writing to the Issuer by the Determination Agent (if one is specified in the relevant Final Terms), at which the yield to maturity (or if a Par Redemption Date is specified in the relevant Final Terms yield to the Par Redemption Date) on such Notes on the Reference Date is equal to the sum of (x) the Reference Bond Rate at the Quotation Time on the Reference Date, plus (y) the Redemption Margin,

all as determined by the Determination Agent.

If a Par Redemption Date is specified in the relevant Final Terms and the Optional Redemption Date (Call) occurs on or after the Par Redemption Date, the Optional Redemption Amount (Call) will be equal to 100 per cent. of the nominal amount of the Notes, plus (in respect of Sustainability-Linked Notes only) any applicable Sustainability-Linked Premium Amount unless as at the Optional Redemption Date (Call) the relevant Sustainability Performance Targets specified in the Final Terms as applicable to the Notes have been achieved (as determined by an External Verifier and confirmed in an SPT Verification Assurance Certificate published prior to the Optional Redemption Date (Call)).

With respect to any Sustainability-Linked Notes: where the Optional Redemption Amount (Call) is specified as Make Whole Redemption Price, unless as at the Optional Redemption Date (Call) the relevant Sustainability Performance Targets specified in the Final Terms as applicable to the Notes have been achieved (as determined by an External Verifier and confirmed in an SPT Verification Assurance Certificate published prior to the Optional Redemption Date (Call)), the Make Whole Redemption Price shall be calculated on the basis that the Rate of Interest shall be deemed to have increased, and any applicable Sustainability-Linked Premium Amount is payable, in accordance with the terms of the relevant Notes as if the relevant Sustainability-Linked Trigger Event(s) had occurred following the relevant Target Observation Date of such Notes.

- (d) *Partial redemption:* If the Notes are to be redeemed in part only on any date in accordance with Condition 10(c) (*Redemption at the option of the Issuer*), in the case of Bearer Notes, the Notes to be redeemed shall be selected by the drawing of lots in such place as the Fiscal Agent approves and in such manner as the Fiscal Agent considers appropriate, subject to compliance with applicable law, the rules of each competent authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation and the notice to Noteholders referred to in Condition 10(c) (*Redemption at the option of the Issuer*) shall specify the serial numbers of the Notes so to be redeemed and, in the case of Registered Notes, each Note

shall be redeemed in part in the proportion which the aggregate principal amount of the outstanding Notes to be redeemed on the relevant Optional Redemption Date (Call) bears to the aggregate principal amount of outstanding Notes on such date. If any Maximum Redemption Amount or Minimum Redemption Amount is specified in the relevant Final Terms, then the aggregate principal amount of Notes so redeemed shall in no event be greater than the maximum or be less than the minimum so specified.

- (e) *Clean-up Call*: If Clean-up Call Option is specified in the relevant Final Terms as being applicable, and if, at any time (other than as a direct result of a redemption of some, but not all, of the Notes at the Make Whole Redemption Price at the Issuer's option pursuant to Condition 10(c) (*Redemption at the option of the Issuer*), the outstanding aggregate nominal amount of the Notes is 20 per cent. (or such other amount as is specified in the relevant Final Terms) or less of the aggregate nominal amount of the Notes originally issued (and, for these purposes, any further Notes issued pursuant to Condition 19 (*Further Issues*) and consolidated with the Notes as part of the same Series shall be deemed to have been originally issued) (the "**Clean-up Call Threshold**"), the Issuer may redeem all (but not some only) of the remaining outstanding Notes on any date (or, if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable, on any Interest Payment Date) upon giving not less than 15 nor more than 30 days' notice to the Noteholders (or such other notice period as may be specified in the applicable Final Terms) (which notice shall specify the date for redemption and shall be irrevocable), at the Optional Redemption Amount (Clean-up Call) together with any accrued and unpaid interest up to (but excluding) the date of redemption. Prior to the publication of any notice of redemption pursuant to this Condition 10(e), the Issuer shall deliver to the Fiscal Agent a certificate signed by two authorised signatories of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the outstanding aggregate nominal amount of the Notes is equal to or less than the Clean-up Call Threshold. The Fiscal Agent shall be entitled to accept such certificate as sufficient evidence of the satisfaction of the condition precedent set out above, in which event it shall be conclusive and binding on the Noteholders and the Couponholders.
- (f) *Redemption at the option of Noteholders*: If the Put Option is specified in the relevant Final Terms as being applicable, the Issuer shall, at the option of the Holder of any Note redeem such Note on the Optional Redemption Date (Put) specified in the relevant Put Option Notice at the relevant Optional Redemption Amount (Put) together with interest (if any) accrued to such date. In order to exercise the option contained in this Condition 10(f), the Holder of a Note must, not less than 30 nor more than 60 days before the relevant Optional Redemption Date (Put) (or such other period(s) as may be specified in the relevant Final Terms), deposit with any Paying Agent such Note together with all unmatured Coupons relating thereto and a duly completed Put Option Notice in the form obtainable from any Paying Agent. The Paying Agent with which a Note is so deposited shall deliver a duly completed Put Option Receipt to the depositing Noteholder. No Note, once deposited with a duly completed Put Option Notice in accordance with this Condition 10(f), may be withdrawn; **provided, however, that** if, prior to the relevant Optional Redemption Date (Put), any such Note becomes immediately due and payable or, upon due presentation of any such Note on the relevant Optional Redemption Date (Put), payment of the redemption moneys is improperly withheld or refused, the relevant Paying Agent shall mail notification thereof to the depositing Noteholder at such address as may have been given by such Noteholder in the relevant Put Option Notice and shall hold such Note at its Specified Office for collection by the depositing Noteholder against surrender of the relevant Put Option Receipt. For so long as any outstanding Note is held by a Paying Agent in accordance with this Condition 10(f), the depositor of such Note and not such Paying Agent shall be deemed to be the Holder of such Note for all purposes.
- (g) *Change of Control Put Option*: If this Condition 10(g) is specified as applicable in the relevant Final Terms, if at any time while any Note remains outstanding, there occurs:
- (A) a Change of Control (as defined below), and, within the Change of Control Period, a Rating Event in respect of that Change of Control occurs (such Change of Control and Rating Event not having been cured prior to the expiry of the Change of Control Period), or
- (B) a Change of Control (as defined below), and, on the occurrence of the Change of Control, the Issuer is not rated by any Rating Agency on or before the last day of the Change of Control Period,

(each, a "**Change of Control Put Event**"), each Noteholder will have the option (the "**Change of Control Put Option**") (unless, prior to the giving of the Change of Control Put Event Notice (as defined below), the Issuer gives notice to redeem the Notes under Condition 10(b) or 10(c) to require the Issuer to redeem or, at the Issuer's option, to procure the purchase of, all or some of its Notes, on the Optional Redemption Date (as defined below) at the principal amount outstanding of such Notes together with (or where purchased, together with an amount equal to) interest accrued to, but excluding, the Optional Redemption Date.

Where:

A "**Change of Control**" shall be deemed to have occurred if any person or group of persons acting in concert gains direct or indirect control of the Issuer;

"**acting in concert**" means a group of persons who, pursuant to an agreement or understanding (whether formal or informal), actively co-operate, through the acquisition, directly or indirectly, of shares in the Issuer by any of them, either directly or indirectly, obtaining or consolidating control of the Issuer;

"**control**" means the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to: (i) cast, or control the casting of, more than 35 per cent. of the maximum number of votes that might be cast at a general meeting of the Issuer; or (ii) appoint or remove all, or the majority, of the directors or other equivalent officers of the Issuer; or (iii) give directions with respect to the operating and financial policies of the Issuer with which the directors or other equivalent officers of the Issuer are obliged to comply; and

A "**Rating Event**" shall be deemed to have occurred in respect of a Change of Control if (within the Change of Control Period) (A) the rating previously assigned to the Notes or to the Issuer by any Rating Agency solicited by (or with the consent of) the Issuer is (x) withdrawn or (y) changed from an investment grade rating (BBB-/Baa3 or its equivalent for the time being, or better) to a non-investment grade rating (BB+/Ba1 or its equivalent for the time being, or worse) or (z) (if the rating previously assigned to the Notes or to the Issuer by any Rating Agency solicited by (or with the consent of) the Issuer was below an investment grade rating (as described above)), lowered by at least one full rating notch (for example, from BB+ to BB, or their respective equivalents) and (B) such rating is not within the Change of Control Period subsequently upgraded (in the case of a downgrade) or reinstated (in the case of a withdrawal) either to an investment grade credit rating (in the case of (x) and (y)) or to its earlier credit rating or better (in the case of (z)) by such Rating Agency, *provided that* the Rating Agency withdrawing or making the reduction in rating announces or publicly confirms or, having been so requested by the Issuer, informs the Issuer in writing that the withdrawal or lowering of the rating or the failure to assign an investment grade rating was the result, in whole or in part, of the applicable Change of Control (whether or not the applicable Change of Control shall have occurred at the time of the Rating Event). If on the Relevant Announcement Date the Issuer or the Notes carry a credit rating from more than one Rating Agency, at least one of which is an investment grade rating, then sub-paragraph (z) above will not apply.

"**Change of Control Period**" means the period beginning on the date (the "**Relevant Announcement Date**") that is the earlier of (A) the first public announcement by or on behalf of the Issuer or any bidder or any designated advisor, of the relevant Change of Control; and (B) the date of the earliest Potential Change of Control Announcement, and ending 90 days after the Relevant Announcement Date (such 90th day, the "**Initial Longstop Date**"); provided that, unless any other Rating Agency has on or prior to the Initial Longstop Date effected a Rating Event in respect of its rating of the Issuer, or the Notes if a Rating Agency publicly announces, at any time during the period commencing on the date which is 60 days prior to the Initial Longstop Date and ending on the Initial Longstop Date, that it has placed its rating of the Issuer or the Notes under consideration for rating review either entirely or partially as a result of the relevant public announcement of the Change of Control or Potential Change of Control Announcement, the Change of Control Period shall be extended to the date which falls 60 days after the date of such public announcement by such Rating Agency.

"**Potential Change of Control Announcement**" means any public announcement or statement by the Issuer, any actual or potential bidder or any designated adviser thereto relating to any specific

and near-term potential Change of Control (where "near-term" shall mean that such potential Change of Control is reasonably likely to occur, or is publicly stated by the Issuer, any such actual or potential bidder or any such designated adviser to be intended to occur, within 180 days of the date of such announcement of statement).

Promptly upon the Issuer becoming aware that a Change of Control Put Event has occurred, the Issuer shall give notice (a "**Change of Control Put Event Notice**") to the Noteholders in accordance with Condition 20 (*Notices*) specifying the nature of the Change of Control Put Event and the circumstances giving rise to it and the procedure for exercising the Change of Control Put Option contained in this Condition 10(g).

To exercise the Change of Control Put Option, a Noteholder must transfer or cause to be transferred its Notes to be so redeemed or purchased to the account of the Fiscal Agent specified in the Change of Control Put Option Notice (as defined below) for the account of the Issuer within the period (the "**Change of Control Put Period**") of 45 days after a Change of Control Put Event Notice is given together with a duly signed and completed notice of exercise in the then current form obtainable from the Fiscal Agent (a "**Change of Control Put Option Notice**") and in which the Noteholder may specify a bank account to which payment is to be made under this Condition 10(g).

A Change of Control Put Option Notice once given shall be irrevocable. The Issuer shall redeem or, at the option of the Issuer procure the purchase of, the Notes in respect of which the Change of Control Put Option has been validly exercised as provided above, and subject to the transfer of such Notes to the account of the Fiscal Agent for the account of the Issuer as described above by the date which is the fifth Business Day following the end of the Change of Control Put Period (the "**Optional Redemption Date**"). Payment in respect of such Notes will be made on the Optional Redemption Date by transfer to the bank account specified in the Change of Control Put Option Notice.

For the avoidance of doubt, the Issuer shall have no responsibility for any cost or loss of whatever kind (including breakage costs) which the Noteholder may incur as a result of or in connection with such Noteholder's exercise or purported exercise of, or otherwise in connection with, any Change of Control Put Option (whether as a result of any purchase or redemption arising therefrom or otherwise).

If 80 per cent. or more in principal amount of the Notes outstanding as at the date of the relevant Change of Control have been redeemed pursuant to this Condition 10(g), the Issuer may, on not less than 30 nor more than 60 days' irrevocable notice to the Noteholders in accordance with Condition 20 (*Notices*) given within 30 days after the Optional Redemption Date, redeem on a date to be specified in such notice at its option, all (but not some only) of the remaining Notes at their principal amount, together with interest accrued to but excluding the date of redemption.

- (h) *No other redemption:* The Issuer shall not be entitled to redeem the Notes otherwise than as provided in paragraphs (a) to (g) above.
- (i) *Early redemption of Zero Coupon Notes:* Unless otherwise specified in the relevant Final Terms, the Redemption Amount payable on redemption of a Zero Coupon Note at any time before the Maturity Date shall be an amount equal to the sum of:
  - (i) the Reference Price; and
  - (ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) the date Fixed for redemption or (as the case may be) the date upon which the Note becomes due and payable.

Where such calculation is to be made for a period which is not a whole number of years, the calculation in respect of the period of less than a full year shall be made on the basis of such Day Count Fraction as may be specified in the Final Terms for the purposes of this Condition 10(i) or, if none is so specified, a Day Count Fraction of 30E/360.

- (j) *Purchase:* The Issuer or its Subsidiaries may at any time purchase Notes in the open market or otherwise and at any price and such Notes may be held, resold or, at the option of the Issuer, surrendered to any Paying Agent for cancellation (*provided that*, if the Notes are to be cancelled,



they are purchased together with all unmatured Coupons and unexchanged Talons relating to them, if any).

- (k) *Cancellation:* All Notes redeemed by the Issuer or its Subsidiaries and any unmatured Coupons or unexchanged Talons attached to or surrendered with them shall be cancelled and all Notes so cancelled and any Notes cancelled pursuant to Condition 10(j) (*Purchase*) above (together with all unmatured Coupons and unexchanged Talons cancelled with them) may not be reissued or resold.

#### 11. **Payments – Bearer Notes**

This Condition 11 is only applicable to Bearer Notes.

- (a) *Principal:* Payments of principal shall be made only against presentation and (**provided that** payment is made in full) surrender of Bearer Notes at the Specified Office of any Paying Agent outside the United States by cheque drawn in the currency in which the payment is due on, or by transfer to an account denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Centre of that currency.
- (b) *Interest:* Payments of interest shall, subject to paragraph (h) below, be made only against presentation and (**provided that** payment is made in full) surrender of the appropriate Coupons at the Specified Office of any Paying Agent outside the United States in the manner described in paragraph (a) above.
- (c) *Payments in New York City:* Payments of principal or interest may be made at the Specified Office of a Paying Agent in New York City if (i) the Issuer has appointed Paying Agents outside the United States with the reasonable expectation that such Paying Agents will be able to make payment of the full amount of the interest on the Notes in the currency in which the payment is due when due, (ii) payment of the full amount of such interest at the offices of all such Paying Agents is illegal or effectively precluded by exchange controls or other similar restrictions and (iii) payment is permitted by applicable United States law.
- (d) *Payments subject to fiscal laws:* All payments in respect of the Bearer Notes are subject in all cases to (i) any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 13 (*Taxation*) and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 13 (*Taxation*)) any law implementing an intergovernmental approach thereto.
- (e) *Commissions or Expenses:* No commissions or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.
- (f) *Deductions for unmatured Coupons:* If a Fixed Rate Note (other than a Sustainability-Linked Note) that is a Bearer Note is presented without all unmatured Coupons relating thereto:
  - (i) if the aggregate amount of the missing Coupons is less than or equal to the amount of principal due for payment, a sum equal to the aggregate amount of the missing Coupons will be deducted from the amount of principal due for payment; **provided, however, that** if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of such missing Coupons which the gross amount actually available for payment bears to the amount of principal due for payment;
  - (ii) if the aggregate amount of the missing Coupons is greater than the amount of principal due for payment:
    - (A) so many of such missing Coupons shall become void (in inverse order of maturity) as will result in the aggregate amount of the remainder of such missing Coupons (the "**Relevant Coupons**") being equal to the amount of principal due for payment; **provided, however, that** where this sub-paragraph would otherwise

require a fraction of a missing Coupon to become void, such missing Coupon shall become void in its entirety; and

- (B) a sum equal to the aggregate amount of the Relevant Coupons (or, if less, the amount of principal due for payment) will be deducted from the amount of principal due for payment; **provided, however, that**, if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of the Relevant Coupons (or, as the case may be, the amount of principal due for payment) which the gross amount actually available for payment bears to the amount of principal due for payment.

Each sum of principal so deducted shall be paid in the manner provided in paragraph (a) above against presentation and (**provided that** payment is made in full) surrender of the relevant missing Coupons.

- (g) *Unmatured Coupons void:* In respect of Bearer Notes that are Fixed Rate Notes (other than a Sustainability-Linked Note) or Floating Rate Notes, on the due date for final redemption of such Note or early redemption in whole of such Note pursuant to Condition 10(b) (*Redemption and Purchase – Redemption for tax reasons*), Condition 10(c) (*Redemption and Purchase – Redemption at the option of the Issuer*), Condition 10(e) (*Redemption and Purchase - Clean-Up Call*); Condition 10(f) (*Redemption and Purchase – Redemption at the option of Noteholders*), Condition 10(g) (*Redemption and Purchase – Change of Control Put Option*) or Condition 14 (*Events of Default*), all unmatured Coupons relating thereto (whether or not still attached) shall become void and no payment will be made in respect thereof.
- (h) *Payments on business days:* If the due date for payment of any amount in respect of any Bearer Note or Coupon is not a Payment Business Day in the place of presentation, the Holder shall not be entitled to payment in such place of the amount due until the next succeeding Payment Business Day in such place and shall not be entitled to any further interest or other payment in respect of any such delay.
- (i) *Payments other than in respect of matured Coupons:* Payments of interest other than in respect of matured Coupons shall be made only against presentation of the relevant Bearer Notes at the Specified Office of any Paying Agent outside the United States (or in New York City if permitted by paragraph (c) above).
- (j) *Partial payments:* If a Paying Agent makes a partial payment in respect of any Bearer Note or Coupon presented to it for payment, such Paying Agent will endorse thereon a statement indicating the amount and date of such payment.
- (k) *Exchange of Talons:* On or after the maturity date of the final Coupon which is (or was at the time of issue) part of a Coupon Sheet relating to the Bearer Notes, the Talon forming part of such Coupon Sheet may be exchanged at the Specified Office of the Fiscal Agent for a further Coupon Sheet (including, if appropriate, a further Talon but excluding any Coupons in respect of which claims have already become void pursuant to Condition 15 (*Prescription*)). Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note shall become void and no Coupon will be delivered in respect of such Talon.

## 12. **Payments - Registered Notes**

This Condition 12 is only applicable to Registered Notes.

- (a) *Principal:* Payments of principal shall be made by cheque drawn in the currency in which the payment is due drawn on, or, upon application by a Holder of a Registered Note to the Specified Office of the Fiscal Agent not later than the fifteenth day before the due date for any such payment, by transfer to an account denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Centre of that currency (in the case of a sterling cheque, a town clearing branch of a bank in the City of London) and (in the case of redemption) upon surrender (or, in the

case of part payment only, endorsement) of the relevant Note Certificates at the Specified Office of any Paying Agent.

- (b) *Interest:* Payments of interest shall be made by cheque drawn in the currency in which the payment is due drawn on, or, upon application by a Holder of a Registered Note to the Specified Office of the Fiscal Agent not later than the fifteenth day before the due date for any such payment, by transfer to an account denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Centre of that currency (in the case of a sterling cheque, a town clearing branch of a bank in the City of London) and (in the case of interest payable on redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Note Certificates at the Specified Office of any Paying Agent.
- (c) *Payments subject to fiscal laws:* All payments in respect of the Registered Notes are subject in all cases to any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 13 (*Taxation*) and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 13 (*Taxation*)) any law implementing an intergovernmental approach thereto.
- (d) *Commissions or Expenses:* No commissions or expenses shall be charged to the Noteholders in respect of such payments.
- (e) *Payments on business days:* Where payment is to be made by transfer to an account, payment instructions (for value the due date, or, if the due date is not Payment Business Day, for value the next succeeding Payment Business Day) will be initiated and, where payment is to be made by cheque, the cheque will be mailed (i) (in the case of payments of principal and interest payable on redemption) on the later of the due date for payment and the day on which the relevant Note Certificate is surrendered (or, in the case of part payment only, endorsed) at the Specified Office of a Paying Agent and (ii) (in the case of payments of interest payable other than on redemption) on the due date for payment. A Holder of a Registered Note shall not be entitled to any interest or other payment in respect of any delay in payment resulting from (A) the due date for a payment not being a Payment Business Day or (B) a cheque mailed in accordance with this Condition 12 arriving after the due date for payment or being lost in the mail.
- (f) *Partial payments:* If a Paying Agent makes a partial payment in respect of any Registered Note, the Issuer shall procure that the amount and date of such payment are noted on the Register and, in the case of partial payment upon presentation of a Note Certificate, that a statement indicating the amount and the date of such payment is endorsed on the relevant Note Certificate.
- (g) *Record date:* Each payment in respect of a Registered Note will be made to the person shown as the Holder in the Register at the opening of business in the place of the Registrar's Specified Office on the fifteenth day before the due date for such payment (the "**Record Date**"). Where payment in respect of a Registered Note is to be made by cheque, the cheque will be mailed to the address shown as the address of the Holder in the Register at the opening of business on the relevant Record Date.

### 13. **Taxation**

- (a) *Gross up:* All payments of principal and interest in respect of the Notes and the Coupons by or on behalf of the Issuer shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the Kingdom of Denmark or any political subdivision therein or any authority therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments, or governmental charges is required by law. In that event, the Issuer shall pay such additional amounts as will result in receipt by the Noteholders and the Couponholders after such withholding or deduction of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in respect of any Note or Coupon:

- (i) held by or on behalf of a Holder which is liable to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of its having some connection with the jurisdiction by which such taxes, duties, assessments or charges have been imposed, levied, collected, withheld or assessed other than the mere holding of the Note or Coupon; or
  - (ii) where the relevant Note or Coupon or Note Certificate is presented or surrendered for payment more than 30 days after the Relevant Date except to the extent that the Holder of such Note or Coupon would have been entitled to such additional amounts on presenting or surrendering such Note or Coupon or Note Certificate for payment on the last day of such period of 30 days.
- (b) *Taxing jurisdiction:* If the Issuer becomes subject at any time to any taxing jurisdiction other than the Kingdom of Denmark, references in these Conditions to the Kingdom of Denmark shall be construed as references to the Kingdom of Denmark and/or such other jurisdiction.

#### 14. **Events of Default**

- (a) *Non-payment:* the Issuer fails to pay any amount of principal or interest in respect of the Notes when due and such failure continues for a period of 14 days; or
- (b) *Breach of other obligations:* the Issuer defaults in the performance or observance of any of its other obligations under or in respect of the Notes (other than the obligations under Condition 8(b) (*Sustainability-Linked Notes - Notice*), 8(c) (*Sustainability-Linked Notes - Reporting*) or 8(d) (*Sustainability-Linked Notes - Verification Assurance*)) and such default remains unremedied for 30 days after given written notice thereof, to the Issuer by any Noteholder, has been delivered to the Issuer or to the Specified Office of the Fiscal Agent; or
- (c) *Cross-default of Issuer or Subsidiary:*
  - (i) any Indebtedness of the Issuer or any of its Subsidiaries is not paid when due or (as the case may be) within any originally applicable grace period;
  - (ii) any such Indebtedness becomes (or becomes capable of being declared) due and payable prior to its stated maturity otherwise than at the option of the Issuer or (as the case may be) the relevant Subsidiary or (**provided that** no event of default, howsoever described, has occurred) any Person entitled to such Indebtedness; or
  - (iii) the Issuer or any of its Subsidiaries fails to pay when due any amount payable by it under any Guarantee of any Indebtedness;

**provided that** the amount of Indebtedness referred to in sub-paragraph (i) and/or sub-paragraph (ii) above and/or the amount payable under any Guarantee referred to in sub-paragraph (iii) above individually or in the aggregate exceeds EUR 25,000,000 (or its equivalent in any other currency or currencies); or

- (d) *Security enforced:* a secured party takes possession, or a receiver, manager or other similar officer is appointed, with respect to the undertaking, assets and revenues with an aggregate amount greater than EUR 25,000,000 (or its equivalent in any other currency or currencies) of the Issuer or any of its Subsidiaries and is not discharged or stayed within 30 days; or
- (e) *Insolvency etc:* (i) the Issuer or any of its Material Subsidiaries becomes insolvent or is unable to pay its debts as they fall due, (ii) an administrator or liquidator is appointed (or application for any such appointment is made (other than where such application is discharged, stayed or dismissed within 30 days of the date it is made)) in respect of the Issuer or any of its Material Subsidiaries or the whole or any substantial part of the undertaking, assets and revenues of the Issuer or any of its Material Subsidiaries, (iii) the Issuer or any of its Material Subsidiaries takes any action for a readjustment or deferment of any of its obligations or makes a general assignment or an arrangement or composition with or for the benefit of its creditors generally (or any class of creditors) or declares a moratorium in respect of any of its Indebtedness or any Guarantee of any Indebtedness given by it or (iv) the Issuer or any of its Material Subsidiaries ceases or threatens to cease to carry on all or any substantial part of its business (otherwise than, in the case of a Material

Subsidiary of the Issuer, for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent); or

- (f) *Winding up etc.*: an order is made or an effective resolution is passed for the winding up, liquidation or dissolution of the Issuer or any of its Subsidiaries (otherwise than, in the case of a Subsidiary of the Issuer, for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent); or
- (g) *Analogous event*: any event occurs which under the laws of the Kingdom of Denmark has an analogous effect to any of the events referred to in paragraphs (d) to (g) above; or
- (h) *Unlawfulness*: it is or will become unlawful for the Issuer to perform or comply with any of its obligations under or in respect of the Notes,

then any Note may, by written notice addressed by the Holder thereof to the Issuer and delivered to the Issuer or to the Specified Office of the Fiscal Agent, be declared immediately due and payable, whereupon it shall become immediately due and payable at its Early Termination Amount together with accrued interest (if any) without further action or formality.

#### 15. **Prescription**

Claims for principal in respect of Bearer Notes shall become void unless the relevant Bearer Notes are presented for payment within ten years of the appropriate Relevant Date. Claims for interest in respect of Bearer Notes shall become void unless the relevant Coupons are presented for payment within five years of the appropriate Relevant Date. Claims for principal and interest on redemption in respect of Registered Notes shall become void unless the relevant Note Certificates are surrendered for payment within ten years of the appropriate Relevant Date.

#### 16. **Replacement of Notes and Coupons**

If any Note, Note Certificate or Coupon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the Specified Office of the Fiscal Agent, in the case of Bearer Notes, or the Registrar, in the case of Registered Notes (and, if the Notes are then admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent or Transfer Agent in any particular place, the Paying Agent or Transfer Agent having its Specified Office in the place required by such competent authority, stock exchange and/or quotation system), subject to all applicable laws and competent authority, stock exchange and/or quotation system requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may reasonably require. Mutilated or defaced Notes, Note Certificates or Coupons must be surrendered before replacements will be issued.

#### 17. **Agents**

In acting under the Agency Agreement and in connection with the Notes and the Coupons, the Agents act solely as agents of the Issuer and do not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders or Couponholders.

The initial Agents and their initial Specified Offices are listed below. The initial Calculation Agent (if any) is specified in the relevant Final Terms. The Issuer reserves the right any time to vary or terminate the appointment of any Agent and to appoint a successor fiscal agent or registrar or Calculation Agent and additional or successor paying agents and/or transfer agent; **provided, however, that:**

- (a) the Issuer shall at all times maintain a fiscal agent and a registrar; and
- (b) if a Calculation Agent is specified in the relevant Final Terms, the Issuer shall at all times maintain a Calculation Agent; and
- (c) if and for so long as the Notes are admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent and/or a Transfer Agent in any particular place, the Issuer

shall maintain a Paying Agent and/or a Transfer Agent having its Specified Office in the place required by such competent authority, stock exchange and/or quotation system.

Notice of any change in any of the Agents or in their Specified Offices shall promptly be given to the Noteholders.

#### 18. **Meetings of Noteholders; Modification and Waiver**

- (a) *Meetings of Noteholders:* The Agency Agreement contains provisions for convening meetings of Noteholders to consider matters relating to the Notes, including the modification of any provision of these Conditions proposed by the Issuer. Any such modification may be made if sanctioned by an Extraordinary Resolution. Such a meeting may be convened by the Issuer and shall be convened by it upon the request in writing of Noteholders holding not less than one-tenth of the aggregate principal amount of the outstanding Notes. The quorum at any meeting convened to vote on an Extraordinary Resolution will be two or more Persons holding or representing one more than half of the aggregate principal amount of the outstanding Notes or, at any adjourned meeting, two or more Persons being or representing Noteholders whatever the principal amount of the Notes held or represented; **provided, however, that** Reserved Matters may only be sanctioned by an Extraordinary Resolution passed at a meeting of Noteholders at which two or more Persons holding or representing not less than three-quarters or, at any adjourned meeting, one quarter of the aggregate principal amount of the outstanding Notes form a quorum. Any Extraordinary Resolution duly passed at any such meeting shall be binding on all the Noteholders and Couponholders, whether present or not.

Any such meeting of the Noteholders may be convened at a physical location, or such other method (which may include, without limitation, a conference call or video conference) as the Fiscal Agent may determine in accordance with the provisions of the Agency Agreement.

In addition, a resolution in writing signed by or on behalf of all Noteholders holding or representing not less than two thirds of the aggregate principal amount of the outstanding Notes in the case of an Extraordinary Resolution not related to a Reserved Matter and not less than three-quarters of the aggregate principal amount of the outstanding Notes in the case of an Extraordinary Resolution related to a Reserved Matter will take effect as if it were an Extraordinary Resolution. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

- (b) *Modification:* The Notes, the Deed of Covenant and these Conditions may be amended without the consent of the Noteholders or the Couponholders to correct a manifest error. In addition, the parties to the Agency Agreement may agree to modify any provision thereof, but the Issuer shall not agree, without the consent of the Noteholders, to any such modification unless it is of a formal, minor or technical nature, it is made to correct a manifest error or it is, in the opinion of such parties, not materially prejudicial to the interests of the Noteholders.

In addition, pursuant to Condition 7(e)(Interest – Floating Rate Notes reference SOFR) and 7(m) (*Benchmark Replacement (Independent Adviser)*), certain changes may be made to the interest calculation provisions of the Floating Rate Notes in the circumstances and as otherwise set out in such Condition, without the requirement for consent of the Noteholders.

#### 19. **Further Issues**

The Issuer may from time to time, without the consent of the Noteholders or the Couponholders, create and issue further notes having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest) so as to form a single series with the Notes.

#### 20. **Notices**

- (a) *Bearer Notes:* Notices to the Holders of Bearer Notes shall be valid if published in a leading English language daily newspaper published in London (which is expected to be the *Financial Times*) and, if the Bearer Notes are admitted to trading on Euronext Dublin and it is a requirement of applicable law or regulations, a leading newspaper having general circulation in Ireland or published on the website of Euronext Dublin (<https://live.euronext.com>) or, if such publication is not practicable, in a leading English language daily newspaper having general circulation in Europe.

Any such notice shall be deemed to have been given on the date of first publication (or if required to be published in more than one newspaper, on the first date on which publication shall have been made in all the required newspapers). Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the Holders of Bearer Notes.

- (b) *Registered Notes:* Notices to the Holders of Registered Notes shall be sent to them by first class mail (or its equivalent) or (if posted to an overseas address) by airmail at their respective addresses on the Register and, if the Registered Notes are admitted to trading on Euronext Dublin and it is a requirement of applicable law or regulations, a leading newspaper having general circulation in Ireland or published on the website of Euronext Dublin (<https://live.euronext.com>) or, if such publication is not practicable, in a leading English language daily newspaper having general circulation in Europe. Any such notice shall be deemed to have been given on the fourth day after the date of mailing.

21. **Currency Indemnity**

If any sum due from the Issuer in respect of the Notes or the Coupons or any order or judgment given or made in relation thereto has to be converted from the currency (the "**first currency**") in which the same is payable under these Conditions or such order or judgment into another currency (the "**second currency**") for the purpose of (a) making or filing a claim or proof against the Issuer, (b) obtaining an order or judgment in any court or other tribunal or (c) enforcing any order or judgment given or made in relation to the Notes or the Coupons, the Issuer shall indemnify each Noteholder, on the written demand of such Noteholder addressed to the Issuer and delivered to the Issuer or to the Specified Office of the Fiscal Agent, against any loss suffered as a result of any discrepancy between (i) the rate of exchange used for such purpose to convert the sum in question from the first currency into the second currency and (ii) the rate or rates of exchange at which such Noteholder may in the ordinary course of business purchase the first currency with the second currency upon receipt of a sum paid to it in satisfaction, in whole or in part, of any such order, judgment, claim or proof.

This indemnity constitutes a separate and independent obligation of the Issuer and shall give rise to a separate and independent cause of action.

22. **Rounding**

For the purposes of any calculations referred to in these Conditions (unless otherwise specified in these Conditions or the relevant Final Terms), (a) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 per cent. being rounded up to 0.00001 per cent.), (b) all United States dollar amounts used in or resulting from such calculations will be rounded to the nearest cent (with one half cent being rounded up), (c) all Japanese Yen amounts used in or resulting from such calculations will be rounded downwards to the next lower whole Japanese Yen amount, and (d) all amounts denominated in any other currency used in or resulting from such calculations will be rounded to the nearest two decimal places in such currency, with 0.005 being rounded upwards.

23. **Governing Law and Jurisdiction**

- (a) *Governing law:* The Notes and any non-contractual obligations arising out of or in connection with the Notes are governed by English law.
- (b) *English courts:* The courts of England have exclusive jurisdiction to settle any dispute (a "**Dispute**") arising out of or in connection with the Notes (including any non-contractual obligation arising out of or in connection with the Notes).
- (c) *Appropriate forum:* The Issuer agrees that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue to the contrary.
- (d) *Rights of the Noteholders to take proceedings outside England:* Notwithstanding Condition 23(b) (*English courts*), any Noteholder may take proceedings relating to a Dispute ("**Proceedings**") in any other courts with jurisdiction. To the extent allowed by law, Noteholders may take concurrent Proceedings in any number of jurisdictions.

- (e) *Service of process:* The Issuer agrees that the documents which start any Proceedings and any other documents required to be served in relation to those Proceedings may be served on it by being delivered to Pandora Jewellery UK Ltd. at 33 George Street, London, W1U 3BH, United Kingdom, or to such other person with an address in England or Wales and/or at such other address in England or Wales as the Issuer may specify by notice in writing to the Noteholders. Nothing in this paragraph shall affect the right of any Noteholder to serve process in any other manner permitted by law. This Condition applies to Proceedings in England and to Proceedings elsewhere.



## FORM OF FINAL TERMS

**[PROHIBITION OF SALES TO EEA RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("EEA"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "EU MiFID II"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (the "EU Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (the "EU PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the EU PRIIPs Regulation.]

**PROHIBITION OF SALES TO UK RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("UK"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("EUWA"); (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the Financial Services and Markets Act 2000 (the "FSMA") to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "UK PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]

**[EU MIFID II product governance / Professional investors and ECPs only target market** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in [Directive 2014/65/EU (as amended, "EU MiFID II")][EU MiFID II]; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*Consider any negative target market.*] Any [person subsequently offering, selling or recommending the Notes (a "distributor")] should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to EU MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

**[UK MIFIR product governance / Professional investors and ECPs only target market** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("COBS"), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("UK MiFIR"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*Consider any negative target market.*] Any person subsequently offering, selling or recommending the Notes (a "distributor")/[distributor] should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "UK MiFIR Product Governance Rules") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

**[Singapore Securities and Futures Act Product Classification** – Solely for the purposes of its obligations pursuant to Sections 309B(1)(a) and 309B(1)(c) of the Securities and Futures Act 2001, as modified or amended from time to time (the "SFA"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A of the SFA) that the Notes are ["prescribed capital markets products"]/[capital markets products other than "prescribed capital markets products"] (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018:)]

**Final Terms dated [•]**

## **Pandora A/S**

Issue of  
**[Title of Notes]**

**Legal entity Identifier (LEI): 5299007OWYZ6I1E46843**

under its

**EUR 1,500,000,000 Euro Medium Term Note Programme**

### **PART A – CONTRACTUAL TERMS**

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth in the Base Prospectus dated 28 February 2023 [and the supplemental Base Prospectus dated [•]], which [together] constitute[s] a base prospectus (the "**Base Prospectus**") for the purposes of the EU Prospectus Regulation. This document constitutes the Final Terms of the Notes described herein for the purposes of the EU Prospectus Regulation and must be read in conjunction with the Base Prospectus in order to obtain all the relevant information.]<sup>1</sup>

The Base Prospectus has been published [*Issuer's/regulated market website*]].

[The expression "**EU Prospectus Regulation**" means Regulation (EU) 2017/1129.]

[In accordance with the EU Prospectus Regulation, no prospectus is required in connection with the issuance of the Notes described herein.]

*[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs (in which case the sub-paragraphs of the paragraphs which are not applicable can be deleted). Italics denote guidance for completing the Final Terms.]*

- |   |   |
|---|---|
| 1. Issuer:                                      | Pandora A/S   |
| 2. (i) Series Number:                           | [•]   |
| (ii) Tranche Number:                            | [•]   |
| [(iii) Date on which the Notes become fungible: | [Not Applicable/The Notes shall be consolidated, form a single series and be interchangeable for trading purposes with the [•] on [[•]/the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 23 below [which is expected to occur on or about [•]].] |
| 3. Specified Currency or Currencies:            | [•]   |
| 4. Aggregate Nominal Amount:                    |   |
| (i) Series:                                     | [•]   |
| (ii) Tranche:                                   | [•]   |

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<sup>1</sup> Delete where the Notes are neither admitted to trading on a regulated market in the EEA nor offered in the EEA in circumstances where a prospectus is required to be published under the Prospectus Regulation.

5. Issue Price: [•] per cent. of the Aggregate Nominal Amount [plus accrued interest from [•]
6. (i) Specified Denominations: [•]  
(ii) Calculation Amount: [•]
7. (i) Issue Date: [•]  
(ii) Interest Commencement Date: [[•]/Issue Date/Not Applicable] ]
8. Maturity Date: [*Specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year*]
9. Interest Basis: [[•] per cent. Fixed Rate]  
[•][•] [CIBOR / EURIBOR / NIBOR / STIBOR / SONIA / SONIA Compounded Index / SOFR / SOFR Compounded Index / €STR]+/- [•] per cent. Floating Rate]  
[subject to the Sustainability-Linked Step-Up Margin[s]]  
[Zero Coupon]  
(see paragraph [14/15/16] below)
10. Redemption/Payment Basis: Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [•]/[100] per cent. of their nominal amount [, subject to the Sustainability-Linked Premium Amount[s] (*see paragraph 16 below*)].
11. Change of Interest or Redemption/Payment Basis: [*Specify the date when any Fixed to floating rate change occurs or refer to paragraphs 14 and 15 below and identify there/Not Applicable*]
12. Put/Call Options: [Investor Put]  
[Change of Control Put/Put Event] (*The placeholder here should reflect the name ascribed to any "event risk" put in the Conditions*)  
[Issuer Call]  
[Clean-up Call Option]  
[See paragraph [18/19/20/21] below)]
13. Status of the Notes: Senior  
[Date [Board] approval for issuance of Notes] obtained: [•] [and [•], respectively]  
(*N.B Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes*)

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

14. Fixed Rate Note Provisions [Applicable/Not Applicable]  
(*If not applicable, delete the remaining sub-paragraphs of this paragraph*)

- (i) Rate[(s)] of Interest: The [initial] Rate of Interest is [•] per cent. per annum payable [annually/semi-annually/specify] in arrear on each Interest Payment Date[, subject to the Sustainability-Linked Step-Up Margin[s] below]
- (ii) Interest Payment Date(s): [•] in each year up to and including the Maturity Date  
*(amend appropriately in the case of irregular coupons)*
- (iii) Fixed Coupon Amount[(s)]: [•] per Calculation Amount [if no Sustainability-Linked Trigger Event has occurred, or [•] per Calculation Amount if [specify relevant Sustainability-Linked Trigger Events] has occurred]
- (iv) Fixed Coupon Amount for a short or long Interest Period ("Broken Amount(s)": [•] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [•]
- (v) Day Count Fraction: [30/360 / Actual/Actual (ICMA) / Actual/Actual (ISDA) / other]
15. Floating Rate Note Provisions [Applicable/Not Applicable]  
*(If not applicable delete the remaining sub-paragraphs of this paragraph)*
- (i) Specified Period: [•]
- (ii) Specified Interest Payment Dates: [•]
- (iii) [First Interest Payment Date]: [•]
- (iv) Business Day Convention: [Floating Rate Convention / Following Business Day Convention / Modified Following Business Day Convention / Preceding Business Day Convention / No Adjustment]
- (v) Additional Business Centre(s): [Not Applicable/[•]]
- (vi) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination]
- (vii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s): [Fiscal Agent]/ [an institution other than the Fiscal Agent] shall be the Calculation Agent
- (viii) Screen Rate Determination: [Applicable/Not Applicable] *(If not applicable delete the remaining sub-paragraphs of this paragraph)*
- Reference Rate: [•][•][CIBOR / EURIBOR / NIBOR / STIBOR / SONIA / SOFR / €STR / SONIA Compounded Index / SOFR Compounded Index]
  - Observation Method: [Lag / Observation Shift]

- Lag Period: [5 / [ ] TARGET Settlement Days / U.S. Government Securities Business Days/London Banking Days / Not Applicable]
  - Observation Shift Period: [5 / [ ] TARGET Settlement Days / U.S. Government Securities Business Days/London Banking Days / Not Applicable]
- (NB: A minimum of 5 should be specified for the Lag Period or Observation Shift Period, unless otherwise agreed with the Calculation Agent)*
- D: [360 / 365 / [ ] / [Not Applicable]
  - Index Determination [Applicable / Not Applicable]
  - SONIA Compounded Index [Applicable/Not Applicable]
  - SOFR Compounded Index [Applicable/Not Applicable]
  - Relevant Decimal Place [ ] [5] *(unless otherwise specified in the Final Terms, it should be the fifth decimal place)*
  - Relevant Number of Index Days [ ] [5] *(unless otherwise specified in the Final Terms, the Relevant Number shall be 5)*
  - Interest Determination Date(s): [The first Business Day in the relevant Interest Period]/ *(select where Interest Determination Date has the meaning specified in Condition 7(d), 7(e) or 7(f))* [•] [London Banking Days/U.S. Government Securities Business Days/TARGET Settlement Days] prior to each Interest Payment Date]
  - Relevant Screen Page: [•]
  - Relevant Time: [•]
- (x) Linear interpolation Not Applicable/Applicable – the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation *(specify for each short or long interest period)*
- (xi) Margin(s): [+/-][•] per cent. per annum[, subject to the Sustainability-Linked Step-Up Margin[s] below]
- (xii) Minimum Rate of Interest: The Minimum Rate of Interest shall not be less than [zero] / [•] per cent. per annum]
- (xiii) Maximum Rate of Interest: [•] per cent. per annum
- (xiv) Day Count Fraction: [•]
16. Sustainability-Linked Trigger Event [Applicable. Sustainability-Linked Trigger Event (Interest)]
- [Applicable. Sustainability-Linked Trigger Event (Premium)]
- [Not Applicable]

*(If not applicable, delete the remaining subparagraphs of this paragraph)*

- |       |  |  |
|-------|--|--|
| (a)   | Key Performance Indicator                                  | [Scope 1 and 2 Emissions / Scope 3 Emissions / Recycled Supply Percentage]   |
| (b)   | Sustainability Performance Target(s)                       | <i>[specify percentage]</i> in respect of <i>[specify relevant target(s) and the relevant Target Observation Date(s) to which it relates]</i> (repeat as necessary for each target)                          |
| (c)   | Base Year  | <i>[specify relevant year]</i> / [Not Applicable]  |
| (d)   | Target Observation Date(s)                                 | <i>[specify date(s) and Sustainability Performance Target(s) to which it relates, as applicable]</i>   |
| (e)   | Sustainability-Linked Step-Up Margin                       | [•] per cent. per annum with respect to the <i>[specify relevant target(s) and the relevant Target Observation Date(s) to which it relates]</i> (repeat as necessary for each target)                        |
|       |  | [Not Applicable]   |
| (f)   | Sustainability-Linked Premium Amount                       | <i>[specify amount]</i> per Calculation Amount with respect to the <i>[specify relevant target(s) and the relevant Target Observation Date(s) to which it relates]</i> (repeat as necessary for each target) |
|       |  | [Not Applicable]   |
| (g)   | Sustainability-Linked Premium Payment Date                 | [Redemption]   |
|       |  | <i>[specify date]</i> with respect to the <i>[specify relevant target(s) and the relevant Target Observation Date(s) to which it relates]</i> (repeat as necessary for each target)                          |
| 17.   | Zero Coupon Note Provisions                                | [Applicable/Not Applicable]  |
|       |  | <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>  |
| (i)   | Accrual Yield:   | [•] per cent. per annum  |
| (ii)  | Reference Price:   | [•]  |
| (iii) | Day Count Fraction in relation to Early Redemption Amount: | [30/360 / Actual/Actual (ICMA/ISDA) / other]   |

**PROVISIONS RELATING TO REDEMPTION**

- |        |   |  |
|--------|---|--|
| 18.    | Call Option                                     | [Applicable/Not Applicable]  |
| (i)    | Optional Redemption Date(s) (Call):             | [•]  |
| (ii)   | Optional Redemption Amount (Call) of each Note: | [[•] per Calculation Amount] / [Make Whole Redemption Price]   |
|        |   | [(in the case of the Optional Redemption Dates (Call) falling on [ ]/[in the period from and including [date]] |
| [(iii) | Make Whole Redemption Price:                    | [Non-Sterling Make Whole Redemption Amount / Sterling Make Whole Redemption Amount/Not Applicable]             |

*(If not applicable delete the remaining sub paragraphs(a) – (f) of this paragraph)*

- |  |  |
|--|--|
| [(a) Reference Bond:   | [Insert applicable Reference Bond]   |
| [(b) Relevant Make Whole Screen Page:  | [•]  |
| [(c) Quotation Time:   | [•]  |
| [(d) Redemption Margin:  | [•] per cent.  |
| [(f) Par Redemption Date:  | [•]/Not Applicable   |
| [(g) Determination Agent   | [•]/Not Applicable   |
| (iii) Redemption in part:  | [Applicable/Not Applicable]  |
| (a) Minimum Redemption Amount:   | [•]  |
| (b) Maximum Redemption Amount  | [•]  |
| (iv) Notice period:  | [•]  |
| 19. Put Option   | [Applicable/Not Applicable]  |
|  | <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>                            |
| (i) Optional Redemption Date(s):   | [•]  |
| (ii) Optional Redemption Amount (Put) of each Note and method, if any, of calculation of such amount(s): | [•] per Calculation Amount   |
| (iii) Notice period:   | [•]  |
| 20. Change of Control Put Option/ Put Event:   | [Applicable/Not Applicable]  |
|  | <i>(A Change of Control Put option is contained in Condition 10(g))</i>                                      |
| 21. Clean-up Call Option:  | [Applicable/Not Applicable]  |
|  | <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>                            |
| (i) Clean-up Call Threshold:   | [•] per cent.  |
| (ii) Optional Redemption Amount (Clean-up Call):   | [•]  |
| (iii) Notice period (if different from the Conditions):  | [Not less than [•] nor more than [•] days] / [Not Applicable – in line with Condition 10(e) (Clean-up Call)] |
| 22. Final Redemption Amount of each Note:  | [•] per Calculation Amount   |
| 23. Early Redemption Amount:   |  |

- (i) Early Redemption Amount(s) per Calculation Amount / [•] / [Not Applicable] payable on redemption for taxation reasons (Early Redemption Amount (Tax)) or on event of default or other early redemption (Early Termination Amount):
- (ii) Notice period on redemption for tax reasons (if different from Condition 10(b) (*Redemption for tax reasons*)): [Not less than [•] nor more than [•] days] / [Not Applicable – in line with Conditions]

#### GENERAL PROVISIONS APPLICABLE TO THE NOTES

24. Form of Notes:

##### **Bearer Notes:**

[Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes on [•] days' notice/at any time/in the limited circumstances specified in the Permanent Global Note]

[Temporary Global Note exchangeable for Definitive Notes on [•] days' notice]

[Permanent Global Note exchangeable for Definitive Notes on [ ] days' notice/at any time/in the limited circumstances specified in the Permanent Global Note]

##### **Registered Notes:**

Global Registered Note exchangeable for Individual Note Certificates on [•] days' notice/at any time/in the limited circumstances described in the Global Registered Note] registered in the name of a nominee for [a common depository for Euroclear and Clearstream, Luxembourg/a common safekeeper for Euroclear and Clearstream, Luxembourg (that is, held under the New Safekeeping Structure)].

25. New Global Note (NGN):

[Yes] [No]/[Not Applicable]

26. New Safekeeping Structure (NSS):

[Yes] [No]/[Not Applicable]

27. Additional Financial Centre(s) or other special provisions relating to payment dates:

[Not Applicable/give details. Note that this paragraph relates to the date of payment, and not the end dates of interest periods for the purposes of calculating the amount of interest, to which sub-paragraph 15(v) relates]

28. Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature):

[Yes/No. As the Notes have more than 27 coupon payments, talons may be required if, on exchange into definitive form, more than 27 coupon payments are left.]

Signed on behalf of **Pandora A/S**:

By: .....

Duly authorised



## PART B – OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

- (i) Admission to Trading: [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the regulated market of Euronext Dublin with effect from [•].]  
[Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the regulated market of Euronext Dublin with effect from [•].]  
[Not Applicable.]

*(When documenting a fungible issue need to indicate that original Notes are already admitted to trading.)*

- (ii) Estimate of total expenses related to admission to trading: [ ]

### 2. RATINGS

The Notes to be issued [have been/are expected to be] rated/[The following ratings reflect ratings assigned to Notes of this type issued under the Programme generally]:

Ratings: [Standard & Poor's: [•]]

[Moody's: [•]]

[[Other]: [•]]

[Moody's France SAS] ("**Moody's**") and [S&P Global Ratings Europe Limited] ("**S&P**") are established in the EEA and registered under Regulation (EC) No 1060/2009, on credit rating agencies (the "**EU CRA Regulation**"), and appear on the latest update of the list of registered credit rating agencies on the ESMA website ([www.esma.europa.eu/supervision/credit-rating-agencies/risk](http://www.esma.europa.eu/supervision/credit-rating-agencies/risk)). The rating given by Moody's is endorsed by [Moody's Investors Service Limited (UK)], and the rating given by S&P is endorsed by [S&P Global Ratings UK Limited], each of which is established in the UK and registered under Regulation (EC) No 1060/2009 on credit rating agencies as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**").]

### 3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER

*(Need to include a description of any interest, including a conflict of interest, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the statement below:)*

[Save for any fees payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer. The [Managers/Dealers] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business. *(Amend as appropriate if there are other interests)*]

*[(When adding any other description, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Prospectus under Article 23 of the Prospectus Regulation.)]*

4. **[Fixed Rate Notes only – YIELD]**

Indication of yield: [•]

*[The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]*

5. **OPERATIONAL INFORMATION**

ISIN: [•]

Common Code: [•]

Delivery: Delivery [against/free of] payment

Names and addresses of additional Paying Agent(s) (if any):

Relevant Benchmark[s]: *[[specify benchmark] is provided by [administrator legal name]][repeat as necessary]. As at the date hereof, [[administrator legal name][appears]/[does not appear]][repeat as necessary] in the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 (Register of administrators and benchmarks) of the EU Benchmarks Regulation]/[As far as the Issuer is aware, as at the date hereof, [specify benchmark] does not fall within the scope of the EU Benchmarks Regulation]/ [As far as the Issuer is aware, the transitional provisions in Article 51 of Regulation (EU) 2016/1011, as amended apply, such that [name of administrator] is not currently required to obtain authorisation/registration (or, if located outside the European Union, recognition, endorsement or equivalence)]/[Not Applicable]*

[Intended to be held in a manner which would allow Eurosystem eligibility: [Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper[, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper] [include this text for registered notes held under the NSS structure] and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

[No. Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

[Not Applicable]

6. **DISTRIBUTION**

- (i) Method of Distribution: [Syndicated/Non-syndicated]
- (ii) If syndicated:
- (A) Names of Dealers [Not Applicable/*give names*]
- (B) Stabilisation Manager(s), [Not Applicable/*give names*]  
if any:
- (iii) If non-syndicated, name of [Not Applicable/*give names*]  
Dealer:
- (iv) U.S. Selling Restrictions: [Reg S Compliance Category 2; *In the case of Bearer Notes*]  
[TEFRA: C/ D/Not Applicable]
- (v) [Prohibition of Sales to EEA [Applicable]/[Not Applicable]  
Retail Investors:  
  
(If the Notes clearly do not constitute "packaged" products, "Not Applicable" should be specified. If the Notes may constitute "packaged" products, "Applicable" should be specified.)]
- (vi) [Prohibition of Sales to UK [Applicable]/[Not Applicable]  
Retail Investors:  
  
*(If the Notes clearly do not constitute "packaged" products, or the Notes do constitute "packaged" products and a key information document will be prepared in the UK, "Not Applicable" should be specified. If the Notes may constitute "packaged" products, "Applicable" should be specified.)*

7. **REASONS FOR THE OFFER AND ESTIMATED NET AMOUNT OF PROCEEDS**

- Reasons for the offer: [See "*Use of Proceeds*" in Base Prospectus"] / [*Give details*]  
  
*(If reasons differ from what is disclosed in the Base Prospectus give details here.)*
- Estimated net proceeds: [ ]

## **USE OF PROCEEDS**

The net proceeds from each issue of Notes will be used for the general corporate purposes of the Group, which may include the refinancing of existing indebtedness.

If, in respect of any particular issue, there is a particular identified use of proceeds, this will be stated in the applicable Final Terms.

## SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

### Clearing System Accountholders

In relation to any Tranche of Notes represented by a Global Note in bearer form, references in the Terms and Conditions of the Notes to "Noteholder" are references to the bearer of the relevant Global Note which, for so long as the Global Note is held by a depositary or a common depositary, in the case of a classic global note ("CGN"), or a common safekeeper, in the case of an NGN for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, will be that depositary or common depositary or, as the case may be, common safekeeper.

In relation to any Tranche of Notes represented by a Global Registered Note, references in the Terms and Conditions of the Notes to "Noteholder" are references to the person in whose name such Global Registered Note is for the time being registered in the Register which, for so long as the Global Registered Note is held by or on behalf of a depositary or a common depositary or a common safekeeper for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, will be that depositary or common depositary or common safekeeper or a nominee for that depositary or common depositary or common safekeeper.

Each of the persons shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system as being entitled to an interest in a Global Note or a Global Registered Note (each an "**Accountholder**") must look solely to Euroclear and/or Clearstream, Luxembourg and/or such other relevant clearing system (as the case may be) for such Accountholder's share of each payment made by the Issuer to the holder of such Global Note or Global Registered Note and in relation to all other rights arising under such Global Note or Global Registered Note. The extent to which, and the manner in which, Accountholders may exercise any rights arising under a Global Note or Global Registered Note will be determined by the respective rules and procedures of Euroclear and Clearstream, Luxembourg and any other relevant clearing system from time to time. For so long as the relevant Notes are represented by a Global Note or Global Registered Note, Accountholders shall have no claim directly against the Issuer in respect of payments due under the Notes and such obligations of the Issuer will be discharged by payment to the holder of such Global Note or Global Registered Note.

### Conditions applicable to Global Notes

Each Global Note or Global Registered Note will contain provisions which modify the Terms and Conditions of the Notes as they apply to the Global Note or Global Registered Note. The following is a summary of certain of those provisions:

*Payments:* All payments in respect of the Global Note or Global Registered Note which, according to the Terms and Conditions of the Notes, require presentation and/or surrender of a Note, Note Certificate or Coupon will be made against presentation and (in the case of payment of principal in full with all interest accrued thereon) surrender of the Global Note or Global Registered Note to or to the order of any Paying Agent and will be effective to satisfy and discharge the corresponding liabilities of the Issuer in respect of the Notes. On each occasion on which a payment of principal or interest is made in respect of the Global Note, the Issuer shall procure that in respect of a CGN the payment is noted in a schedule thereto and in respect of an NGN the payment is entered pro rata in the records of Euroclear and Clearstream, Luxembourg.

*Payment Business Day:* In the case of a Global Note or Global Registered Note, shall be: if the currency of payment is euro, any day which is a TARGET Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre; or, if the currency of payment is not euro, any day which is a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre.

*Payment Record Date:* Each payment in respect of a Global Registered Note will be made to the person shown as the Holder in the Register at the close of business (in the relevant clearing system) on the Clearing System Business Day before the due date for such payment (the "**Record Date**") where "**Clearing System Business Day**" means a day on which each clearing system for which the Global Registered Note is being held is open for business.

*Exercise of put option:* In order to exercise the option contained in Condition 10(f) (*Redemption at the option of Noteholders*) the bearer of the Permanent Global Note or the holder of a Global Registered Note must, within the period specified in the Conditions for the deposit of the relevant Note and put notice, give written notice of such exercise to the Fiscal Agent specifying the principal amount of Notes in respect of which such option is being exercised. Any such notice will be irrevocable and may not be withdrawn.

*Partial exercise of call option:* In connection with an exercise of the option contained in Condition 10(c) (*Redemption at the option of the Issuer*) in relation to some only of the Notes, the Permanent Global Note or a Global Registered Note may be redeemed in part in the principal amount specified by the Issuer in accordance with the Conditions and the Notes to be redeemed will not be selected as provided in the Conditions but in accordance with the rules and procedures of Euroclear and Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in principal amount, at their discretion).

*Exercise of put option or Change of Control Put Option:* In order to exercise the option contained in Condition 10(f) (*Redemption at the option of Noteholders*) or Condition 10(g) (*Change of Control Put Option*) the bearer of a Permanent Global Note or the holder of a Global Registered Note must, within the period specified in the Conditions for the deposit of the relevant Note give written notice of such exercise to the Fiscal Agent, in accordance with the rules and procedures of Euroclear, Clearstream, Luxembourg and/or any other relevant clearing system, specifying the principal amount of Notes in respect of which such option is being exercised. Any such notice will be irrevocable and may not be withdrawn.

*Notices:* Notwithstanding Condition 20 (*Notices*), while all the Notes are represented by a Permanent Global Note (or by a Permanent Global Note and/or a Temporary Global Note) or a Global Registered Note and the Permanent Global Note is (or the Permanent Global Note and/or the Temporary Global Note are), or Global Registered Note is deposited with a depositary or a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system or a common safekeeper, notices to Noteholders may be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and, in any case, such notices shall be deemed to have been given to the Noteholders in accordance with Condition 20 (*Notices*) on the date of delivery to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, except that, for so long as such Notes are admitted to trading on Euronext Dublin and it is a requirement of applicable law or regulations, such notices shall also be published in a leading newspaper having general circulation in Ireland or published on the website of Euronext Dublin (<https://live.euronext.com>).

*Electronic Consent and Written Resolution:* While any Global Note or Global Registered Note is held on behalf of a clearing system, then:

- (a) approval of a resolution proposed by the Issuer given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75 per cent. in nominal amount of the Notes outstanding (an "**Electronic Consent**" as defined in the Agency Agreement) shall, for all purposes (including matters that would otherwise require an Extraordinary Resolution to be passed at a meeting for which a special quorum was satisfied), take effect as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held, and shall be binding on all Noteholders and holders of Coupons and Talons whether or not they participated in such Electronic Consent; and
- (b) where Electronic Consent is not being sought, for the purpose of determining whether a Written Resolution (as defined in the Agency Agreement) has been validly passed, the Issuer shall be entitled to rely on consent or instructions given in writing directly to the Issuer by (a) accountholders in the clearing system with entitlements to such Global Note or Global Registered Note and/or, where (b) the accountholders hold any such entitlement on behalf of another person, on written consent from or written instruction by the person identified by that accountholder as the person for whom such entitlement is held. For the purpose of establishing the entitlement to give any such consent or instruction, the Issuer shall be entitled to rely on any certificate or other document issued by, in the case of (a) above, Euroclear, Clearstream, Luxembourg or any other relevant alternative clearing system (the "**relevant clearing system**") and, in the case of (b) above, the relevant clearing system and the accountholder identified by the relevant clearing system for the purposes of (b) above. Any resolution passed in such manner shall be binding on all Noteholders and Couponholders, even if the relevant consent or instruction proves to be defective.

Any such certificate or other document shall, in the absence of manifest error, be conclusive and binding for all purposes. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear's EUCLID or Clearstream, Luxembourg's Xact Web Portal system) in accordance with its usual procedures and in which the accountholder of a particular principal or nominal amount of the Notes is clearly identified together with the amount of such holding. The Issuer shall not be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by any such person and subsequently found to be forged or not authentic.

## DESCRIPTION OF THE ISSUER

### Overview

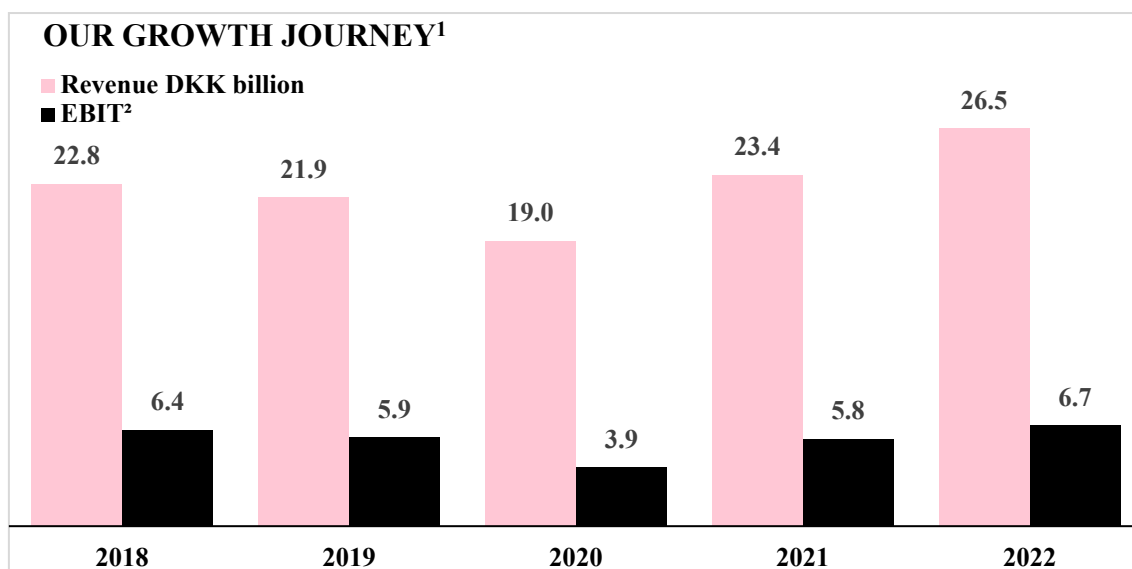
Pandora A/S (the "**Issuer**" and together with its subsidiaries, "**Pandora**" or the "**Group**") was founded in 1982 and incorporated in Denmark on 9 March 2005 as a limited liability company with company registration number (CVR) 28505116. The Issuer is headquartered in Copenhagen, Denmark, with its registered office at Havneholmen 17 – 19, 1561 Copenhagen V, Denmark and telephone number +45 36 72 00 44. Its website is [www.pandoragroup.com](http://www.pandoragroup.com).

Pandora was founded by Per Enevoldsen and Winnie Liljeborg and is today among the world's largest jewellery brands in terms of brand recognition and volumes. Pandora designs, manufactures and markets hand-finished jewellery made from high-quality materials at affordable prices. Pandora jewellery is sold in more than 100 countries through 6,500 points of sale, including more than 2,500 concept stores. In 2022, Pandora sold 103 million pieces of jewellery globally.

Pandora employs approximately 32,000 people worldwide and crafts almost all its jewellery at two LEED-certified (Leadership in Energy and Environmental Design, a widely used green building rating system) facilities in Thailand. Pandora is committed to leadership in sustainability and aims to procure only recycled silver and gold for its jewellery production by 2025 and halve greenhouse gas emissions across its value chain by 2030. Pandora generated sales of DKK 26.5 billion in 2022.

The shares of the Issuer are listed on the Nasdaq Copenhagen stock exchange.

The three charts below show Pandora's revenue and EBIT (in DKK billions) for the financial years 2018 to 2022, an overview of revenue and share of total revenue for its seven key markets for the financial years 2021 and 2022, and 2022 revenue split between Pandora's two business units.



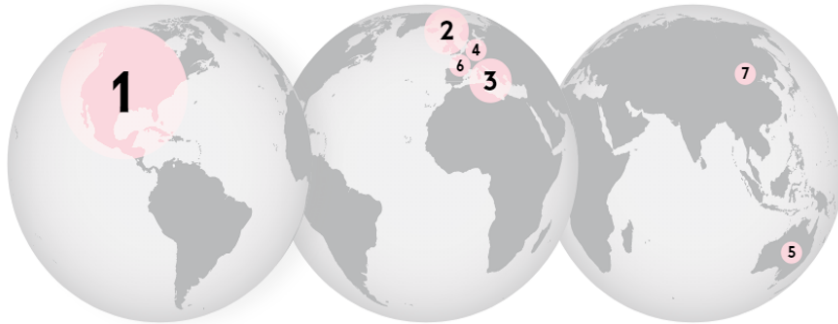
<sup>1</sup> Presented on the basis of the applicable accounting standards at the time.

<sup>2</sup> 2019 and 2020 figures exclude Programme NOW restructuring costs.



## OUR KEY MARKETS

Share of revenue



	1.	2.	3.	4.	5.	6.	7.
	US	UK	ITALY	GERMANY	AUSTRALIA	FRANCE	CHINA
2022:	30% DKK 7,907m	14% DKK 3,802m	10% DKK 2,580m	5% DKK 1,307m	5% DKK 1,271m	4% DKK 1,190m	3% DKK 737m
2021:	30% DKK 7,026m	14% DKK 3,314m	10% DKK 2,443m	5% DKK 1,191m	5% DKK 1,131m	5% DKK 1,122m	5% DKK 1,126m

## OUR REVENUE

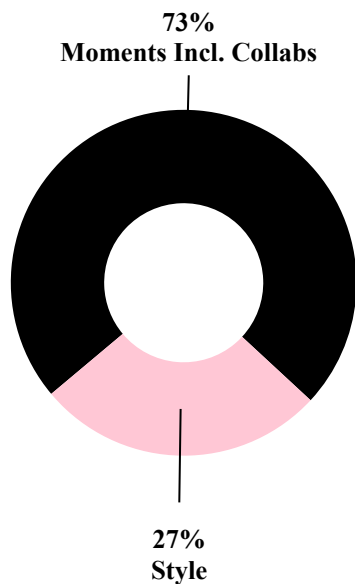
by region<sup>1</sup>

North America	Latin America	Europe	Greater China	Pacific
DKK 9,075m	DKK 1,664m	DKK 12,741m	DKK 1,097m	DKK 1,885

(1) Source: Revenue in DKK million as per Annual Report 2022

## GLOBAL BUSINESS UNITS

Share of revenue,  
% of total



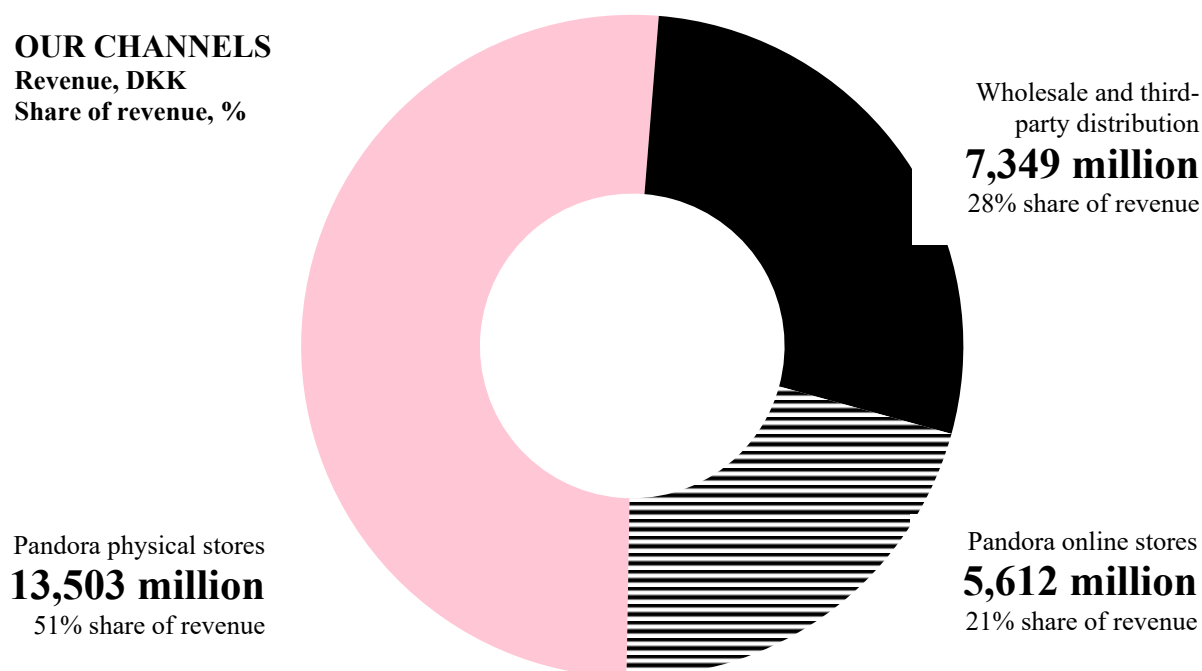
Pandora sells its jewellery through three main channels: owned physical retail stores (which include 1,653 Pandora-owned concept stores as of 31 December 2022), wholesale and third-party distribution (which include 889 Pandora concept stores owned by franchisees or distributors as of 31 December 2022), and online at [www.pandora.net](http://www.pandora.net).

The chart below shows revenue breakdown across the three sales channels in 2022.

## OUR CHANNELS

Revenue, DKK

Share of revenue, %



	Revenue DKK million	Share of revenue %
Pandora physical stores .....	13,503	51.0
Pandora online stores .....	5,612	21.2
Wholesale and third-party distribution.....	7,349	27.8
<b>Total.....</b>	<b>26,463</b>	<b>100</b>

## Organisational structure

The Issuer is the ultimate parent company of all subsidiaries in the Group. As of 31 December 2022, the Issuer had 73 subsidiaries, which includes sales and manufacturing subsidiaries and three branches around the world. For an overview of all members of the Group as of 31 December 2022, reference is made to page 89 of the 2022 Audited Financial Statements, which are incorporated by reference herein.

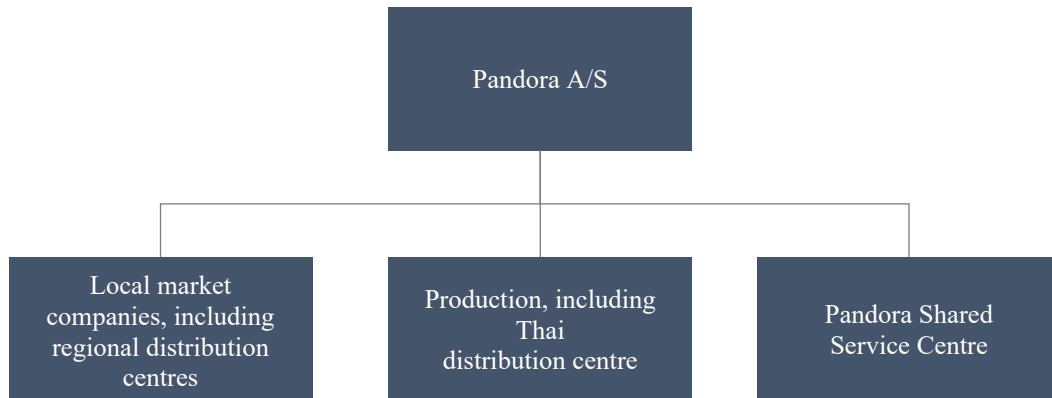
The Issuer's share capital comprises 95,500,000 shares with a nominal value of DKK 1 per share as of 31 December 2022. The shares are listed on Nasdaq Copenhagen. The table below shows the breakdown of the Issuer's ownership structure as at 31 December 2022.

	Shares	Ownership Share ( <i>'000 units</i> )	Voting Rights
Danish institutions .....	10,172	10.7%	10.7%
Foreign institutions.....	66,946	70.1%	70.1%
The Issuer* .....	6,105	6.4%	0%
Other shareholders.....	11,197	11.7%	11.7%
Non-registered shareholders.....	1,080	1.1%	1.1%
<b>Total.....</b>	<b>95,500</b>	<b>100%</b>	<b>93.6%*</b>

\*The shares held by the Issuer are treasury shares without voting rights.

## Structure

A simplified organisational structure chart of the Group is set out in the figure below.



## Selected Financial Information and key ratios

The table below sets out the key financial highlights and key ratios for the Group for the 2022 and 2021 financial years (audited):

	2022	2021
Revenue ( <i>DKK millions</i> )	26,463	23,394
Earnings before interest, tax, depreciation and amortisation (EBITDA) ( <i>DKK millions</i> ) (non-IFRS)	8,716	7,838
Operating profit (EBIT) ( <i>DKK millions</i> )	6,743	5,839
Organic growth (%)	7%	23%
Revenue growth (%)	13%	23%
Operating margin (EBIT) (%)	25.5%	25%
Operating margin before depreciation and amortisation (%) (non-IFRS)	32.9%	33.5%
Capex ratio (capex/revenue) (%) (non-IFRS)	4.9%	2.7%
Free cash flow ( <i>DKK millions</i> ) (non-IFRS)	2,602	5,137
Return on invested capital (ROIC) (%) (non-IFRS)	48%	59%
Total assets per end of period ( <i>DKK millions</i> )	22,013	18,542
Earnings per share (EPS), diluted ( <i>DKK</i> )	53.7	41.7

## Cost Structure

The Issuer has a flexible cost structure with almost 100% of cost of sales being variable which accounts for 31% of the sum of total operating expenses and cost of sales. For the year ended 31 December 2022, 20% of total operating expenses (representing 13% of the sum of total operating expenses and costs of sales) was variable while 28% of total operating expenses (representing 19% of the sum of total operating expenses and costs of sales) was semi-variable. This results in 63% of the sum of total operating expenses and costs of sales being variable or semi-variable, which helps to protect the profitability in a situation where revenue is declining.

## Description of alternative performance measures

This section provides further information relating to alternative performance measures ("APMs") for the purposes of the guidelines published by the European Securities and Markets Authority ("ESMA"). Certain of the financial measures included in the "Description of the Issuer" above can be characterised as APMs and we set out below a summary of the APM used, the definition, bases of calculation and reconciliation of such APMs and the rationale for their inclusion.

The Issuer believes that the presentation of these APMs is helpful to investors because these and other similar measures are used by certain investors as supplemental measures of performance and liquidity. However, these measures are not measures of financial performance under IFRS and should not be considered in isolation or as a substitute for operating profit, cash flow from operating activities or other financial measures of the Group's results of operations or liquidity computed in accordance with IFRS. Other companies, including those in the Group's industry, may calculate these measures differently from the Group. As all companies do not calculate such measures in the same manner, the presentation of these measures pertaining to the Group may not be comparable to other similarly titled measures of other companies.

<b>Measure</b>	<b>Definition</b>
Sell-out growth .....	Like-for-like including stores which have been operating for 12 months or more and stores which are temporarily closed due to COVID-19
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)
Revenue growth.....	The current year's revenue less the prior year's revenue, divided by the prior year's revenue
EBITDA .....	Earnings before interest, tax, depreciation and amortisation
EBITDA margin .....	EBITDA divided by revenue
EBIT .....	Earnings before interest and tax
EBIT margin.....	EBIT divided by revenue
Free cash flow.....	Cash flow from operating activities, excluding financial items and cash flow from investing activities (excluding acquisitions of subsidiaries and activities) and including lease payments
Capital expenditure (Capex).....	Purchase of intangible assets and property, plant and equipment for the year, excl. acquisitions of subsidiaries
Capex Ratio .....	Capex divided by revenue
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
Return on invested capital (ROIC).....	EBIT divided by invested capital incl. goodwill
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 divided by EBITDA (rolling 12 months)
Cash conversion incl. lease payments .....	Free cash flow before acquisitions divided by EBIT

The table below sets forth the reconciliation of EBITDA, CAPEX ratio, free cash flow, net working capital, Invested capital and ROIC.

<b>DKK million</b>	<b>2022</b>	<b>2021</b>
Operating profit (EBIT)	6,743	5,839
+ Depreciations and amortisation	1,973	1,999
<b>Operating profit before depreciation and amortisation (EBITDA)</b>	<b>8,716</b>	<b>7,838</b>
<b>Operating margin before depreciation and amortisation (EBITDA margin) (%)</b>	<b>32.9%</b>	<b>33.5%</b>
Intangible assets, additions	361	300
Property, plant and equipment, additions	929	341
<b>Capital expenditure (Capex)</b>	<b>1,290</b>	<b>641</b>
<b>Capex Ratio (Capex/revenue) (%)</b>	<b>4.9%</b>	<b>2.7%</b>
Cash flows from operating activities, net	4,434	6,228
- Finance income received	-7	-3
- Finance cost paid	466	468
Cash flows from investing activities, net	-1,785	-631
- Acquisition of subsidiaries and activities, net of cash acquired	562	66
<b>Free cash flows excl. lease payments</b>	<b>3,670</b>	<b>6,128</b>
- Repayment of lease commitments	-1,068	-991
<b>Free cash flows</b>	<b>2,602</b>	<b>5,137</b>
Inventories	4,211	2,991
Trade receivables	1,262	1,009
Trade payables	-3,131	-3,267
<b>Operating working capital</b>	<b>2,342</b>	<b>732</b>
Other receivables	1,078	808
Current provisions	-649	-750
Commodity derivatives, net	133	-113
Contract liabilities	-136	-163
Other payables	-1,666	-1,694
<b>Net working capital</b>	<b>1,104</b>	<b>-1,181</b>
Intangible assets	7,568	7,094
Property, plant and equipment	2,226	1,816
Right-of-use assets	2,978	2,532
Other non-current financial assets	249	222
Non-current provisions	-363	-416
Net working capital	1,104	-1,181
Deferred tax, net	1,089	778
Currency derivatives, net	23	-27
Income tax receivables/payables, net	-913	-935
<b>Invested capital</b>	<b>13,961</b>	<b>9,884</b>
<b>Return on invested capital (ROIC) (%)</b>	<b>48%</b>	<b>59%</b>

## The Pandora business

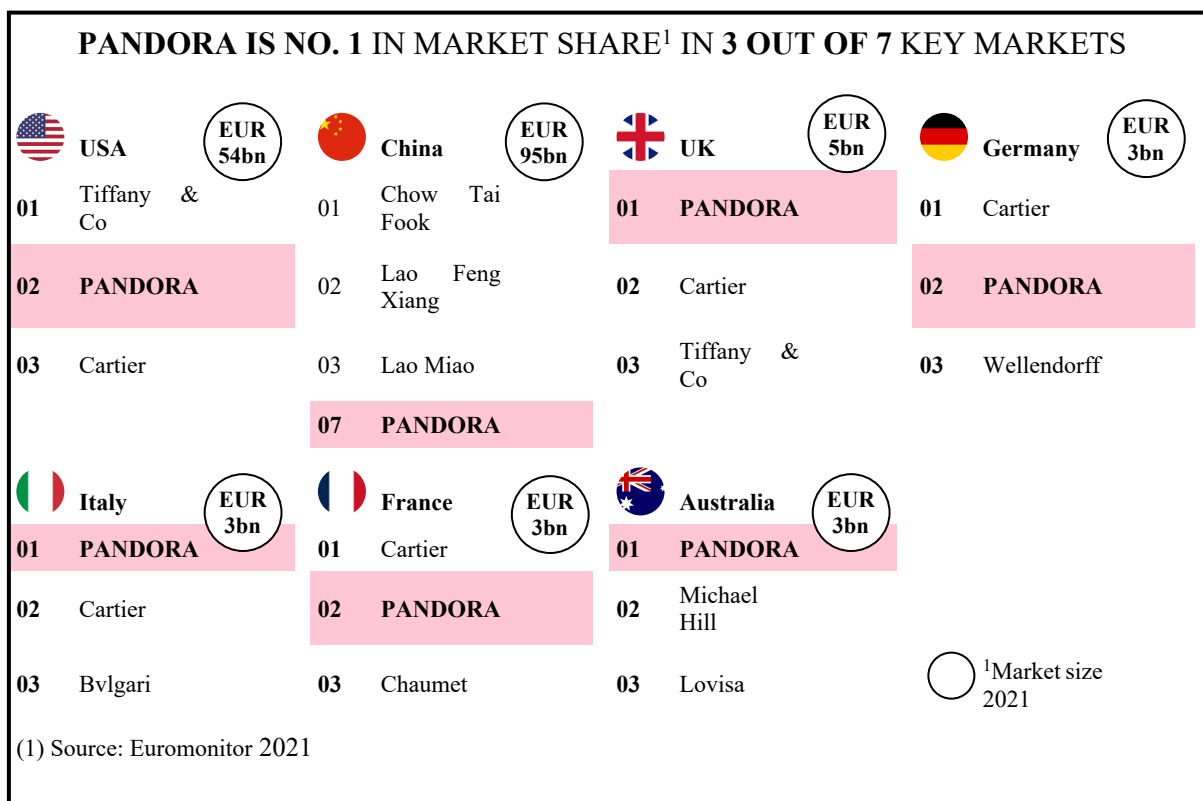
### Further market description

In 2022, the global market for jewellery products was worth an estimated DKK 1,900 billion (Source: Statista Global Jewellery Market Survey 2022).

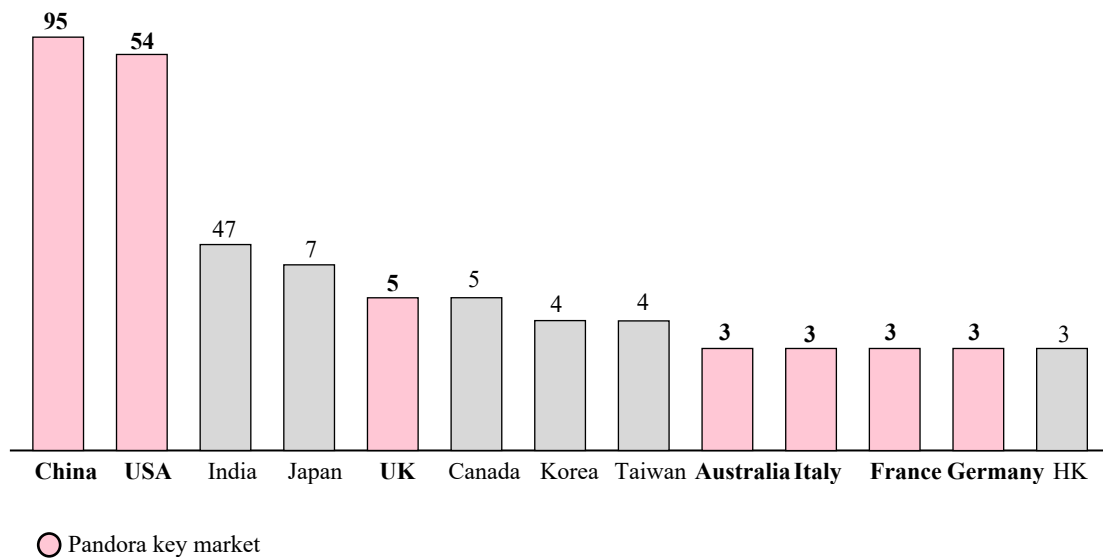
Based on data from Euromonitor, the global jewellery market grew by 4% p.a. during the period 2009-2019 (Source: Euromonitor data 2009-2019). The Asia Pacific region captures the largest revenue share of the global jewellery market (approximately 60% in 2021) and is expected to show high growth in the coming years. The large market share in the Asia Pacific region is mainly attributed to the high demand for jewellery from densely populated countries in the region, including India and China where precious metal jewellery is used on a large scale. China has historically been the leading country in the Asia Pacific market for jewellery, which is attributable to the increasing spending power of the population arising from the swiftly developing economy, although the COVID-19 pandemic has had a negative impact on spending power and consumer confidence (Source: Grand View Research – Jewellery Market Analysis Report 2017-2020).

The jewellery industry is largely fragmented, with branded jewellery representing approximately 20% of the total market. Branded jewellery is expected to outperform non-branded jewellery, among other reasons driven by its stronger e-commerce and omni-channel capabilities than non-branded jewellery (Source: The State of Fashion 2021 – McKinsey & Company).

As shown in the table below (in the assessment of Euromonitor in 2021) Pandora is a global market leader in its key markets, with the largest market share in three out of seven key markets and placement in the top two market share leaders in six out of seven key markets. Pandora, being a global affordable jewellery company, has a strong competitive position among the 10 largest jewellery companies. Furthermore, Pandora sees vast untapped growth opportunities in China, South Korea and Canada which are all existing markets. Pandora has ceased all business with Russia and Belarus following Russia's invasion of Ukraine. The business in those two countries made up less than 1% of Pandora's total revenue in 2021.



## Top 13 jewellery markets in the world (EUR billion)<sup>1</sup>



(1) Reflects the largest markets in the world, i.e. not necessarily Pandora's biggest markets. Source: Euromonitor and Issuer's internal data.

### Business strategy

In May 2021, Pandora completed a two-year turnaround programme, Programme NOW, and introduced a new growth strategy, Phoenix. The strategy has four pillars aiming at delivering sustainable and profitable revenue growth.

#### *Brand – Fuel the brand desirability and reach*

Pandora is a global affordable luxury brand with a high level of consumer awareness, strong brand equity and a loyal customer base. Pandora's global unaided brand awareness remains well ahead of the closest competitor, and Pandora is ranked number one in five out of seven key markets. To ensure that Pandora continues to excite customers and win the hearts of the new generations, Pandora intends to focus on increasing brand desirability. Using behavioural science, data analytics and social listening to understand consumers, Pandora can create more engaging, authentic and culturally relevant brand experiences across all touchpoints, including products, campaigns, stores, the selling ceremony, online and more. Over the past years, Pandora has increased media investments considerably, and will continue to invest at a competitive level to maintain brand awareness leadership in today's complex and fragmented media landscape.

#### *Design – Create customer-centric innovation*

Pandora has three clear design priorities: Drive the core (the Moments original charms and bracelet offering), fuel the brand with more platforms, and establish dedicated support models for each platform. Moments has formed the basis for Pandora's success over the past two decades. Today, Moments, including collaborations with third parties, accounts for 73% of total revenue as of 31 December 2022. Pandora sees ample opportunities to continue growing the Moments business by ensuring a strong pipeline of innovation behind charms and charms carriers, personalisation and collaborations. Combined with commercial focus and visibility, this will ensure future building on core strength. To further fuel the brand, Pandora has added new product platforms to the assortment which are designed to target specific consumer segments and to drive incremental growth. New platforms are considered low-risk opportunities, as they are built on existing assets and infrastructure. When going to market, Pandora introduces new platforms in steps to test, learn and adjust before potentially scaling up. In 2022, Pandora rolled out new platforms such as "Pandora ME"



and "Diamonds by Pandora". Pandora ME generated 40% in sell-out growth<sup>2</sup> in 2022 compared to 2021. Pandora continued to diversify the platform's proposition by launching the first gold-plated pieces in October 2022. Diamonds by Pandora delivered a sell-out growth of 130% and ended the year 2022 at DKK 213 million in revenue. In 2022, the 0.15 carat lab-created diamond ring was the bestseller among consumers. In addition, strategic collaborations continue to drive growth. The Marvel collaboration was successfully launched with the goal of further expanding brand awareness and building other co-created universes.

#### *Personalisation – Personalise the customer experience*

A key strength at Pandora is the direct relationship with millions of consumers through a strong owned and operated retail network and online touchpoints. This connection leads to more than 600 million customer visits to stores and online platforms in 2022, and provides rich insights on purchase history, website visits, email and paid media, allowing Pandora to offer a better and more personalised service throughout the customer journey. In 2022, Pandora launched the Personalisation Centre of Excellence as the focal point for these efforts. The team works in cross-functional "pods" based on mixed disciplines spanning marketing, data science and technology. Each pod is responsible for a critical customer group (for example repeat buyers or gifters) and has specific goals to achieve (for example the number of occasions where a gifter buys Pandora). To further drive personalisation, Pandora launched the loyalty programme, My Pandora, in France. By offering members exclusive benefits and effectively gathering customer data, the programme has proven to significantly increase customer value. My Pandora has over 520,000 members in France and will be rolled out to further markets in 2023.

#### *Core markets – Grow core markets*

Pandora has a rich and diversified geographical presence across the world. There are ample opportunities to grow both the seven key markets and other markets. The markets with the highest potential for growth are the US and China, where Pandora's network footprints are underpenetrated. Additionally, the Pandora brand is not as strong in these markets as in the UK, Italy and Australia, so there is potential to drive revenue growth through higher brand awareness. Markets like France and Germany also represent opportunities for growth, as brand awareness is relatively low in these markets. Pandora also sees growth opportunities outside the key markets, for example in South Korea, Spain, Canada and Latin America. One example is Mexico. Pandora entered Mexico in 2017 and it has seen strong growth in a relatively short time span: revenue increased from DKK 122 million in 2017 to DKK 994 million in 2022.

#### **Pricing**

Historically, Pandora has not regularly adjusted its list prices, but since 2019 the average sales price of its products has increased as a result of a significant reduction in the number of promotional days on which products are sold at reduced prices. In Q4 2022, Pandora rolled out selected price increases across its product portfolio in a few markets amounting to an average increase of 4%. While opening price points and the pricing of strategic items remained unchanged, Pandora adjusted its prices on one third of the product portfolio. Initial internal analysis has shown successful results, and Pandora intends to move ahead with a structured, globalised and regular pricing review to assess future price increases while staying true to the brand promise of affordable jewellery.

#### **Manufacturing facilities**

Pandora operates three manufacturing facilities in Thailand, two in Bangkok and one in Lamphun in the northern part of the country. Thailand has a long tradition of jewellery craftsmanship and a pool of skilled craftspeople and many local suppliers of jewellery raw materials. Pandora's crafting facilities combine centuries-old crafting traditions and high-quality materials with modern production techniques. Every piece is hand-finished by experienced and skilled craftspeople, and Pandora can quickly upscale production of high-demand products when needed. Pandora employs more than 11,500 craftspeople at the two sites.

Pandora crafts approx. 89% of its jewellery at its three facilities in Thailand. A smaller volume is crafted at and purchased from a limited number of OEM and ODM suppliers located both in Thailand and in other

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<sup>2</sup> "Sell-out growth" is in this document defined as "like-for-like including stores which have been operating for +12 months and stores which are temporarily closed due to COVID-19".

countries in East and South East Asia, Europe and the USA. The total in-house manufacturing capacity is approximately 120 million pieces per annum.

In 2022, Pandora announced plans to build a new crafting facility in Vietnam to become more resilient to potential supply disruptions.

### ***Responsible sourcing***

Ensuring the sustainability of Pandora's suppliers is fundamental to Pandora's success as a business. As well as reducing the environmental impact in Pandora's supply chain, Pandora has a responsibility to ensure that its activities do not adversely impact on the human rights of the workers in its supply chains. Our Responsible Sourcing Programme is aligned with the OECD Due Diligence Guidance for Responsible Supply Chains which defines requirements for responsible business practices throughout the jewellery supply chain.

The crafting of most of Pandora's jewellery at the three facilities in Thailand means that Pandora can operate a lean product supply chain that allows the building of long-term relationships with its suppliers and focus on minimising risks.

Social audits form a part of Pandora's Responsible Sourcing Programme (available on the Issuer's website) to help monitor how well Pandora's suppliers adhere to Pandora's Supplier Code of Conduct (available on the Issuer's website). Although Pandora recognises the shortcomings of social audits, it views them as a minimum starting point for engaging suppliers on the importance of decent working conditions. All direct product and high-risk indirect suppliers, such as point-of-sale and furniture and fixtures suppliers, are screened according to identified risk criteria. Pandora's Transparency in Supply Chains statement (available on the Issuer's website) provides further information on its approach to auditing suppliers.

The items sourced by Pandora are primarily silver, gold, copper, palladium and man-made stones such as nanocrystals and cubic zirconia. Leather, polyester and glass are also used, although in significantly smaller volumes. Wood-based materials and plastic for Pandora's point-of-sale materials are also used, e.g. as packaging material.

### ***Distribution***

Pandora's business model is vertically integrated. Pandora controls the entire value chain: design, production, distribution and sales. This model allows Pandora to benefit from scalability and flexibility, maintain a clear and complete overview of operations, and develop products and activities to match changing market needs.

Pandora's products are sold in more than 100 countries through more than 6,500 points of sale, consisting of physical store distribution and online distribution. These can be further divided into the following sales

channels:

### Physical stores distribution

CONCEPT STORES	SHOP-IN-SHOPS	MULTI-BRANDED STORES
DKK 15.7 billion revenue <sup>1</sup> 61% of total revenue <sup>1</sup>	DKK 3.3 billion revenue <sup>1</sup> 13% of total revenue <sup>1</sup>	DKK 1.1 billion revenue <sup>1</sup> 4% of total revenue <sup>1</sup>
<ul style="list-style-type: none"><li>• Size: 40-80m<sup>2</sup></li><li>• Full product assortment</li><li>• Dedicated Pandora staff</li><li>• Pandora facade, fixtures and furniture</li></ul>	<ul style="list-style-type: none"><li>• Size: above 8m<sup>2</sup> in defined area</li><li>• Full product assortment</li><li>• Dedicated Pandora staff</li><li>• Pandora fixtures and furniture</li></ul>	<ul style="list-style-type: none"><li>• Size: up to 8 m<sup>2</sup></li><li>• Part of assortment</li><li>• No dedicated staff</li><li>• Pandora display and optionally some fixtures and furniture</li></ul>

### Online distribution

ONLINE
DKK 5.6 billion revenue <sup>1</sup> 22% of total revenue <sup>1</sup>
<ul style="list-style-type: none"><li>• Full product assortment</li><li>• Free return policy</li><li>• Buy now, pay later feature</li></ul>

Note: (1) 2022 revenue for retail and wholesale and excludes distributor revenue of DKK 721m (2) Shipping prices vary by country (2) Year-end 2021

Approximately 72% of Pandora's total revenue comes from the store network owned and operated by Pandora. Franchise and third-party distribution cover approximately 28% of Pandora's total revenue.

The store network can be divided into "concept stores" and "other points of sale":

<b>STORE NETWORK</b>			
<b>Number of points of Sale<sup>1</sup></b>	<b>2022</b>	<b>2021</b>	<b>Growth</b>
<b>Concept stores</b>	<b>2,542</b>	<b>2,454</b>	<b>88</b>
- of which Pandora owned <sup>2</sup>	1,653	1,423	230
- of which franchise owned	588	700	-112
- of which third-party distribution	301	331	-30
<b>Other points of sale</b>	<b>3,985</b>	<b>4,080</b>	<b>-95</b>

<sup>1</sup> As of the first three months ending 31 March 2022, Pandora excludes concept stores and other points of sales from third-party distribution related to Russia and Belarus. Comparative figures for 2021 were restated accordingly.

<sup>2</sup> Pandora does not own any of the premises (Land and buildings) where stores are operated. Pandora exclusively operates stores from leased premises.

### ***Inventory***

In 2022, Pandora deliberately increased inventories over the low point at the end of 2020 of DKK 1.9 billion and as at the end of 2022 its inventory position was DKK 4.2 billion, down DKK 1 billion compared to Q3 2022. Pandora's inventory position remains healthy, and Pandora does not expect to increase markdowns in order to reduce its inventory position.

### ***Intellectual property***

Pandora invests significant resources in identifying, protecting and enforcing its intellectual property rights (IPR), and has established processes to reduce risk of infringing third-party IPR.

In the design creation processes, innovation processes and market communication creation processes, Pandora's team of IPR lawyers advises on how to reduce risk of third-party IPR infringements.

In addition, intellectual assets deriving from the creative and innovative processes are identified and selected for protection by either registration (trademark, design, copyright or patent protection) or as unregistered rights, e.g., as unregistered design rights, trade secrets or know-how.

Pandora holds a comprehensive portfolio of trademark registrations protecting its core marks (name, logo, collection names) in all relevant markets for its relevant products and services, a wide range of design registrations and copyright registrations covering many of its designs in selected markets, as well as several patent families covering innovative product solutions in selected markets (the "**IPR Portfolio**"). Pandora ensures that the IPR Portfolio remains relevant for the business. The IPR Portfolio is managed by external service providers based on instructions from Pandora's IPR team.

Pandora enforces its IPR Portfolio against counterfeits and other infringements globally, online and offline, by a highly effective inhouse brand protection team assisted by external service providers. The brand protection set up includes customs surveillance and training, notice and take-down procedures on, e.g., stand-alone websites, social media and e-market places, as well as administrative, civil and criminal proceedings in more severe infringement cases.

When Pandora occasionally is alleged to have infringed third-party IPR, it defends its position and is generally capable of documenting its independent creation processes and thus finding amicable solutions with the claimants.

The processes and cooperation between Pandora's in-house innovative/creative teams and legal/IPR teams, as well as working with highly engaged and qualified external service providers globally, ensures a smooth IPR operation.

### ***Research and Innovation and Product Development***

Pandora operates a large in-house design team which creates most of its jewellery designs. In addition, a notable number of designs are developed in close collaboration with the in-house Innovation and Product Development team (I&PD), which is located at Pandora's manufacturing facility in Bangkok, Thailand.

Based on overall direction from various stakeholders, i.e., the design team and the marketing team, the I&PD team works on various innovations and ideas, e.g., the development of new technical solutions and new materials. If proof of concept is established, the innovation is integrated into Pandora's standard development process in preparation for final launch.

The I&PD team also works with research and development for future projects which are in Pandora's pipeline of new launches within the next two to three years. Throughout the innovation pipeline process the I&PD team meets with various parts of Pandora's business to confirm project commitment and launch authorisation.

Moreover, Pandora operates various in-house Production Excellence Teams whose primary focus is researching and developing innovative production solutions. Pandora has Production Excellence Teams tied to the plating facilities and the production line facilities, all located in Thailand.

### ***Network expansion***

Pandora sees significant value creation opportunities through network expansion. This includes both new store openings and potential takeovers or acquisitions of franchise and distribution partners. In 2021, Pandora identified roughly 600 locations across its markets where it sees a potential for opening new stores. Of these 600 locations, 50% are in the United States and China, 80% are concept stores, and the remainder is a mix of shop-in-shops, pop-up shops and kiosks. Opening of new stores is EBIT-margin accretive, has a short payback on the initial CAPEX investment of roughly one year and an attractive low-risk profile.

In 2022, Pandora opened 88 concept stores in line with the guidance range of 70 to 100 openings. The store openings were mainly in the USA and China and are part of Pandora's ambition to increase the overall footprint in these markets closely linked to the Phoenix strategy, which was announced at Pandora's Capital Markets Day on 14 September 2021. Pandora expects to open a further 50 to 100 concept stores and 50 to 100 owned and operated shop-in-shops in 2023.

In general, store network expansion usually happens through three distinct paths:

- opening a new store in a new location (greenfield) as a concept store, or shop-in-shop, pop-up store, kiosk or similar (other points of sale);
- taking over one or more existing stores in connection with the expiry of an existing franchise or distribution agreement, where Pandora assumes the leasehold, the existing inventory and store staff, but without payment of any goodwill; and
- a traditional acquisition of one or more franchise stores or entire distribution activities, including payment for goodwill.

In 2022, Pandora acquired 25 concept stores and nine other points of sale from third-party distribution stores in Portugal, and the Portuguese market is now being operated by Pandora through Pandora-owned stores.

Furthermore, in 2022 Pandora acquired a total of 50 franchise stores in the United States and opened approximately 130 other points of sales (shop-in-shops, pop-up shops and kiosks). The opening of other points of sales was mainly in Latin America, which contributed 83 of the openings. Additionally, Pandora acquired a number of shop-in-shops in Spain.

In general, franchise and distribution takeovers and acquisitions are based on potential performance, operational set-up and scale, and opportunities are always assessed on a case-by-case basis. When Pandora takes over or acquires a store from a franchise partner it is roughly EBIT-margin neutral, as Pandora takes on the full operational expenses but at a revenue mark-up of around 1.8-2.0x when converting to retail revenue. Additionally, Pandora recognises a temporary drag on gross margin from inventory buybacks as for a three to six month period Pandora has the gross margin of a wholesaler while the inventory bought back is sold.

## *Sustainability*

Pandora is transforming its business to help shape the future of luxury in jewellery. In Pandora's business strategy, Phoenix, sustainability counts as one of four foundational pillars that will support Pandora's long-term growth ambitions. Placing sustainability at the core of its business reflects that Pandora strives to be a responsible and leading global brand. Pandora has developed a sustainability linked finance framework (available on the Issuer's website at [www.pandoragroup.com/investor/debt-investor/emtn-programme](http://www.pandoragroup.com/investor/debt-investor/emtn-programme)) (the "**Sustainability-Linked Finance Framework**"). Moody's has issued its Second Party Opinion, dated 28 February 2023, on the Issuer's Sustainability-Linked Finance Framework and alignment with the ICMA SLB Principles which is also available on the Issuer's website at [www.pandoragroup.com/investor/debt-investor/emtn-programme](http://www.pandoragroup.com/investor/debt-investor/emtn-programme)). The Sustainability-Linked Finance Framework sets out the following five components (i) selection of KPIs, (ii) calibration of SPTs, (iii) Sustainability-Linked Notes characteristics, (iv) reporting, and (v) verification. The three KPIs and the related sustainability performance targets ("**Sustainability Performance Targets**" or "**SPTs**") are described below.

### *Pandora's positions and ambitions*

The overall ambition is for Pandora to be a sustainability leader in the jewellery industry. Pandora wishes to lead by example to contribute to the sustainable transformation of the industry and to significantly lower its impact on the planet and create positive outcomes for people and communities touched by its business.

This not only serves as good corporate citizenship, but also future-proofs Pandora as an array of new demands on companies such as Pandora from regulators, investors, consumers and other stakeholders is expected.

Pandora's sustainability strategy has three overarching priorities: low-carbon business, circular innovation, and an inclusive, diverse and fair culture. These are all highly material and drivers of future growth and opportunities for positive impact. Pandora has set ambitious long-term targets and developed detailed roadmaps for each of the three priorities.

### *Low-carbon business*

Transitioning Pandora to be a low-carbon business in support of the world community's climate efforts is front and centre of Pandora's sustainability strategy. Pandora's fully integrated business model and historical focus on renewable materials allow Pandora to move fast, and it has committed to climate targets that remain among the most ambitious in the jewellery industry based on publicly available information on the Science Based Targets initiative website – <https://sciencebasedtargets.org>. Pandora is working towards two long-term targets on carbon emissions, approved by the Science Based Targets initiative:

- to cut greenhouse gas emissions by 50% across its own operations and entire value chain of suppliers and business partners by 2030 (Scopes 1, 2 and 3) from a 2019 baseline with the following sub-targets:
  - reduce emissions by at least 90% by 2025 from a 2019 baseline (Scopes 1 and 2 market-based). Carbon removal mechanisms and offsets will balance out any remaining emissions to achieve carbon neutrality ("**KPI 1**"); and
  - reduce value chain emissions by 42% by 2030 from a 2019 baseline (Scope 3) ("**KPI 2**").

the above sub-targets (Scopes 1 and 2, and Scope 3) being included as SPTs in the case of Sustainability-Linked Notes; and

- to achieve net zero emissions by 2040 by further reducing climate footprint and removing or offsetting any remaining emissions.

By 2022 we have decreased our total greenhouse gas emissions by 6% compared to our 2019 baseline.

*KPI 1 SPT - Reduce absolute Scope 1 and 2 emissions by 90% by 2025 from a 2019 baseline*

Historical performance with respect to KPI 1 since 2019 is shown in the table below.

	2019	2020	2021	2022
Scope 1, mtCO <sub>2</sub> e	1,252	1,250	1,163	1,118
Scope 2, mtCO <sub>2</sub> e	49,862	22,409	20,997	15,028
Scope 1 and 2 (market based), mtCO <sub>2</sub> e	51,114	23,659	22,160	16,146

In 2022, emissions (market based) from own operations were reduced by 27% compared to 2021. This was achieved primarily through the purchase of Renewable Energy Certificates to cover most of Pandora's owned and operated stores and offices in Europe and 100% of electricity consumption at the crafting facilities in Thailand.

With respect to Scopes 1 and 2, Pandora will continue the geographic roll-out of purchasing Renewable Energy Certificates to cover more markets in the short term, while also exploring other opportunities to source renewable energy (for example, Power Purchase Agreements).

The expected trajectory for achieving the KPI 1 SPT is set out in the table below.

SPT 1 Trajectory	2023	2024	2025
Scopes 1 and 2, mtCO <sub>2</sub> e	11,000	2,000	0
Percent reduction against 2019 baseline	-78%	-84%	-90%

*KPI 2 SPT - Reduce absolute Scope 3 emissions by 42% by 2030 from a 2019 baseline*

Historical performance with respect to KPI 2 since 2019 is shown in the table below.

	2019	2020	2021	2022
Scope 3, mtCO <sub>2</sub> e	245,663	242,416	255,290	264,224

In 2022, Pandora's Scope 3 emissions increased by 4% as compared to 2021 largely due to a higher level of purchased goods and services. Reductions were seen in other areas as a result of increased supplier-specific data. The overall Scope 3 increase was expected and reductions are expected to materialise in the coming years.

With respect to Scope 3, in 2023 and in the following years, Pandora will continue the development and implementation of its supplier engagement programme and scale outreach to suppliers on collection of carbon footprint data and dialogue on carbon reduction initiatives.

The expected trajectory for achieving the KPI 2 SPT is set out in the table below:

	2023	2024	2025	2026	2027	2028	2029	2030
SPT 2 Trajectory								
Scope 3, mtCO <sub>2</sub> e	282,964	281,549	266,064	237,462	211,935	189,152	168,818	142,485
Percent reduction against 2019 baseline	15%	15%	8%	-3%	-14%	-23%	-31%	-42%

*Circular innovation - KPI 3 SPT - Procure only recycled silver and gold for the crafting of our jewellery by 2025*

By driving its business towards circularity, Pandora believes it can fundamentally change its impact on the planet and inspire the rest of the industry to follow. Pandora has shifted entirely away from mined gemstones and is working to further eliminate its need for mined metals. Specifically, Pandora has set the target of procuring only recycled silver and gold for Pandora jewellery by 2025 ("**KPI 3**"), and the share of recycled silver and gold purchased in 2022 was 61%. Historical performance with respect to KPI 3 since 2019 is shown in the table below.

	2019	2020	2021	2022
Recycled silver and gold total	60% <sup>1</sup>	57%	54%	61%

Pandora's key activities in this area include circular design and using recycled materials, most importantly the switch from virgin to recycled silver and gold. This is of major importance as the materials used to craft jewellery represent the largest part of Pandora's impact on the planet and natural resources. In addition, efforts go into prolonging the life of each piece of jewellery and reducing production waste through reuse and recycling.

The expected trajectory for achieving the KPI 3 SPT is set out in the table below.

SPT 3 Trajectory	2023	2024	2025
Recycled silver and gold (%)	80%	90%	100%

*Reporting and verification*

Pandora will report on the KPIs and the actual KPI performance in an annual Sustainability Report. The Sustainability Report will be published on Pandora's web page.

Pandora will ensure an external and independent verification, in the form of a limited assurance, of the performance of the KPIs, in their progression towards the respective SPTs, on an annual basis ("**Verification Assurance Report**"). The Verification Assurance Report shall be conducted by an external, independent third-party reviewer with relevant expertise and qualifications, such as an auditor or an



environmental consultant. The Verification Assurance Report, either as part of the Sustainability Report or as a separate report, shall be made public no later than 90 days after the end of each of Pandora's financial years.

### *Inclusive, diverse and fair*

Pandora believes that inclusion, diversity and fairness are core tenets of sustainable business growth. Advancing progress on inclusion and diversity helps Pandora attract and retain customers and drives a new generation of younger consumers to the Pandora brand.

Inclusion and diversity are rooted in Pandora's values and strategy. It is important that its stakeholders feel included and respected by the Pandora brand, regardless of gender, age, nationality and other identity characteristics.

Pandora has set ambitious targets to not only increase diverse representation among employees, suppliers, and business partners, but also to create an inclusive environment in the workplace. In terms of gender representation in leadership, Pandora has set a target of achieving one-third women in leadership by 2025 and reaching full gender parity no later than 2030.

### **People and culture**

#### *Employees*

As of 31 December 2022, Pandora had approximately 32,000 employees, representing at least 125 nationalities and spanning disciplines such as crafting, distribution, retail and office.

#### *Talent, leadership and culture*

The people and sustainability agenda is centred on Pandora's purpose, "We give a voice to people's loves", paired with Pandora's four core values – "We Care", "We Dream", "We Dare" and "We Deliver". Pandora has five integrated people and sustainability priorities as part of its Phoenix strategy:

1. Innovative and agile leader
2. Sustainability leader
3. Empowering and transformational leadership
4. Healthy performance culture and
5. World-class talent

In 2022, Pandora's employee net promoter score (eNPS) was 58, an increase of 20 compared to 2021, and in the top 5% of Pandora's benchmark in the consumer sector.

In 2022, Pandora employees scored Pandora's leadership effectiveness at 8.3, which is a significant increase compared to 7.9 in 2021.

#### **Flexible working and safety**

Pandora wishes to maintain healthy and safe working conditions that as a minimum comply with local laws.

Its Health and Safety Policy covers workers, including contractors and visitors to its sites. Training is provided to all staff, performance is monitored closely, and management and elected employee representatives are engaged in dialogue where relevant.

Pandora focuses on ensuring that employees at its crafting facilities in Thailand have access to proper health services. This includes health promotion activities, wellbeing programmes, 24-hour nurse coverage, occupational physicians' support four hours/week, medical doctors' support four hours/week, and regular health checks for new and existing employees. All these services are provided free of charge to all new employees in accordance with Thai legislation.

### ***Talent for future***

Attracting top external talent is imperative to supporting Pandora's growth agenda, and, during 2022, efforts were made to achieve ambitious recruitment goals in a highly dynamic employment market. In August 2022, Pandora launched a new employer campaign, "Craft the Incredible", to express what it means to work at Pandora and to attract external talent to its global operations. Through activating this campaign, Pandora has been able to attract highly skilled talent from leading brands and across other industries. Its new employer brand was integral to the attraction of approximately 1,100 office colleagues in 2022 and the hiring of more than 4,000 retail colleagues for the peak trading period in Q4 2022.

### ***Workplace environment***

Pandora is investing in the long-term well-being of its employees, and its FutureWork principles for office employees support new ways of working including flexibility for teams to define their own rhythm with no 5-day office requirement, support for home office set-ups enabling employees to work from anywhere within their country of legal employment, and awareness of time-zones with encouragement to limit scheduled meetings on Fridays to allow for planning and dedicated focus time. New flexible working policies include guidelines for virtual meetings, a new e-learning platform and a new digital people portal that focuses on development, goal setting and career growth. Pandora has also introduced role model awards, expanded its incentive programme and launched digital tools for day-to-day work and career growth.

### ***Risk management***

Pandora's most significant risk categories, as set out in the "Risk Factors" section of this Base Prospectus, are: market risks (including macroeconomic and socio-political risks and risks related to the COVID-19 pandemic and possible future pandemics, execution of Pandora's strategic plan, consumer demand and Pandora's product offering, brand relevance and brand access), supply and distribution disruption and retail risks (including risks related to breakdown of crafting facilities and OEM/ODM suppliers, raw materials and components shortages, breakdown of distribution facilities and business partner risks), financial risks (including credit and financial counterparty and currency and commodity risks), and operational risks (including inventory planning and management, people, business interruption and hazards and IT and cyber security risks).

The Issuer has established a Risk Management Board consisting of senior management representatives from key parts and functions of Pandora's value chain. Facilitated by the internal Global Insurance & Risk Office, each member of the Risk Management Board is responsible for identifying, assessing and managing risks in their specific parts of the organisation. The most significant risks to the business are reported quarterly to the Global Insurance & Risk Office, and the reporting process and supporting interviews form the basis of the quarterly risk update submitted to the Risk Management Board. The Executive Leadership Team is responsible for defining Pandora's overall risk profile, and for setting standards for risk-taking and for aligning it with the overall strategies and policies, including mitigation activities. The Board of Directors monitors the overall risk landscape, and reviews the conclusions and recommendations submitted by the Executive Leadership Team on a yearly basis.

### ***Capital Structure***

The Issuer has implemented policies in order to adequately address the financial risk set out in the "Risk Factors" section of this Base Prospectus. These are the following:

*Interest Rate Risk* – to be review once leverage is > 1x and budgeted net interest cost exceeds 1% of last twelve months ("LTM") EBITDA.

*Foreign Currency Risk* – policy to hedge foreign exchange risk related to risk of declining cash flows from exchange rate fluctuations.

*Commodity Price Risk* – policy to hedge minimum 70% of expected purchases based on rolling 12 months production plan.

*Funding Policy* – (i) refinance 12 months before maturity, (ii) at least 20% debt capital markets in funding portfolio, and (iii) maturing debt within 1 year must not exceed LTM EBITDA.

*Liquidity* – policy guideline to always maintain a liquidity buffer of DKK 2 billion.

*Leverage Target* – leverage (NIBD to EBITDA) target between 0.5x – 1.5x.

*Dividends* – (i) to pay a progressive dividend (a stable to growing dividend), and (ii) distribution of excess capital is continuously evaluated based on a comparison of the projected leverage ratio against the target.

The Issuer has established a clear cash prioritisation to support financial stability and business ambitions.

1. *Financial Stability* – retain cash to meet leverage and liquidity objectives in order to maintain investment grade rating.
2. *Investments into Sustainable Growth* – support execution of Phoenix strategy e.g., capital expenditure of 6 to 7% of revenue and forward integration opportunities.
3. *Dividends* – stable to growing dividend at a competitive level as compared with peers.
4. *Share Buybacks* – pay out additional cash to shareholders within capital structure policy.

### ***Legal proceedings***

Neither the Issuer nor any member of the Group is a party to any governmental, legal or arbitration proceedings (and the Issuer is not aware of any such proceedings which are pending or threatened), which may have, or have had during the 12 months prior to the date of this Base Prospectus, a significant effect on the financial position or profitability of the Group.

The Issuer and members of the Group are, in the normal conduct of its business, regularly involved in legal proceedings, i.e., relating to infringements. While the outcome of these legal proceedings is uncertain, the Issuer does not expect any non-provisioned liability arising from any of these legal proceedings to have a material impact on its results of operations, liquidity, capital resources or financial position.

### ***Insurance***

The Issuer takes out customary insurance policies and is of the opinion that the Group's insurance programmes provide adequate risk coverage given the Issuer's current business activities and the business environment that it operates in.

### **Corporate governance**

#### ***Management structure***

The Issuer has a two-tier management structure comprising the Board of Directors and Executive Management. There are no overlapping members.

The Board of Directors determines the Issuer's overall vision, strategy and objectives of the Group's business activities and supervises the performance of Executive Management.

The Group also has an Executive Leadership Team, consisting of enterprise leaders. These individuals are responsible for the day-to-day operations of their respective business and functional areas while at the same time being part of the overall enterprise-wide leadership of the Group.

The Board of Directors, the Executive Management and the Executive Leadership Team further assess the Group's business processes, the definition and implementation of the mission, the organisation, stakeholder relations, strategy, risks, business objectives and controls.

A set of rules of procedure governs the work of the Board of Directors. These rules are reviewed annually by the Board of Directors and updated as necessary. The rules set out the guidelines for the activities of the Board of Directors, while taking into account the obligations derived from the Danish Companies Act.

All members of the Board of Directors are elected by the Issuer's shareholders at the general meeting.

With the exception of Christian Frigast, all members of the Board of Directors are independent in the context of the Danish Recommendations on Corporate Governance. Christian Frigast has been a member of the Board of Directors for more than 12 years and is therefore no longer regarded as an independent director. Nine board meetings were held in the 2022, one of which was a strategy meeting.

The Board of Directors has established three committees: an Audit Committee, a Remuneration Committee and a Nomination Committee, and appoints members and Chairs to these committees from within the Board of Directors. Six Audit Committee meetings, five Remuneration Committee meetings and three Nomination Committee meetings were held in 2022.

Each year, the Board of Directors conducts an internal self-evaluation focusing on the effectiveness and skills of the Board of Directors. The evaluation is focused across seven areas: value creation and strategy, board agenda and meetings (including committees), talent and culture, board composition, Board members' contribution, Chairs' effectiveness, and reporting/risk management. The conclusions are shared with the Chairperson of the Board of Directors, the full Board of Directors and Executive Management, followed by one or more thorough discussion(s). Every third year, and to accommodate the Danish Recommendations on Corporate Governance, the evaluation of the Board of Directors is conducted by an independent third party.

The most recent internal self-evaluation indicates that the Board of Directors continues to consist of individuals who possess relevant skills and experience, are engaged and well-prepared. The structure of the Board of Directors and committee work, including interactions with the Executive Management, is effective and well-functioning.

During 2022, the Board of Directors, among other things, discussed and addressed challenges caused by the war in Ukraine, macroeconomic developments, including increased inflationary pressure, as well as execution and performance of the initiatives of the Phoenix strategy. Furthermore, the Board of Directors spent time on sustainability and compliance matters as well as risk management.

### ***The Audit Committee***

The Audit Committee is, among others, responsible for monitoring the following: the financial reporting and associated processes, including the statutory audit of the financial statements; the Group's internal control systems and risk management systems, including insurance matters; review of the Group's IT security and the auditors' annual IT audit; the independence of the auditors, including the provision of non-audit services to the Group; and the procedure for selecting and making recommendations to the Board of Directors in respect of the appointment of auditors.

In 2022, the Audit Committee met six times. Its main activities in 2022 were to:

- review key accounting principles, significant accounting estimates, key financial risks and compliance with tax regulations;
- monitor the external financial reporting process;
- monitor the effectiveness of internal control and risk management systems, including internal audit;
- monitor the external auditors and their independence;
- review the whistleblowing reporting system and whistleblowing cases;
- review the Issuer's treasury policy; and
- review the Issuer's tax policy.

### ***The Remuneration Committee***

The Remuneration Committee is, among other things, responsible for the remuneration policy for the members of the Board of Directors and the Executive Management.

In 2022, the Remuneration Committee met five times. Its main activities in 2022 are described in the Remuneration Report available at [pandoragroup.com/investor/corporate-governance/remuneration-reports](https://pandoragroup.com/investor/corporate-governance/remuneration-reports).

### ***The Nomination Committee***

The Nomination Committee is, among other things, responsible for assessing and evaluating the members of the Board of Directors and the Executive Management, including performance, skills and experience; nominating candidates to the Board of Directors and the Executive Management; monitoring talent and succession policy and ensuring compliance when proposing members of the Board of Directors, and appointments of the Executive Management and Executive Leadership Team; succession planning for the Executive Management positions; and reviewing and monitoring the Issuer's diversity policy.

In 2022, the Nomination Committee met three times and had a few additional ad hoc exchanges relating to the Board of Directors' self-evaluation. Its main activities during 2022 were to:

- prepare and conduct the assessment of the Board of Directors in accordance with the Danish Corporate Governance Recommendations;
- review cultural enablers that have driven colleague engagement including Pandora's Employee Value Proposition and leadership development programmes;
- assess performance of the Executive Management and cooperation between the Board of Directors and the Executive Management; and
- review succession planning for Executive Management roles.

### ***Remuneration of the Board of Directors and the Executive Management***

At the annual general meeting held on 11 March 2021, the shareholders adopted an updated Remuneration Policy for the Issuer which was prepared and presented by the Board of Directors. Further, an updated Remuneration Report is presented each year for an advisory vote at the annual general meeting. The last such vote was at the annual general meeting held on 10 March 2022. The Remuneration Policy is available on the Issuer's website. The Remuneration Report complies with Section 139(b) of the Danish Companies Act.

### ***Recommendations on corporate governance***

The recommendations of the Danish Committee on Corporate Governance were revised on 2 December 2020 with effect from the financial year commencing on 1 January 2021. The Issuer reports on these recommendations as required by Supplement A – Nasdaq Copenhagen to Nasdaq's Nordic Main Market Rulebook for Issuers of Shares. The Board of Directors reviews the recommendations in force on a regular basis and at least once a year. The recommendations consist of 47 individual recommendations and the Issuer complies fully with all recommendations.

The Danish Committee on Corporate Governance recommends that 50 per cent. of the board members who have been elected by the shareholders at the annual general meeting must be “independent”. Pandora complies with this requirement even though Christian Frigast is not considered to be an independent board member (due to his having been a member of the board for more than 12 years).

The Issuer's position on each of the recommendations as well as a description of the internal control and risk management system relating to financial reporting can be found in its Corporate Governance Statement which is prepared pursuant to Section 107(b) of the Danish Financial Statements Act and is available on its website.

### ***Global Data Ethics Policy***

The Board of Directors has adopted a Global Data Ethics Policy which applies to all members of the Group. In working with data, the Issuer ensures that appropriate measures are in place to safeguard ethical data processing, and it has implemented extensive security measures to ensure secure storage of data.

The Issuer and the Group adhere to a high standard of data ethics, and solely use and process data for legitimate purposes that serve shared benefits for all interested parties. Data processing in the Group must never lead to any form of discrimination or biased decisions, decision-making or results. Regardless of how any subsidiary in the Group collects data, applicable data privacy laws are always respected. When sharing

data, the Issuer and the Group impose high standards on the recipients to ensure appropriate data security. The Issuer and the Group never sell data to any third party.

In 2021, the Issuer adopted a Global Data Ethics Policy, cf. section 99(d) of the Danish Financial Statements Act. The policy, which is available at: [pandoragroup.com/investor/corporate-governance/data-ethics](https://pandoragroup.com/investor/corporate-governance/data-ethics), is built on its care and respect for consumer and employee privacy. The Issuer and the Group apply equality and fairness in the processing of data, they respect the person behind the data, and they focus on sustainable data practices.

### ***Artificial Intelligence***

The Issuer and the Group also recognise the importance of artificial intelligence safety and have, for this purpose, created a Global AI Safety Standard which came into force on 1 August 2022. The Issuer is committed to conducting business in full compliance with the principles for the safe use of AI as set out in the Global AI Safety Standard and will begin implementation of these principles in 2023.

### ***Board of Directors***

The members of the Board of Directors, the Audit Committee, the Remuneration Committee and the Nomination Committee are listed below. The address of the directors is the registered office of the Issuer.

<b>Name</b>	<b>Position</b>	<b>Other Board positions</b>
Peter A. Ruzicka	Chair of the Board of Directors	Chair of Royal Unibrew A/S
	Chair of the Remuneration Committee	Board member in Axfood AB, Aspelin Ramm Gruppen AS and
	Member of the Nomination Committee	AKA AS
Christian Frigast	Deputy chair of the Board of Directors	Chair of Axcel Management A/S, Aktive Ejere (Active Owners Denmark) and Danmarks Skibskredit Holding A/S
	Chair of the Nomination Committee	Deputy chair of PostNord and Axcel Advisory Board
	Member of the Remuneration Committee	Board member in Danmarks Skibskredit A/S, Frigast A/S, Nissens A/S, Danmarks Eksport- og Investeringsfond and CBS Executive Fonden
Birgitta Stymne Göransson	Board member	Chair of Industrifonden and Min Doktor AB
	Member of the Audit Committee	Board member in Asker AB, Elekta AB and Bure Equity AB
	Member of the Nomination Committee	
Marianne Kirkegaard	Board member	Executive chair of Baker & Baker UK Ltd.
	Member of the Nomination Committee	Board member in Faerch Group, Salling Group A/S, BioMar and AAK AB
Catherine Spindler	Board member	
	Member of the Audit Committee	
Jan Zijderveld	Board member	Board member in Ahold Delhaize N.V.

<b>Name</b>	<b>Position</b>	<b>Other Board positions</b>
	Member of the Remuneration Committee	
	Member of the Audit Committee	
Heine Dalsgaard	Board member Chair of the Audit Committee	Board member in Novozymes A/S

The members of the Executive Leadership Team are listed below.

<b>Name</b>	<b>Position</b>	<b>Other Board positions</b>
Alexander Lacik	Chief Executive Officer	Member of the board of Coxa Carry International AB and the advisory board of the World Retail Council
Anders Boyer	Chief Financial Officer	
Stephen Fairchild*	Chief Product Officer	
Mary Carmen Gasco-Buisson*	Chief Marketing Officer	
Martino Pessina*	Chief Commercial Officer	
Jeerasage Puranasamriddhi*	Chief Supply Officer	
Byron Clayton*	Chief HR Officer	Member of the board of the American Club of Denmark (non-profit)
David Walmsley*	Chief Digital & Technology Officer	

\*Not registered with the Danish Business Authority as part of the Executive Management.

### ***Statement of conflict of interest***

No member of the Board of Directors, the Audit Committee, the Remuneration Committee and the Nomination Committee or of the Executive Leadership Team has any conflict of interest between their duties to the Group and their private interests or other duties.

### ***Share capital***

As of 31 December 2022, the Issuer's nominal share capital was DKK 95,500,000. Each share has a nominal value of DKK 1 and entitles the holder to one vote. The shares are negotiable instruments and are listed on Nasdaq Copenhagen (since 2010).

The Board of Directors may increase the Issuer's share capital by a nominal value of up to DKK 50 million in one or more issues of shares with pre-emption rights for existing shareholders. Furthermore, the Board of Directors may increase the Issuer's share capital by a nominal value of up to DKK 10 million in one or more issues of shares without pre-emption rights for existing shareholders and issue convertible bonds with a value of up to DKK 10 million, provided that the increase without pre-emption rights for existing shareholders and the issuance of convertible bonds cannot combined exceed DKK 10 million. Both authorisations are valid until and including 10 March 2026.

Furthermore, the Board of Directors has been authorised to acquire treasury shares of up to 10% of the Issuer's share capital, provided that the Issuer's total holding of treasury shares does not exceed 10% of the Issuer's share capital at any time. The highest and lowest amount to be paid for the shares by the Issuer is

the price applicable at the time of purchase +/- 10%. This authorisation is valid until and including 10 March 2027.

### **General meetings**

At general meetings, matters are decided by a simple majority of votes. Resolutions to amend the Issuer's articles of association require that the resolution is adopted by not less than two-thirds of the votes cast as well as of the voting share capital represented at the general meeting.

There are no special provisions governing the election of members to the Board of Directors.

### **Change of control**

There are no arrangements known to the Issuer the operation of which may in the future result in a change in control of the Issuer.

The current financing agreements between the Issuer and its lenders are subject to a change of control clause by which a lender can cancel its commitment in the event of a change of control. A change of control is defined as one or more persons acting in concert gaining direct or indirect control of the Issuer. Control is defined as power to cast more than 35% of the maximum number of votes at the general meeting, or the power to appoint or remove all or the majority of the directors or equivalent officers or the power to give directions with respect to the operating or financial policies of the Issuer.

No other agreements are to the knowledge of the Issuer in place that would be affected in the event of a change of control of the Issuer resulting from a takeover, and no special agreements have been made between the Issuer, its management or employees if their positions are discontinued due to a change of ownership.

### **Shareholders**

The identified institutional shareholder base of the Issuer was 80.8% at the end of 2022, compared to 79.6% on 31 December 2021. Institutional investors based outside Denmark held 70.1% of the Issuer's shares on 31 December 2022, compared to 69.0% on 31 December 2021.

As at the date of this Base Prospectus, three shareholders (including the Issuer) have reported to the Issuer, pursuant to section 55 of the Danish Companies Act and section 38 of the Danish Capital Markets Act, that they hold 5% or more of the share capital or voting rights of the Issuer. The table below sets out such share ownership.

<b>Shareholders with more than 5% of the share capital</b>	<b>Ownership</b>	<b>Share voting rights</b>
BlackRock, Inc.	more than 5% but less than 10%	more than 5% but less than 10%
Parvus Asset Management Europe Limited	more than 5% but less than 10%	more than 5% but less than 10%
The Issuer	As at 20 February 2023, the Issuer owns a total of 6,675,842 treasury shares, corresponding to 7.0% of the Issuer's share capital.	more than 5% but less than 10%

### **Auditors**

EY Godkendt Revisionspartnerselskab ("**EY**") (CVR no. 30 70 02 28) has been the auditing firm for the Group since 25 June 2009. EY is a member of FSR Danish Auditors (*FSR-danske revisorer*).

### **Credit Rating**

The Notes, upon issue, are expected to be assigned a rating by S&P and/or Moody's.



## TAXATION

**The tax laws of the investor's State and of the Issuer's State of incorporation might have an impact on the income received from the securities. Prospective purchasers of Notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under the Notes and the consequences of such actions under the tax laws of those countries.**

The following is a general description of certain Danish tax considerations relating to the Notes. It does not purport to be a complete analysis of all tax considerations relating to the Notes, whether in those countries or elsewhere. Prospective purchasers of Notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under the Notes and the consequences of such actions under the tax laws of those countries. This summary is based upon the law as in effect on the date of this Base Prospectus and is subject to any change in law that may take effect after such date.

### **Danish Taxation**

The tax considerations for Danish resident investors of requiring, holding or disposing the Notes depend on the investor's tax status and the specific terms applicable to every single emission. Thus, the description does inter alia not deal with the tax consequences of investors, to which special circumstances apply (including, but not limited to, certain investment vehicles, and investors deriving business by trading in securities). Potential investors are in all circumstances strongly recommended to contact their own tax advisors to clarify the individual consequences of the investment, holding and disposal of the Notes. No representations with respect to the tax consequences of any particular holder are made hereby. In relation to the below it is assumed that the Notes issued qualify as ordinary debt instruments for Danish tax purposes. The Notes may not constitute debt instruments for Danish tax purposes if the final terms of the Notes contain terms which are unusual for debt instruments, for example that the Notes are issued with no fixed maturity date (i.e. perpetual Notes) or with an extremely long majority date. Generally, Danish tax law adheres to the civil law qualification and as the Notes from a civil law perspective constitute debt instruments, they should, generally, be recognized accordingly for tax purposes, but the determination will depend on the final terms of the Notes.

If the Notes were not to constitute debt instruments for Danish tax purposes, then the tax treatment of the Notes, including whether payments under the Notes would be subject to Danish withholding tax, would depend on how the Notes were qualified for Danish tax purposes. This qualification would depend on the final terms of the Notes.

### *Non-Danish tax residents*

Under existing Danish tax laws all payments of the Notes will be made without deduction of Danish withholding tax except in certain cases on payments between affiliated parties as referred to in sections 2 (1) (d) and 2 (1) (h) of the Danish Corporation Tax Act (Consolidated Act. no. 1241 of 22 August 2022, as amended) and section 65 D of the Danish Withholding Tax Act (Consolidated Act. no. 824 of 28 April 2021, as amended). According to Danish withholding tax rules, subject as set out in the paragraph below, there should be no Danish tax implications for holders of the Notes that are not affiliated with the Issuer pursuant to Chapter 4 of the Danish Tax Control Act (Consolidated Act. no. 283 of 2 March 2022, as amended).

Under Danish law, affiliated parties would include, but not be limited to, cases where one party directly or indirectly controls the other party by way of ownership of a majority of the share capital or voting rights or by way of agreement or where the two parties are subject to common control.

Pursuant to section 3 of the Danish Tax Assessments Act (Consolidated Act no. 42 of 13 January 2023, as amended), an arrangement or series of arrangements (i) not entered into for commercial reasons reflecting the underlying economic reality and (ii) which are implemented for the primary purpose of obtaining, or one of the primary purposes of which is to obtain, a tax benefit which is against the purpose and intent of the Danish tax laws should be ignored for purposes of calculating the Danish tax liability. The general anti-abuse rule in section 3 of the Danish Tax Assessments Act was enacted on 1 January 2019, and it is presently unclear how the rule could be applied. If a holder of Notes is considered to have taken part in an arrangement

that is covered by Section 3 of the Danish Tax Assessments Act this could result in the application of withholding tax to payments made to such holder under the Notes.

#### *Danish tax residents*

Danish tax resident investors (including investors with a permanent establishment in Denmark which the Notes are attributable to) will generally be taxable on interest. Both capital gains and losses, if any, will with few exceptions be taxable or respectively deductible. One exception to this concerns private individual investors. Such investors are subject to Danish taxation on gains and losses on bonds denominated in all currencies with the exception of an annual de minimis threshold of DKK 2,000.

#### **The proposed financial transactions tax ("FTT")**

On 14 February 2013, the European Commission published a proposal (the "**Commission's proposal**") for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**participating Member States**"). However, Estonia has since stated that it will not participate.

The Commission's proposal has very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary' market transactions) in certain circumstances.

Under the Commission's proposal, FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

Prospective holders of Notes are advised to seek their own professional advice in relation to the FTT.

#### **FATCA**

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a "foreign financial institution" may be required to withhold on certain payments it makes ("foreign passthru payments") to persons that fail to meet certain certification, reporting, or related requirements. A number of jurisdictions (including the Kingdom of Denmark) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would not apply prior to the date that is two years after the publication of the final regulations defining "foreign passthru payment" and Notes issued on or prior to the date that is six months after the date on which final regulations defining "foreign passthru payments" are filed with the U.S. Federal Register generally would be "grandfathered" for purposes of FATCA withholding unless materially modified after such date (including by reason of a substitution of the Issuer). However, if additional notes (as described under "*Terms and Conditions—Further Issues*") that are not distinguishable from previously issued Notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Notes, including the Notes offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Notes.

## SUBSCRIPTION AND SALE

Notes may be sold from time to time by the Issuer to any one or more of BNP Paribas, Danske Bank A/S, Morgan Stanley & Co. International plc and Nordea Bank Abp (the "**Dealers**"). The arrangements under which Notes may from time to time be agreed to be sold by the Issuer to, and subscribed by, Dealers are set out in a Dealer Agreement dated 28 February 2023 (the "**Dealer Agreement**") and made between the Issuer and the Dealers. If in the case of any Tranche of Notes the method of distribution is an agreement between the Issuer and a single Dealer for that Tranche to be issued by the Issuer and subscribed by that Dealer, the method of distribution will be described in the relevant Final Terms as "Non-syndicated" and the name of that Dealer and any other interest of that Dealer which is material to the issue of that Tranche beyond the fact of the appointment of that Dealer will be set out in the relevant Final Terms or Drawdown Prospectus, as the case may be. If in the case of any Tranche of Notes the method of distribution is an agreement between the Issuer and more than one Dealer for that Tranche to be issued by the Issuer and subscribed by those Dealers, the method of distribution will be described in the relevant Final Terms as "Syndicated", the obligations of those Dealers to subscribe the relevant Notes will be joint and several and the names of those Dealers and any other interests of any of those Dealers which is material to the issue of that Tranche beyond the fact of the appointment of those Dealers (including whether any of those Dealers has also been appointed to act as Stabilisation Manager in relation to that Tranche) will be set out in the relevant Final Terms or Drawdown Prospectus, as the case may be.

Any such agreement will, *inter alia*, make provision for the form and terms and conditions of the relevant Notes, the price at which such Notes will be subscribed by the Dealer(s) and the commissions or other agreed deductibles (if any) payable or allowable by the Issuer in respect of such subscription. The Dealer Agreement makes provision for the resignation or termination of appointment of existing Dealers and for the appointment of additional or other Dealers either generally in respect of the Programme or in relation to a particular Tranche of Notes. Each new Dealer so appointed will be required to represent, warrant and undertake to the following selling restrictions as part of its appointment.

**United States of America:** *Regulation S Category 2; TEFRA D or TEFRA C as specified in the relevant Final Terms or neither if TEFRA is specified as not applicable in the relevant Final Terms or Drawdown Prospectus.*

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S.

The Bearer Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the United States Internal Revenue Code and regulations thereunder.

Each Dealer has agreed that, except as permitted by the Dealer Agreement, it will not offer, sell or deliver Notes, (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of the Notes comprising the relevant Tranche within the United States or to, or for the account or benefit of, U.S. persons, and such Dealer will have sent to each dealer to which it sells Notes during the distribution compliance period relating thereto a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons.

### ***Prohibition of Sales to EEA Retail Investors***

If the Final Terms (or Drawdown Prospectus, as the case may be) in respect of any Notes includes a legend entitled "Prohibition of Sales to EEA Retail Investors", each Dealer has represented, and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto (or are the subject of the offering contemplated by a Drawdown Prospectus, as the case may be) to any retail investor in the European Economic Area. For the purposes of this provision the expression "**retail investor**" means a person who is one (or more) of the following:

- (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**EU MiFID II**"); or

- (ii) a customer within the meaning Directive (EU) 2016/97 ("**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II.

### **Public Offer Selling Restriction Under the EU Prospectus Regulation**

If the Final Terms in respect of any Notes does not include a legend entitled "Prohibition of Sales to EEA Retail Investors", in relation to each Member State of the European Economic Area, each Dealer has represented and agreed that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto (or are the subject of the offering contemplated by a Drawdown Prospectus, as the case may be) to the public in that Member State except that it may make an offer of such Notes to the public in that Member State:

- (a) *Qualified investors*: at any time to any legal entity which is a qualified investor as defined in the EU Prospectus Regulation;
- (b) *Fewer than 150 offerees*: at any time to fewer than 150, natural or legal persons (other than qualified investors as defined in the EU Prospectus Regulation), subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (c) *Other exempt offers*: at any time in any other circumstances falling within Article 1(4) of the EU Prospectus Regulation.

**provided that** no such offer of Notes referred to in (a) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the EU Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the EU Prospectus Regulation.

For the purposes of this provision, the expression an "**offer of Notes to the public**" in relation to any Notes in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes and the expression "**EU Prospectus Regulation**" means Regulation (EU) 2017/1129.

### **United Kingdom**

**Prohibition of sales to UK Retail Investors:** If the Final Terms (or Drawdown Prospectus, as the case may be) in respect of any Notes includes the legend "Prohibition of Sales to UK Retail Investors", each Dealer has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto (or are the subject of the offering contemplated by a Drawdown Prospectus, as the case may be) to any retail investor in the United Kingdom. For the purposes of this provision:

- (d) the expression "**retail investor**" means a person who is one (or more) of the following:
  - (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); or
  - (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA.

If the Final Terms (or Drawdown Prospectus, as the case may be) in respect of any Notes does not include the legend "Prohibition of Sales to UK Retail Investors", each Dealer has represented and agreed that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto (or are the subject of the offering contemplated by a Drawdown Prospectus, as the case may be) to the public in the United Kingdom except that it may make an offer of such Notes to the public in the United Kingdom:

- (A) at any time to any legal entity which is a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA;
- (B) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA) in the United Kingdom subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (C) at any time in any other circumstances falling within section 86 of the FSMA,

provided that no such offer of Notes referred to in (A) to (C) above shall require the Issuer or any Dealer to publish a prospectus pursuant to section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA.

For the purposes of this provision, the expression an "**offer of Notes to the public**" in relation to any Notes means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

#### ***Other UK regulatory restrictions***

Each Dealer has represented and agreed that:

- (a) ***No deposit-taking:*** in relation to any Notes having a maturity of less than one year:
  - (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and
  - (ii) it has not offered or sold and will not offer or sell any Notes other than to persons:
    - (A) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses; or
    - (B) who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses,
 where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;
- (b) ***Financial promotion:*** it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- (c) ***General compliance:*** it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

#### **The Kingdom of Denmark**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold, and will not offer, sell or deliver any of the Notes directly or indirectly in the Kingdom of Denmark by way of a public offering, unless in compliance with the Danish Capital Markets Act (in Danish: "*Kapitalmarkedsloven*"), consolidated act no. 41 of 13 January 2023, as amended, and any executive orders issued thereunder and in compliance with Executive Order no. 191 of 31 January 2022 issued pursuant to, inter alia, the Danish Financial Business

Act (in Danish: "*Lov om Finansiell Virksomhed*"), consolidated act no. 406 of 29 March 2022, as amended, to the extent applicable.

## **Singapore**

Each Dealer has acknowledged that this Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented and agreed *that* it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001, as modified or amended from time to time (the "**SFA**")) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

- (1) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(c)(ii) of the SFA;
- (2) where no consideration is or will be given for the transfer;
- (3) where the transfer is by operation of law;
- (4) as specified in Section 276(7) of the SFA; or
- (5) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

## **General**

Each Dealer has represented and agreed that it has (to the best of its knowledge and belief) complied and will comply in all material respects with all applicable laws and regulations in each country or jurisdiction in or from which it purchases, offers, sells or delivers Notes or possesses, distributes or publishes this Base Prospectus or any Final Terms or any related offering material, in all cases at its own expense. Other persons into whose hands this Base Prospectus or any Final Terms comes are required by the Issuer and the Dealers to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Notes or possess, distribute or publish this Base Prospectus or any Final Terms or any related offering material, in all cases at their own expense.

The Dealer Agreement provides that the Dealers shall not be bound by any of the restrictions relating to any specific jurisdiction (set out above) to the extent that such restrictions shall, as a result of change(s) or change(s) in official interpretation, after the date hereof, of applicable laws and regulations, no longer be applicable but without prejudice to the obligations of the Dealers described in the paragraph headed "*General*" above.

Selling restrictions may be supplemented or modified with the agreement of the Issuer. Any such supplement or modification may be set out in a supplement to this Base Prospectus.

## GENERAL INFORMATION

### Authorisation

1. The establishment of the Programme was authorised by resolutions of the board of directors of the Issuer passed/given on 10 February 2023. The Issuer has obtained or will obtain from time to time all necessary consents, approvals and authorisations in connection with the issue and performance of the Notes.

### Listing

2. It is expected that each Tranche of Notes which is to be admitted to the Official List and to trading on the regulated market of the Irish Stock Exchange, plc will be admitted separately as and when issued, upon submission to Euronext Dublin of the applicable Final Terms, subject only to the issue of the Notes of that Tranche. The listing of the Programme in respect of such Notes is expected to be granted on or about 28 February 2023.

### Legal and Arbitration Proceedings

3. There are no governmental, legal or arbitration proceedings, (including any such proceedings which are pending or threatened, of which the Issuer is aware), which may have, or have had during the 12 months prior to the date of this Base Prospectus, a significant effect on the financial position or profitability of the Issuer and its Subsidiaries.

### Significant/Material Change

3. Since 31 December 2022 there has been no material adverse change in the prospects of the Issuer or the Issuer and its Subsidiaries.
4. Since 31 December 2022 there has been no significant change in the financial position or financial performance of the Issuer or the Issuer and its Subsidiaries.

### Auditors

5. The consolidated financial statements of the Issuer have been audited without qualification for the years ended 31 December 2021 and 2022 by EY Godkendt Revisionspartnerselskab, a member of FSR Danish Auditors (FSR-danske revisorer).

### Documents on Display

6. Copies of the following documents may be inspected during normal business hours at <https://www.pandoragroup.com/investor> for the 12 months from the date of this Base Prospectus:
  - (a) the Articles of Association of the Issuer (as the same may be updated from time to time);
  - (b) the audited consolidated financial statements of the Issuer for the years ended 31 December 2021 and 2022;
  - (c) the Agency Agreement;
  - (d) the Deed of Covenant;
  - (e) the relevant Final Terms;
  - (f) the Issuer-ICSDs Agreement (which is entered into between the Issuer and Euroclear and/or Clearstream, Luxembourg with respect to the settlement in Euroclear and/or Clearstream, Luxembourg of Notes in New Global Note form or Registered Notes held under the New Safekeeping Structure);
  - (g) the Sustainability-Linked Finance Framework; and
  - (h) the Second Party Opinion.



For the avoidance of doubt, unless specifically incorporated by reference into this Base Prospectus, information contained on the website does not form part of this Base Prospectus.

This Base Prospectus will be available, in electronic format, on the website of Euronext Dublin (<https://live.euronext.com>).

### **Clearing of the Notes**

7 12

7. The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The appropriate common code and the International Securities Identification Number (ISIN) in relation to the Notes of each Tranche will be specified in the relevant Final Terms.

### **Notes Having a Maturity of Less than One Year**

8. Where Notes have a maturity of less than one year and either (a) the issue proceeds are received by the Issuer in the United Kingdom or (b) the activity of issuing the Notes is carried on from an establishment maintained by the Issuer in the United Kingdom, such Notes must: (i) have a minimum redemption value of £100,000 (or its equivalent in other currencies) and be issued only to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses; or (ii) be issued in other circumstances which do not constitute a contravention of section 19 of the FSMA by the Issuer.

### **Issue Price and Yield**

9. Notes may be issued at any price. The issue price of each Tranche of Notes to be issued under the Programme will be determined by the Issuer and the relevant Dealer(s) at the time of issue in accordance with prevailing market conditions and the issue price of the relevant Notes or the method of determining the price and the process for its disclosure will be set out in the applicable Final Terms. In the case of different Tranches of a Series of Notes, the issue price may include accrued interest in respect of the period from the interest commencement date of the relevant Tranche (which may be the issue date of the first Tranche of the Series or, if interest payment dates have already passed, the most recent interest payment date in respect of the Series) to the issue date of the relevant Tranche.

The yield of each Tranche of Notes set out in the applicable Final Terms will be calculated as of the relevant issue date on an annual or semi-annual basis using the relevant issue price. It is not an indication of future yield.

### **10. Conflicts of Interest**

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for the Issuer and its affiliates in the ordinary course of business. Certain of the Dealers and their affiliates may have positions, deal or make markets in the Notes issued under the Programme, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Issuer and its affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities.

In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer and its affiliates. Certain of the Dealers of their affiliates that have a lending relationship with the Issuer and its affiliates routinely hedge their credit exposure to the Issuer and its affiliates consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent

research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments

**Listing Agent**

11. Walkers Listing and Support Services Ltd is acting solely in its capacity as listing agent for the Issuer in connection with the Notes and is not itself seeking admission of the Notes to the Official List of Euronext Dublin or to trading on the regulated market of Euronext Dublin for the purposes of the Prospectus Regulation.

12. **Legal Entity Identifier (LEI)**

The Legal Entity Identifier (LEI) of the Issuer is 5299007OWYZ611E46843.

13. **Issuer website**

The Issuer's website is [www.pandoragroup.com](http://www.pandoragroup.com). Unless specifically incorporated by reference into this Base Prospectus, information contained on the website does not form part of this Base Prospectus.

16. **Validity of prospectus and prospectus supplements**

For the avoidance of doubt, the Issuer shall have no obligation to supplement this Base Prospectus after the end of its 12-month validity period.

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