

**PANDORA  
SUSTAINABILITY  
DATA**

**2021**

# SUSTAINABILITY DATA

## ENVIRONMENT

GREENHOUSE GAS EMISSIONS	Unit	2021	2020	2019
<b>Scope 1</b>				
	mtCO <sub>2</sub> e	1,163	1,250	1,252
<b>Scope 2</b>				
Location-based	mtCO <sub>2</sub> e	48,053	47,949	48,072
Market-based	mtCO <sub>2</sub> e	20,997	22,409	49,862
<b>Scope 3</b>				
C1: Purchased goods and services	mtCO <sub>2</sub> e	185,862	157,908	176,895
C2: Capital goods	mtCO <sub>2</sub> e	5,487	9,121	10,222
C3: Fuel- and-energy related activities	mtCO <sub>2</sub> e	3,785	3,685	3,628
C4: Upstream transportation	mtCO <sub>2</sub> e	31,218	40,637	21,586
C5: Waste generated in operations	mtCO <sub>2</sub> e	2,752	2,654	2,513
C6: Business travel	mtCO <sub>2</sub> e	36	350	920
C7: Employee commuting	mtCO <sub>2</sub> e	606	606	918
C8: Upstream leased assets	mtCO <sub>2</sub> e	1,557	1,298	1,421
C14: Franchises	mtCO <sub>2</sub> e	23,987	26,158	27,559
Total Scope 3	mtCO <sub>2</sub> e	255,290	242,416	245,663
<b>Total emissions (marked-based)</b>	<b>mtCO<sub>2</sub>e</b>	<b>277,450</b>	<b>266,075</b>	<b>296,777</b>
<b>Emissions intensity</b>	<b>mtCO<sub>2</sub>e/revenue in DKK million</b>	<b>11.86</b>	<b>14.00</b>	<b>13.57</b>

<sup>1</sup> Scopes 1, 2 and 3 are within the audit assurance scope. See the Independent auditor's report on [page 51](#).

## § ACCOUNTING PRINCIPLES

All emissions are accounted in accordance with the methodology set out in the Greenhouse Gas Protocol Corporate Standard. All CO<sub>2</sub>e emission factors used for fossil fuels and electricity are in accordance with the 2006 Intergovernmental Panel on Climate Change Guidelines for National Greenhouse Gas Inventories.

**SCOPE 1** emissions include on-site fuels used to craft jewellery, refrigerants to cool the crafting facilities, and fuel used in employee trams. Fossil fuel volumes and refrigerant leakage volumes are multiplied by emission factors from the UK Department for Environment, Food and Rural Affairs (DEFRA).

**SCOPE 2** emissions include the purchase of electricity and district heating for offices, distribution centre, crafting facilities and Pandora owned stores. The emissions are calculated using both the market-based approach, which includes the purchase of Renewable Energy Certificates, and the location-based approach. Where available, the electricity and district heating consumption from meter readings and invoices is used for crafting facilities, stores, distribution centres, and offices. Where meter readings and invoices are not available, consumption is estimated based off spend or size of location. The electricity and district heating consumption is multiplied by International Energy Agency (IEA) emission factors for their respective countries to calculate the emissions. Emissions from satellite offices with less than 30 people are omitted.

**SCOPE 3** emissions are reported based on the Greenhouse Gas Protocol, which divides the Scope 3 inventory into 15 subcategories (C1-C15):

- C1 – Includes materials and services. Where available, material volumes are multiplied by the Life Cycle Assessment (LCA) emission factors. If not available, spend amounts are used and multiplied by DEFRA supply chain emission factors for spending on products. Key LCAs include: Mined and recycled silver CO<sub>2</sub>e/kg: GaBi database, 2019; Mined gold CO<sub>2</sub>e/kg: World Gold Council, 2018; Recycled gold CO<sub>2</sub>e/kg: C. Hafner, 2019. C1 also includes categorised spend amounts on services (e.g. media and marketing) multiplied by relevant supply chain emission factors for spending on products from DEFRA.

- C2 – Includes categorised spend data for machinery, fixtures and furniture, and other capital goods multiplied by relevant LCA and supply chain emission factors for spending on products from DEFRA.

- C3 – Includes upstream greenhouse gas emissions emissions from fossil fuels, heating, and electricity based on invoices used in our crafting facilities, stores, offices, and distribution centres. Emission factors from DEFRA are used for fossil fuels and the IEA for transmission and distribution losses.

- C4 – Includes inbound and outbound logistics, and transportation and distribution services conducted by third-party logistics providers. A combination of supplier-specific and supply chain emission factors for spending on products from DEFRA is used to calculate the emissions. Emissions from other transport types are included in the emission factors used for purchased goods and services.

- C5 – Includes waste volumes and spend amounts on waste services, multiplied by relevant emission factors from DEFRA.

- C6 – Includes spend amounts on car rental and travel expenses, multiplied by relevant emission factors from DEFRA.

- C7 – Includes Pandora employees' commute from home to work. It is based on a Trucost estimate from 2018 and the figure was revised in 2020 based on an updated estimation of employees working from home.

- C8 – Includes spend amounts on upstream leased cars, multiplied by relevant emission factors from DEFRA.

- C14 – Electricity consumption for franchises is estimated based on the number of franchise stores and the kWh/square metre average across Pandora owned stores. The estimated electricity consumption is then multiplied by the corresponding IEA country emission factor.

The subcategories C9-C13 and C15 are not relevant for Pandora.

## ENVIRONMENT

<b>ELECTRICITY AND HEATING CONSUMPTION</b>	Unit	2021	2020	2019
<b>Total electricity and heating consumption</b>	MWh	<b>114,489</b>	<b>110,876</b>	<b>111,029</b>
Energy intensity	MWh/revenue in DKK million	4.89	5.83	5.08
Electricity and heating consumption, crafting facilities	MWh	62,883	56,909	56,265
Solar energy generated	MWh	1,347	1,141	1,307
Renewable energy certificates	MWh	61,536	55,768	-
Renewable energy at crafting facilities	%	100	100	2.4
<b>WATER CONSUMPTION AT CRAFTING FACILITIES</b>	Unit	2021	2020	2019
Water consumption	m <sup>3</sup>	1,052,700	973,481	931,072
Water recycled	%	19	16	14

<b>WASTE AT CRAFTING FACILITIES</b>	Unit	2021	2020	2019
<b>Total waste</b>	tonnes	<b>8,982</b>	<b>6,970</b>	<b>6,248</b>
Hazardous waste (not recycled)	tonnes	78	22	17
Industrial waste to landfill	tonnes	10	44	23
Municipal waste to landfill	tonnes	174	618	685
Recycled waste	tonnes	8,720	6,287	5,523
<b>Total recycled</b>	recycled %	<b>97</b>	<b>90</b>	<b>88</b>
Gypsum	recycled %	100	100	100
Glass	recycled %	100	100	100
Wax	recycled %	100	100	100
Rubber	recycled %	100	100	100

## CIRCULAR AND SUSTAINABLE JEWELLERY

CIRCULAR AND SUSTAINABLE JEWELLERY	Unit	2021	2020	2019
Recycled silver and gold total <sup>1</sup>	%	54	57 <sup>3</sup>	60 <sup>3</sup>
Man-made stones	%	100 <sup>2</sup>	>99	>99
Total direct supplier spend audited by a third-party	%	>99	>99	>95
Silver and gold grain suppliers certified by RJC/LBMA	%	100	100	100
New product suppliers screened using social criteria	%	100	-	-

<sup>1</sup> Recycled silver and gold are precious metals that have been previously refined. Our products may contain a fraction of silver or gold coming from certified but non-recycled sources due to difficulties in separating sources in the refining process. At Pandora, we continuously work with our suppliers to fully remove the fraction of non-recycled sources.

<sup>2</sup> Excludes pearls.

<sup>3</sup> As a requirement of our sustainability-linked credit facility, we have decided to report the actual percentage of our recycled silver and gold total.

### § ACCOUNTING PRINCIPLE

The percentage of recycled silver and gold is calculated as the share of total purchased silver and gold. Recycled silver and gold are precious metals, which have been previously refined. Our products may contain fractions of silver and gold coming from non-recycled sources due to difficulties in separating sources in the refining process. The recycled percentage is self-declared by the suppliers. Pandora has not validated the self-declarations.

The total purchased silver and gold consists of grains, components, plating solutions for Pandora in-house production, and finished goods from external production (Original Design Manufacturers and Original Equipment Manufacturers). It excludes refinery from scrap and rework metals from Pandora in-house production, production material, tooling, and machinery.

THIRD-PARTY AUDIT SUMMARY (SMETA)	2021	2020
Number of factories assessed	16	15
Number of factories with social issues identified	11	13
Number of factories with environmental issues identified	8	9
Total issues found	207	274
Total issues closed	88	203
Total issues open	119 <sup>1</sup>	71

### Social issues identified through third-party audits

Total social issues found	185	232
<b>Minor</b> social issues closed	19	92
<b>Minor</b> social issues open	17	32
<b>Major</b> social issues closed	62	80
<b>Major</b> social issues open	87	26
<b>Zero tolerance</b> social issues closed	0	1
<b>Zero tolerance</b> social issues open	0	1

### Environmental issues identified through third-party audits

Total environmental issues found	22	42
<b>Minor</b> environmental issues closed	2	18
<b>Minor</b> environmental issues open	10	7
<b>Major</b> environmental issues closed	5	12
<b>Major</b> environmental issues open	5	5
<b>Zero tolerance</b> environmental issues closed	0	0
<b>Zero tolerance</b> environmental issues open	0	0

<sup>1</sup> Of the 119 open issues, 12 have been delayed with a timebound corrective action plan in place and the remaining 107 issues are in the process of being closed.

## WORKPLACE AND SOCIETY

### LOST TIME INJURY FREQUENCY RATE (LTIFR)

	Unit	2021	2020	2019
Crafting facilities	Rate	0.20	0.27	0.15

### GENDER RATIO (FEMALE / MALE)

	Unit	2021	2020	2019
Total global office <sup>1</sup>	%	66 / 34	52 / 48	-
Total crafting facilities	%	59 / 41	56 / 44	-
Total distribution	%	56 / 44	-	-
Total retail	%	95 / 5	-	-
Executive Leadership Team	%	12.5 / 87.5	12.5 / 87.5	9 / 91
Board of Directors	%	43 / 57	75 / 25	50 / 50
Leadership team (Vice President and above, including Board of Directors)	%	23 / 77	-	-

<sup>1</sup> For 2020, only global office was part of reporting scope for office category.

### AGE SPLIT

	Unit	2021		2020		2019
		Total	Part-time	Total	Part-time	
<b>Global Office</b>						
Below 20 years	%	0.3	0.6	0.4	2.4	-
20-29 years	%	19.7	20.6	16.8	82.9	-
30-39 years	%	47.3	44.9	47.2	7.3	-
40-49 years	%	23.8	25.0	26.3	2.4	-
50-59 years	%	7.7	8.2	8.7	2.4	-
60-69 years	%	1.2	0.7	0.6	2.4	-
Above 70 years	%	0	0.1	0	0	-

### AGE SPLIT

	Unit	2021		2020		2019
		Total	Part-time	Total	Part-time	
<b>Crafting facilities</b>						
Below 20 years	%	0.6	0	0	0	-
20-29 years	%	33.8	31.9	31.9	0	-
30-39 years	%	61.4	63.4	63.4	0	-
40-49 years	%	4.0	4.3	4.3	0	-
50-59 years	%	0.2	0.3	0.3	0	-
60-69 years	%	0	0	0	0	-
Above 70 years	%	0	0	0	0	-

### Distribution

Below 20 years	%	0	-	-	-	-
20-29 years	%	26.5	-	-	-	-
30-39 years	%	28.5	-	-	-	-
40-49 years	%	24.5	-	-	-	-
50-59 years	%	15.8	-	-	-	-
60-69 years	%	4.3	-	-	-	-
Above 70 years	%	0.4	-	-	-	-

### Retail

Below 20 years	%	12.2	-	-	-	-
20-29 years	%	49.2	-	-	-	-
30-39 years	%	25.7	-	-	-	-
40-49 years	%	7.9	-	-	-	-
50-59 years	%	3.7	-	-	-	-
60-69 years	%	1.2	-	-	-	-
Above 70 years	%	0.2	-	-	-	-

## WORKPLACE AND SOCIETY

EMPLOYEE TURNOVER BY STAFF CATEGORY	Unit	2021	2020	2019
<b>Total</b>	<b>%</b>	<b>29.3</b>	<b>-</b>	<b>-</b>
Global office	%	22.7	-	-
Crafting facilities	%	7.3	-	-
Distribution	%	25.8	-	-
Retail	%	52.9	-	-

EMPLOYEE TURNOVER BY REGION	2021 <sup>1</sup>		2020 <sup>1,2</sup>		2019 <sup>1,3</sup>
	Rate in %	Number	Rate in %	Number	Rate in %
<b>Total</b>	<b>29.3</b>	<b>7,954</b>	<b>26.0</b>	<b>5,589</b>	<b>-</b>
Global office	22.3	176	20.5	109	-
Crafting facilities	7.2	912	2.5	256	21.5
North America	89.3	2,780	58.1	1,416	-
Latin America	41.6	485	29.0	301	-
Pacific	42.9	282	43.5	207	-
Rest of Asia	30.5	135	39.0	165	-
China	33.6	427	45.9	548	-
Southern Europe and MEA	38.4	569	65.3	775	-
Western Europe	38.8	441	61.7	578	-
Eastern Europe	26.1	144	37.8	183	-
Northern Europe	19.0	289	36.7	545	-
British Isles	64.7	1,314	38.0	506	-

<sup>1</sup> Some categories (European Distribution Centre, Thailand Distribution Centre, Global Business Services) have been included in relevant clusters (Western Europe, Rest of Asia, Eastern Europe), and 2020 data has been recalculated accordingly.

<sup>2</sup> The reporting period was from March to December 2020.

<sup>3</sup> Turnover rate for crafting facilities in 2019 includes number from the voluntary resignation programme.

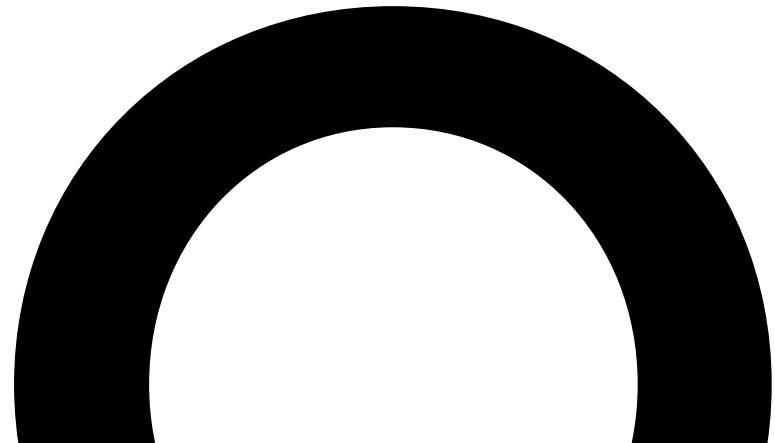
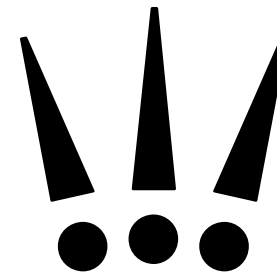
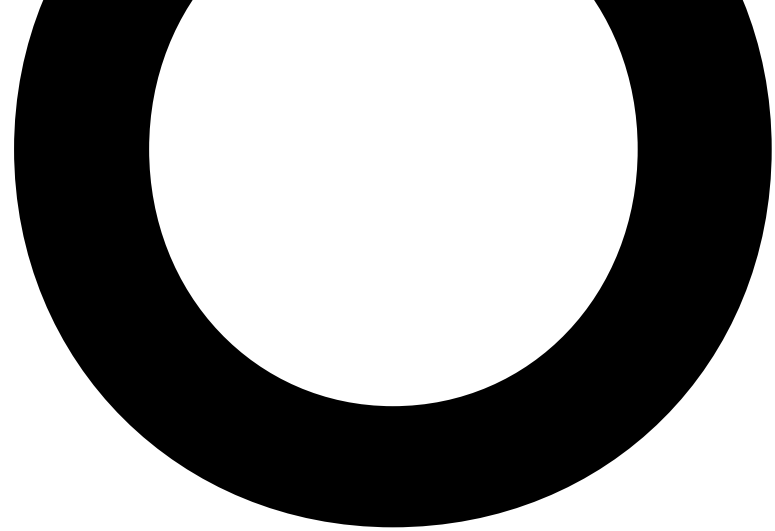
COLLECTIVE BARGAINING AGREEMENTS GLOBALLY	Unit	2021	2020	2019
Employees covered	%	46	56	-

NEW EMPLOYEE HIRES GLOBALLY	Unit	2021	2020	2019
<b>Total</b>	<b>Number</b>	<b>12,003</b>	<b>7,763</b>	<b>-</b>

EMPLOYEES BY REGION	Unit	2021	2020	2019
<b>Total<sup>1,2</sup></b>	<b>No.</b>	<b>30,533</b>	<b>26,003</b>	<b>-</b>
Global office	No.	812	715	-
Crafting facilities	No.	13,996	11,384	-
North America	No.	4,589	3,565	-
Latin America	No.	1,069	1,334	-
Pacific	No.	825	662	-
Rest of Asia	No.	421	504	-
China	No.	1,186	1,385	-
Southern Europe and MEA	No.	1,451	1,709	-
Western Europe	No.	1,263	1,552	-
Eastern Europe	No.	734	777	-
Northern Europe	No.	1,428	653	-
British Isles	No.	2,759	1,763	-

<sup>1</sup> The headcount number is the full headcount end-year, which includes all seasonal employees. The number reported in the Annual Report 2021 is the total average headcount 27,000.

<sup>2</sup> Previous categories (European Distribution Centre, Thailand Distribution Centre, Global Business Services) have been included in relevant clusters (Western Europe, Rest of Asia, Eastern Europe), and 2020 data has been recalculated accordingly.



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