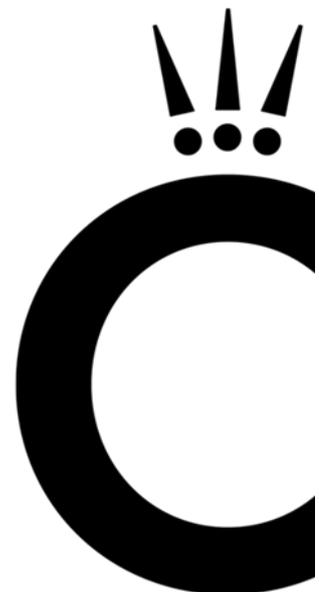


PANDORA COUNTRY-BY- COUNTRY TAX REPORT

FINANCIAL YEAR 2022

FEBRUARY 2023



1 OUR APPROACH TO TAXES

Being a leader within sustainability is an important foundation for Pandora's growth journey. Our sustainability strategy is also reflected in our approach to taxes and we aim to pay a fair tax in all the markets where we operate. Pandora is committed to ensure compliance with the letter and spirit of tax law in the markets where we operate, while striving to maximise shareholder value in a responsible way. The Group tax policy, which has been approved by the Board of Directors of Pandora, is available on pandoragroup.com and includes more information on our approach to taxes.

Pandora operates globally under a vertically integrated business model, and we own a significant part of our value chain from production to retail. Pandora's transfer pricing policy follows a so-called principal tax model, where profit follows risk and value creation throughout the value chain. While all steps of the value chain are important to Pandora, Pandora A/S is the principal value driver and also assumes the majority of business risks. Pandora allocates a profit margin, based on benchmark studies, to entities in the Group, and the residual profit (or loss) in the value chain remains with Pandora A/S. With a principal tax model, Pandora by nature has a significant number of intercompany transactions.

All intercompany transactions are based on arm's length standard and therefore priced on a basis consistent with the way unrelated parties would have priced such transactions. This impacts the taxes we pay in the countries in which we do business. Pandora understands the need for more transparency by both taxpayers and tax administrations, and the need to provide more clarity about Pandora's position on tax. In doing so we provide insight in accordance with the EU Directive to be adopted, which introduces mandatory public country-by-country reporting for EU markets.

2 OUR COUNTRY-BY-COUNTRY REPORTING

The ultimate parent undertaking is Pandora A/S which is located in Denmark.

The reporting period is 1 January 2022 – 31 December 2022 for all countries. This country-by-country reporting includes data for all countries where Pandora has taxable presence. Information regarding branches is reported for the country where the branch has a permanent establishment and tax residency.

The data is sourced from the group consolidation reporting system and is based on the accounting information collected for the Pandora Group Annual report for 2022 which is based on the International Financial Reporting Standards (IFRS). The currency is DKK.

The financial information has been prepared under Pandora's general financial policies. The country-by-country reporting is not subject to an external audit opinion.

The information is prepared based on the EU directive which was approved by the European Parliament in November 2021.

DEFINITIONS

Business activity – reflects the main activity carried out in that country which can be distribution, production, central warehouse, headquarter and service.

Total revenue, incl. related party - includes third party revenue, related party revenue, other income and financial income but excludes dividend.

Profit before tax – is based on the IFRS principles and can vary from the local financial statement.

Tax paid - reflects the cash tax payments for 2022 and consists of both tax prepayments for 2022 and tax payments for prior years.

Current income tax charge for the year – is the calculated tax expense related to expected taxable profit based on local principles for 2022.

The majority of the companies pay the final tax for the current year (2022) in the following year (2023), and this can give a difference between tax paid and current income tax charge.

Employees (FTE) – average number of full time employees during the year.

Accumulated earnings - reflect the profits at the end of the year that are retained and not used for any other purpose.

COUNTRY BY COUNTRY REPORTING PANDORA GROUP 2022 - DKK million

● Distribution ● Warehouse ○ Production ● Headquarter ● Service ● Dormant

Country	Business activities	Total revenue incl. Related party	Profit before tax	Tax paid	Current income tax charge for the year	Employees (FTE)	Accumulated earnings
Argentina	●	91	18	0	3	43	13
Australia	●	1.803	352	76	107	302	160
Austria	●	105	11	2	3	52	9
Belgium	●	146	0	0	1	76	-2
Brazil	●	177	-105	-1	0	401	-263
Canada	●	1.407	24	16	8	308	5
Chile	●	170	6	2	2	151	10
China	●	739	-123	39	0	1.124	-77
Colombia	●	48	8	0	2	45	3
Czech Republic	●	172	6	1	2	75	5
Denmark	● ○	17.890	14.002	1.217	1.294	913	15.148
Dubai	●	168	19	0	0	113	107
Finland	●	4	0	0	0	0	2
France	●	1.297	49	29	18	562	103
Germany	● ●	1.679	88	21	26	907	64
Hong Kong	●	238	-105	6	0	116	-73
Hungary	●	129	5	0	0	68	6
Ireland	●	208	9	7	4	138	79
Isle of Man	●	5	1	0	0	7	0
Italy	●	2.744	110	39	41	851	78
Japan	●	63	-17	0	0	66	-36
Jersey	●	7	1	0	0	8	0
Luxembourg	●	11	0	0	0	8	12
Macao	●	13	-1	0	0	16	6
Mexico	●	980	23	45	18	589	36
Netherlands	●	234	13	0	2	85	52
New Zealand	●	164	49	12	13	77	0
Norway	●	8	0	0	0	6	1
Panama	● ●	147	6	0	0	57	16
Peru	●	821	9	1	3	40	4
Poland	● ●	803	69	9	24	527	86
Portugal	●	134	7	0	1	73	5
Romania	●	117	4	0	1	75	5
Singapore	●	109	-5	0	0	74	13
Slovakia	●	18	1	0	0	22	1
Spain	●	1.138	54	8	13	585	95
South Africa	●	94	6	0	2	118	12
Sweden	●	43	2	0	0	15	6
Switzerland	●	140	8	1	1	43	8
Taiwan	●	177	1	2	1	101	3
Thailand	● ● ○	6.788	976	64	38	14.186	425
Turkey	●	206	11	11	4	178	9
UK	●	3.988	375	44	25	1.764	415
USA	● ●	17.126	212	140	56	2.022	60
Vietnam	●	0	0	0	0	0	0
Eliminations		387	-9.646	0	83	0	-7.547

