

SUPPLIER CODE OF CONDUCT



PANDORA

CONTENTS

00

INTRODUCTION

Purpose	3
Scope	4
Performance evaluation	6
Whistleblower	7

01

LEGAL AND COMPLIANCE

Anti-Bribery and Corruption	9
Anti-Money Laundering and Terrorist Financing	10
Economic Sanctions	10
Transparent System	10
Conflicts of Interest	11
Fair Competition	11
Intellectual Property Rights	11
Confidential and Inside Information	12
Data Privacy	12

02

HUMAN RIGHTS AND LABOUR RIGHTS

Child Labour and Young Labour	14
Freely Chosen Employment	15
Freedom of Association and the Right to Collective bargaining	15
Regular Employment	16
Living Wages	16
Working Hours	17
No Discrimination	18
No Harsh or Inhumane Treatment	18

03

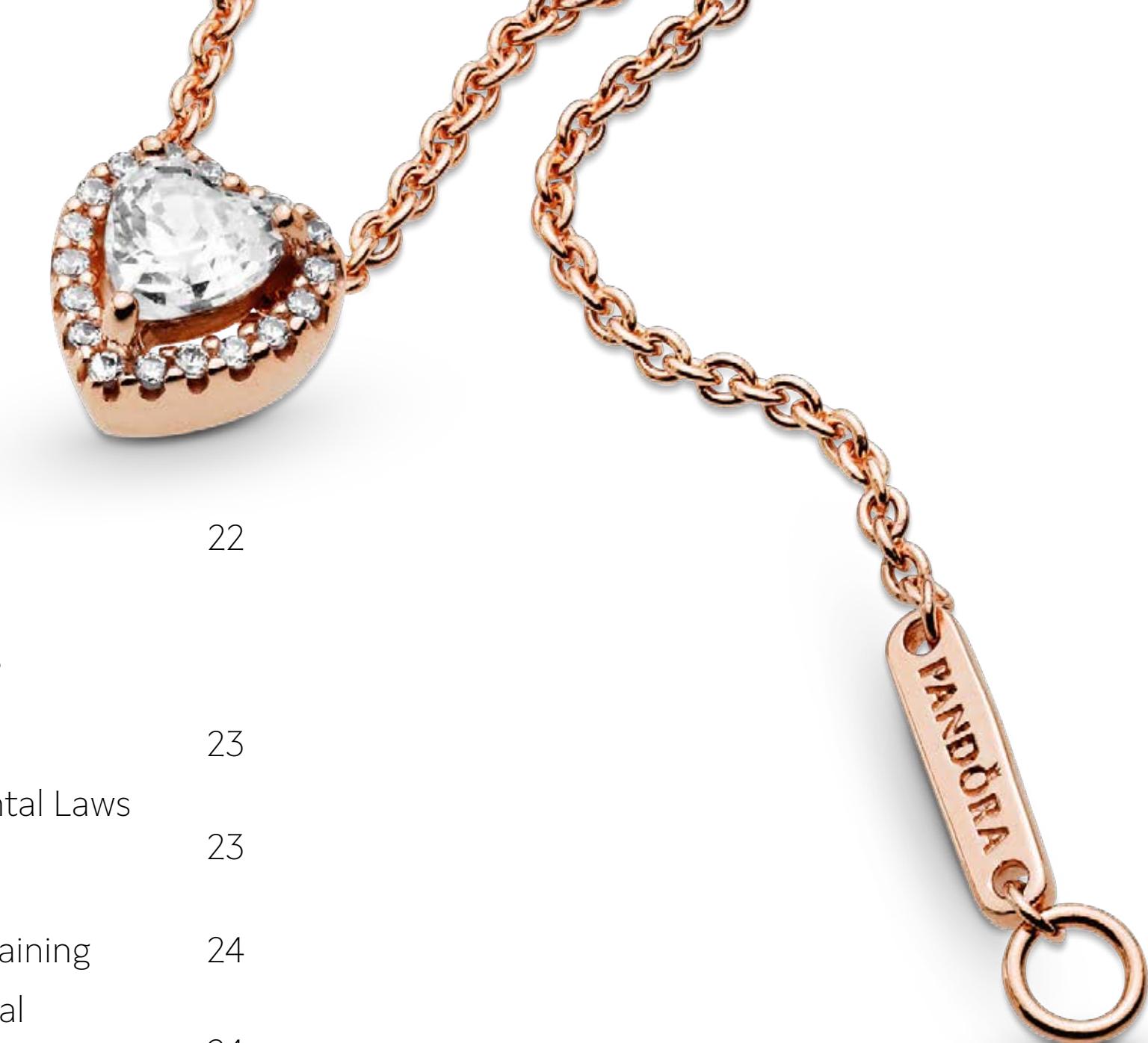
WORKING CONDITIONS

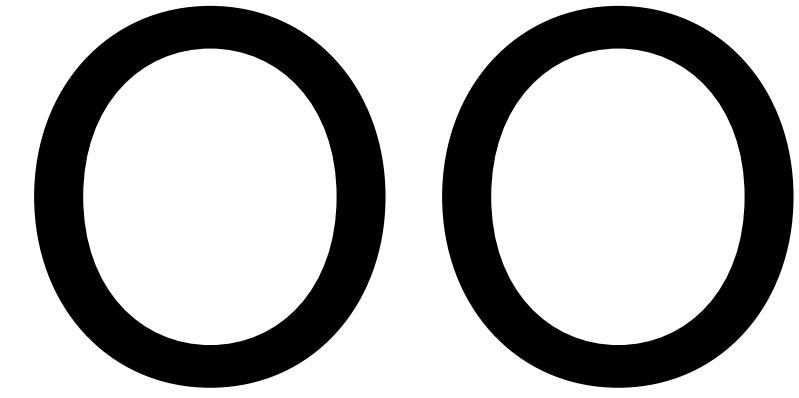
Safe and Hygienic Working Environment	20
Training and Consultation	20
Clean and Sanitary Infrastructure	21
Accommodation	21
Health and Safety Representative	21

04

ENVIRONMENT

Environmental Aspects and Associated Environmental Impacts	22
Applicable Environmental Laws and Regulations	23
Environmental Policy, Communication and Training	23
Establishing Operational Controls	24
Performance Evaluation	24
Continuous improvements	25





INTRODUCTION

PURPOSE

Pandora is committed to ethical business practices. This means that we conduct business lawfully, appropriately and with honesty and integrity by adhering to applicable laws and regulations, exercising sound judgment, and taking actions to minimize our environmental impact on the planet. The Pandora Group Code of Conduct sets out our ethical commitment, standards of behaviour and conduct to which we expect the entire Pandora organization to adhere to.¹

We expect that our business partners including suppliers share this commitment, and we are committed to working with our suppliers to ensuring high social, environmental, and business ethics standards. We see this as fundamental to long-term, successful business partnerships and business success. This Supplier Code of Conduct (the Supplier Code) sets out our specific requirements to suppliers.^{2,3}

The Pandora Responsible Sourcing Policy (the Sourcing Policy) sets out our approach to how we work with our suppliers including our three guiding objectives: Responsible, Transparent and Traceable.⁴ The Supplier Code is a foundational element of the Sourcing Policy and suppliers are required to familiarize themselves with the Sourcing Policy.

¹ The Pandora Code of Conduct can be found [here](#).

² The Pandora Supplier Code of Conduct can be found [here](#).

³ Throughout this document the terms 'supplier' or 'suppliers' shall cover any and all organizations that supply products, materials and/or services to Pandora including organizations otherwise referred to as vendor/vendors.

Table 1: Responsible Sourcing Objectives

	Responsible*	Transparent**	Traceable**
Commitment	We will continuously improve the social and environmental foot-print of our supply chain in line with commonly accepted standards and ensure that all materials are conflict-free.	We will continuously improve disclosure on our supply chain.	We will continuously improve our understanding of our supply chain and the traceability of our product raw materials such as metals, minerals, and other materials.
Our Approach	Buy product raw materials and components with decreasing social and environmental impact; Work with suppliers that uphold responsible manufacturing and workplace practices; Contribute to improving supplier performance and the supply chains they form part of; Ensure good buying practices such as on-going dialogue and reasonable lead times.	Increase transparency on the raw materials we use in our products, including the names and locations of our suppliers; and disclose how our supply chain performs against our social and environmental standards.	Increase traceability of our product raw materials by mapping our supply chains and undertaking due diligence.

* Applies to direct and indirect spend. ** Applies to direct spend and select indirect spend categories.

The Supplier Code is foundational to the pursuit of these objectives. It sets out the minimum performance criteria that suppliers must adhere to in three broad areas as shown in the below table. The Supplier Code is based on the ETI Base Code.⁵

⁴ The Pandora Responsible Sourcing Policy can be found [here](#).

⁵ The ETI Base Code is founded on the conventions of the International Labour Organisation (ILO) and is an internationally recognised code of good labour practice. It is viewed as a global reference standard and is widely used as a benchmark against which to conduct social audits and develop ethical trade action plans. The ETI Base Code can be found [here](#).

Table 2: Overview of environmental, social and business ethics criteria

Environmental	Social	Legal and Compliance
<ul style="list-style-type: none"> Environmental Aspects and Associated Environmental Impacts Applicable Environmental Laws and Regulations Environmental Policy, Communication and Training Establishing Operational Controls Performance Evaluation Continuous improvement 	<ul style="list-style-type: none"> Child labour and Young labour Freely Chosen Employment Freedom of Association and the Right to Collective Bargaining Regular Employment Living Wages Working Hours No Discrimination No Harsh or Inhumane Treatment Working Conditions 	<ul style="list-style-type: none"> Anti-Bribery and Corruption Anti-Money Laundering and Terrorist Financing Economic Sanctions Transparent System Conflicts of Interest Fair Competition Intellectual Property Rights Confidentiality and Inside Information Data Privacy

Adapted and/or additional performance criteria will apply to suppliers pending their product and materials categories; such performance criteria, Category Specific Requirements, when relevant, will be communicated to suppliers as part of any business transaction.

Suppliers must always comply with all applicable laws and regulations. Whenever there appears to be a conflict between the Supplier Code and local laws and regulations, the more restrictive requirements apply. Conflicts between the provisions of this Code and national laws or other applicable standards will be evaluated by Pandora in cooperation with the supplier.





SCOPE

This Supplier Code applies to all Pandora suppliers (hereafter “the supplier” or “suppliers”). Pandora includes Pandora A/S including all Pandora affiliates.

Observance of the Supplier Code is an enforced part of any agreement or contract between Pandora and our suppliers. The provisions of the Supplier Code extend to all supplier facilities, activities, and employees, including employees who are engaged informally, on short-term contracts, or on a part-time basis, that contribute to fulfilment of the contract.

Suppliers must ensure that the Supplier Code is also observed by sub-suppliers involved in delivery or production of raw materials, intermediate products, or services to Pandora. This includes responsibility for communicating the content of the Supplier Code to such sub-suppliers and ensuring that the Supplier Code is implemented in full.

Suppliers may also be required to ensure that the Supplier Code is also observed by sub-suppliers further upstream including involved in extraction, farming or other of raw materials that go into final manufacturing stages carried out on behalf of Pandora. Such requirements will apply to specific procurement categories, and when relevant, shall be communicated directly to suppliers as part of their contractual obligations to Pandora.

There shall be no sub-contracting in full or in part of services or of the manufacture of products agreed to be provided by the supplier unless explicitly agreed with Pandora and its designated legal entity. In case of any sub-contracting, the Supplier Code shall be communicated to those parties and control processes shall be in place to ensure that the Supplier Code is applied.

Suppliers must take action if they observe any failure to comply with the principles and standards in the Supplier Code and any appendixes among its sub-contractors. In addition, the supplier will notify Pandora immediately.

PERFORMANCE EVALUATION

Pandora believes that mutual trust, transparency, and dialogue are essential to a successful business partnership including the effective implementation of this Supplier Code. To this end, Pandora reserves the right to request performance data related to this Supplier Code including by performing announced and unannounced audits at suppliers' – and sub-suppliers' – sites. Such audits may be performed by Pandora, by assessors appointed by Pandora and/or assessors appointed by organizations of which Pandora is a member. Audits performed or commissioned by Pandora uses the SMETA audit methodology. Additionally, Pandora accepts audits or other site performance assessments undertaken by approved auditors against recognized performance standards accepted by Pandora; approved audits and recognized performance standards are listed in the Pandora Responsible Sourcing Policy that can be found [here](#).

Pandora seeks to continuously improve together with our suppliers and help them achieve compliance with the provisions of this Supplier Code. In the event of failure of compliance, Pandora and suppliers will agree on corrective actions that must be taken within a specified timeline. If no solution can be agreed upon and implemented within a reasonable amount of time, Pandora may choose to terminate the business relationship and/or suspend future contracts with a non-compliant supplier. The Pandora Responsible Sourcing Policy specifies Pandora's approach to corrective actions as well as details Pandora zero tolerance requirements.

Suppliers shall ensure that policies and procedures are communicated and understood by all levels of personnel e.g., by using posters, training, worker handbook, and other means when literacy is low.

WHISTLEBLOWER

Pandora has implemented a Whistleblower Policy making it possible for all Pandora employees and board members to report any serious or sensitive concerns, including misconduct, unethical behaviour, violations of the Code, any underlying Policies, or applicable laws, rules, or regulations.

Pandora requires its suppliers to raise and report serious or sensitive concerns including misconduct, unethical behaviour, violations of the Pandora Code of Conduct, or applicable laws, rules, or regulations in their operations. They should be permitted to raise concerns and reports confidentially and without the risk of retaliation; reports can be made confidentially via email to whistleblower@pandora.net.

Further, suppliers are required to provide their employees with avenues for raising legal or ethical issues or concerns without fear of retaliation. Suppliers are also expected to take action to prevent, detect, and correct any retaliatory actions.



O1

LEGAL AND COMPLIANCE

ANTI-BRIBERY AND CORRUPTION

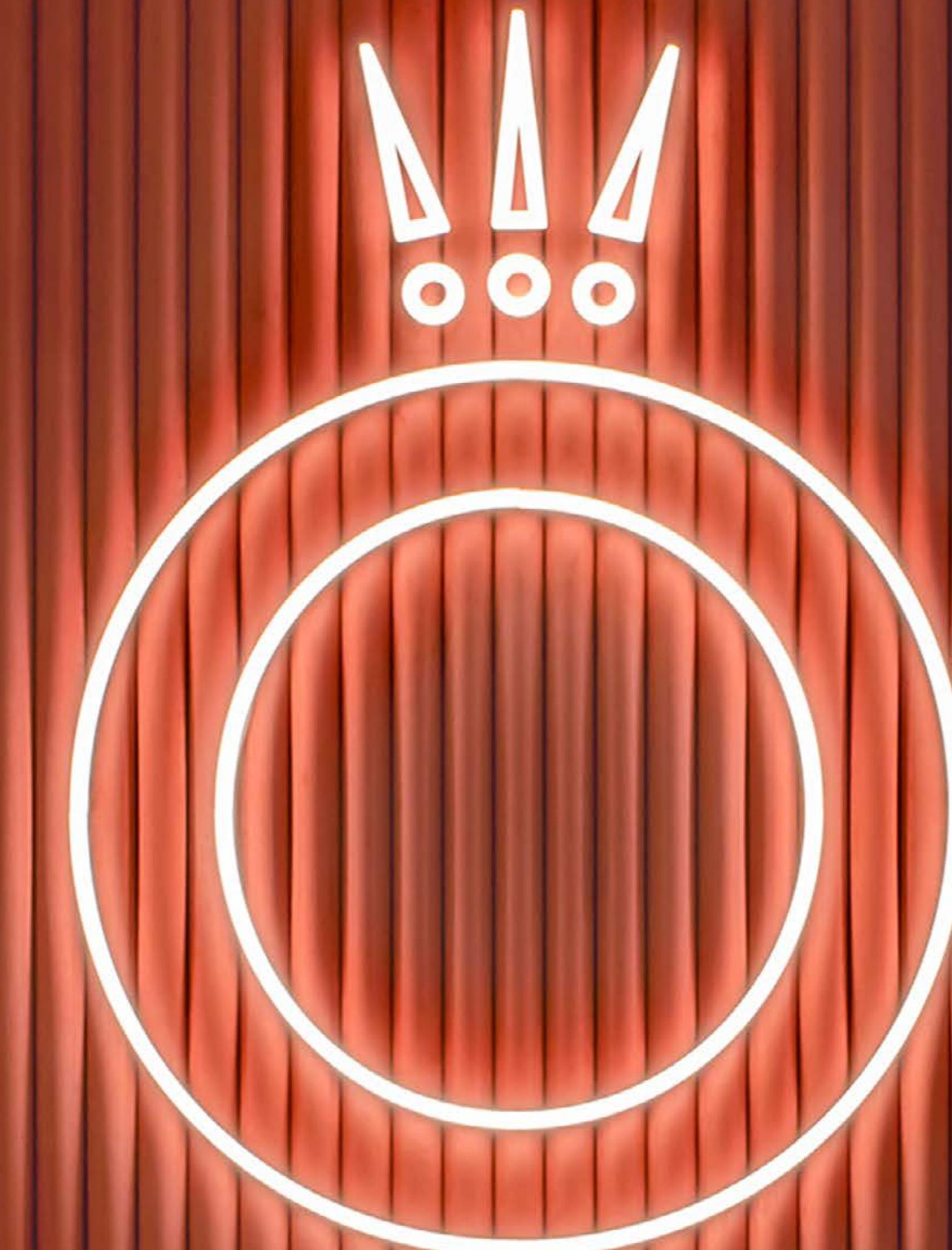
Suppliers shall not engage in any form of bribery, corruption, extortion, embezzlement or fraud in any business practices and transactions carried out by them or on their behalf by business partners in dealings with government officials, public authorities, business partners or any other third party. Suppliers shall not violate any applicable anti-bribery or anti-corruption laws or regulations, nor cause Pandora to violate any applicable anti-bribery or anti-corruption laws or regulations.

The supplier shall refrain from offering, promising, giving, or authorizing money or anything of value to any employee of Pandora or any individual, organization or other acting on behalf of Pandora in an attempt to influence the judgment or conduct of that person for actual or perceived favourable treatment or an advantage. All these actions would constitute a bribe regardless of the monetary value.

Suppliers shall not offer or pay or provide anything of value (including travel, gifts, hospitality expenses, charitable donations, or other favours) to any official or employee of any government, government agency, political party, public international organization, or any candidate for political office, or an immediate family member of any such individual, to influence any act or decision to promote the interests of Pandora in any respect.

Suppliers shall have a policy, covering bribery, corruption, or any type of fraudulent business practice. In addition, suppliers shall have a documented risk assessment, appropriate processes and controls, and provide training to staff in job roles that carry a higher level of risk of engaging in bribery, corruption, or any type of fraudulent business practice.

Our employees are also bound by the same business ethics. If you see any indications that any of our employees may engage in wrongful practices, you, as our business partner, are required to inform us immediately under Pandora's Whistleblower Policy.





ANTI-MONEY LAUNDERING AND TERRORIST FINANCING

Suppliers are expected to refrain from engaging in or facilitating activities which may contravene the requirements of applicable anti-money laundering and terrorist financing laws. Suppliers must comply with all applicable laws and regulations pertaining to the detection, prevention, and reporting of potential money laundering and terrorist financing activities. Suppliers shall not cause Pandora to facilitate or violate any applicable anti-money laundering or anti-terrorist financing laws or regulations.

Suppliers must maintain financial accounts of all business transactions where required by applicable law and in accordance with national or international accounting standards.

ECONOMIC SANCTIONS

Suppliers must comply with applicable economic sanctions laws and regulations; and refrain from engaging in any transaction with any sanctioned party or country or using another party to carry out activities that could not be lawfully performed directly due to trade sanctions prohibitions.

TRANSPARENT SYSTEM

Suppliers shall have access to a transparent system in place for confidentially reporting and dealing with unethical business ethics without fear of reprisals towards the reporter.

CONFLICTS OF INTEREST

Suppliers are expected to avoid all conflicts of interest or situations giving the appearance of a potential conflict of interest. Suppliers are expected to provide notification to all affected parties in the event that an actual or potential conflict of interest arises. This includes a conflict between the interests of Pandora and personal interests or those of close relatives, friends, or associates.

FAIR COMPETITION

Suppliers must not fix prices or rig bids with their competitors. They must not exchange current, recent, or future pricing information with competitors. Suppliers must refrain from participating in a cartel, and they may not abuse a dominant position.

INTELLECTUAL PROPERTY RIGHTS

Suppliers must comply with all the applicable laws governing intellectual property rights assertions, including protection against disclosure, designs, patents, copyrights, and trademarks.

Suppliers must not infringe, misappropriate, or misuse intellectual property of Pandora and must take reasonable measures to safeguard all Pandora intellectual property from theft and unauthorized access. Suppliers must obtain written consent from Pandora before using or disclosing any intellectual property to third parties. Suppliers must adhere to applicable brand guidelines, as applicable, to help deliver a unified and consistent brand experience.



01 Legal and Compliance

CONFIDENTIAL AND INSIDE INFORMATION

Suppliers are required to take all necessary measures to ensure the confidentiality of professional secrets and other non-public information they receive in the course of their business relationship with Pandora whether received in written, oral or electronic form. It includes a wide variety of information such as strategic initiatives, targets, pricing, and employee information.

Suppliers must comply with all applicable laws and regulations concerning insider trading, and must refrain from trading shares, securities, or other financial instruments while in possession of or based on Inside Information relating to Pandora as well as from encouraging others, including relatives, friends, and colleagues to trade shares, securities or other financial instruments based on Inside Information. Suppliers must never disclose, share, or pass on any Inside Information pertaining to Pandora. If a Supplier has access to confidential Pandora information, it is to be used only in a manner permitted by Pandora and protected at a minimum with the same care in which the Supplier safeguards its own information.

DATA PRIVACY

All Suppliers who handle data pertaining to Pandora, its affiliates or our consumers, are bound to safeguard all data in accordance with Pandora's Data Processing Agreement as well as applicable laws and regulations. Suppliers must only use personal data for legitimate business purposes, and it must be protected, used, stored, and shared in accordance with the manner informed and agreed upon collection and in accordance with applicable data protection laws.

O2

HUMAN RIGHTS AND LABOUR RIGHTS



CHILD LABOUR AND YOUNG LABOUR

The supplier shall not engage in or benefit from the use of child labour.

The minimum age for fulltime employment shall not be less than the age of completion of compulsory schooling and, in any case, shall not be less than 15 years (or 14 years where established by local laws in accordance with the ILO developing-country exception).

If any children are found to be in employment below the minimum age, suppliers will provide adequate support to enable them to attend and remain in school until no longer a child. Child labour remediation processes will include steps for the continued welfare of the child and consider the financial situation of the child's family.

The supplier shall refrain from hiring employees under the age of 18 for positions that require hazardous work that could jeopardise their health, safety, or morals.

Suppliers shall establish a policy prohibiting the use of child labour and preventing young employees from doing hazardous work either as a stand-alone policy or incorporate it into an existing policy, and communicate the child labour policy to all managers and staff as well as any business partners that employ employees on supplier's site.

FREELY CHOSEN EMPLOYMENT

There is no forced, bonded, or involuntary prison labour. Suppliers shall ensure that all employees are working in voluntary situations.

Suppliers shall not retain original employee personal documentation, such as identity papers and shall not use deceptive recruitment practices and/or require employees to pay any deposits, equipment advances or recruitment fees (either wholly or partially) as part of the recruitment process. If any such fees are found to have been paid by employees, they shall be reimbursed.

Supplier shall not prevent employees from terminating their employment after reasonable notice or as established by applicable law.

FREEDOM OF ASSOCIATION AND THE RIGHT TO COLLECTIVE BARGAINING

Suppliers shall respect the right of employees to associate freely in employees' organisations of their choice, without interference or negative consequences.

Suppliers shall respect the rights of employees to collective bargaining, and shall adhere to collective bargaining agreements, where these exist. Suppliers shall, subject to applicable law, participate in any collective bargaining processes in good faith.

Employees representatives are not discriminated against and have access to carry out their representative functions in the workplace.

Where the right to freedom of association and collective bargaining is restricted under national law, the employer encourages and does not hinder the development of parallel means for independent and free association and bargaining.





REGULAR EMPLOYMENT

To every extent possible work performed must be on the basis of recognised employment relationship established through national law and practice.

Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labour-only contracting, sub-contracting, or homeworking arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.

Suppliers will maintain appropriate employee records, including records of piece rate and wage payments as well as working hours, for all staff employed, whether on a full time, part time or seasonal basis.

LIVING WAGES

Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher. In any event wages should always be enough to meet basic needs and to provide some discretionary income.

All employees shall be provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid.

Deductions from wages as a disciplinary measure shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned. All disciplinary measures should be recorded.

WORKING HOURS

The supplier shall comply with applicable national laws on working hours and public holidays.

Working hours, excluding overtime, shall be defined by contract, and shall not exceed 48 hours per week and the total hours worked in any seven-day period shall not exceed 60 hours.

Working hours may exceed 60 hours in any seven-day period only in exceptional circumstances and when all of the following conditions are met: where allowed by national law, collective agreement freely negotiated with a employees' organisation representing a significant portion of the workforce, and when appropriate safeguards are taken to protect the employees' health and safety.

All overtime shall be voluntary and shall always be compensated according to local regulations at a premium rate of the regular pay in line with relevant ILO Conventions.

Employees shall be provided with at least one day off in every seven-day period or, where allowed by national law, two days off in every 14-day period.





NO DISCRIMINATION

Suppliers will not practice or condone any form of discrimination in the workplace in terms of hiring, remuneration, overtime, access to training, promotion, termination, or retirement based on race, ethnicity, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, marital status, pregnancy status, or age, or any other characteristic protected by applicable law.

NO HARSH OR INHUMANE TREATMENT

Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited.

03

WORKING CONDITIONS

SAFE AND HYGIENIC WORKING ENVIRONMENT

Suppliers shall provide safe and healthy working conditions for all employees in accordance with applicable law and other relevant industry standards, including, but not limited to, protection against fire, accidents, and toxic substances.

The supplier shall be expected to progressively identify and eliminate or control hazards that present a risk to employees and other persons present on its sites and to the environment.

Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.

TRAINING AND CONSULTATION

Suppliers shall provide employees with the necessary health and safety training and/or education and will secure that adequate systems to detect and avoid potential threats and to help continuously improving health and safety are put in place, and such training shall be repeated for new or reassigned employees.

The supplier shall develop and maintain effective systems for informing and consulting employees on relevant health and safety matters. Through these systems the supplier shall keep accurate records of accidents, injuries and known exposure to health and safety risks at work according to local legislation.





CLEAN AND SANITARY INFRASTRUCTURE

Suppliers shall provide a suitable, clean and sanitary infrastructure, including access to toilets and potable water, which meets the needs of its employees and is adequate for its employee numbers.

ACCOMMODATION

Accommodation, if provided by the supplier, shall be clean, safe, meet the basic needs of the employees and satisfy the same requirements, including the general provisions on health and safety listed above.

HEALTH AND SAFETY REPRESENTATIVE

Suppliers shall assign responsibility for health and safety to a senior management representative.

04

ENVIRONMENT



ENVIRONMENTAL ASPECTS AND ASSOCIATED ENVIRONMENTAL IMPACTS

Suppliers shall regularly review all business processes and activities to understand how the company interacts with the environment and to identify any actual and potential environmental impacts, which may involve pollution of air, water or soils, use of materials and energy, wastes and emissions, noise and visual effects.

Suppliers shall identify and mitigate significant wastes and emissions to air, water and land generated in their business processes and activities. Significant wastes and emissions are those that are hazardous and require special handling and disposal, have the potential to harm the environment or individuals, or require a license or permit.

APPLICABLE ENVIRONMENTAL LAWS AND REGULATIONS

Suppliers, as a minimum, must meet the requirements of local and national laws relevant to the environmental impacts of its activities, products and services, and ensure legal compliance through training, awareness, operational control and monitoring.

Where it is a legal requirement, suppliers must be able to demonstrate that they have the relevant valid permits including for use and disposal of resources e.g. water, waste, air emissions, etc.

ENVIRONMENTAL POLICY, COMMUNICATION AND TRAINING

Suppliers shall have an environmental policy, covering their environmental impact, which is communicated to all appropriate parties, including its own suppliers.

In the planning process, the supplier establishes environmental objectives to fulfil the commitments established in its environmental policy and achieve other organizational goals.

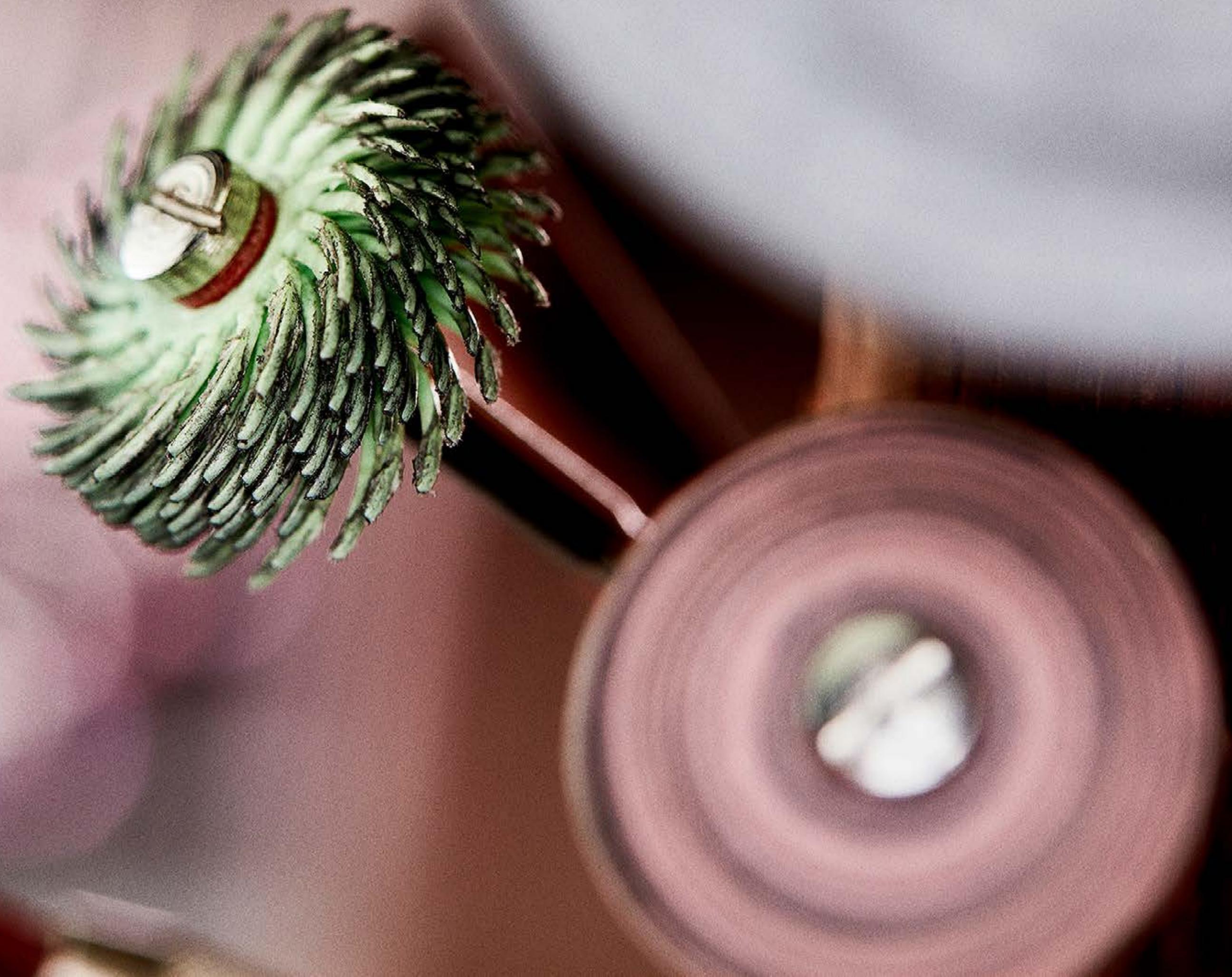
Suppliers shall provide training and information about environmental risks and controls to all relevant employees. These shall be given in a format and language that employees can easily understand.

ESTABLISHING OPERATIONAL CONTROLS

Suppliers shall ensure that its operations and associated processes are conducted in a controlled way in order to fulfil the commitments of its environmental policy, achieve its environmental objectives and manage its significant environmental aspects and compliance obligation.

Operational controls can take various forms, such as procedures, work instructions, physical controls, use of competent personnel, or any combination of these. Once operational controls have been established, the suppliers shall monitor the continuing application and effectiveness of these controls, as well as plan and take any action needed.





PERFORMANCE EVALUATION

As part of an effort towards continuous improvement, suppliers shall assess all activities to control environmental impacts regularly and ensure they remain effective, and adapt control measures accordingly.

CONTINUOUS IMPROVEMENTS

Suppliers shall make continuous improvements in their environmental performance.

Thank you!

PANDORA