

## **Country-by-country reporting**

### **Our approach to taxes**

Sustainability and responsible business practices have been part of Pandora's way of doing business since the very beginning. Our sustainability strategy is reflected in our approach to taxes and we aim to pay a fair tax in all 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](https://pandoragroup.com) and includes more information on our approach to taxes.

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 all 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.

### **Our country-by-country reporting**

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

This country-by-country reporting includes data for all countries where Pandora has taxable presence.

The data source is the group consolidation reporting system. This means that the data is based on the International Financial Reporting Standards (IFRS) and the currency is DKK.

The reporting period is 1 January 2021 – 31 December 2021 for all countries.

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

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

Information regarding branches is reported for the country where the branch has a permanent establishment and tax residency.

Total revenue includes third party revenue, related party revenue, other income and financial income.

Third party revenue includes revenue legally owned by the entity and can include revenue from markets outside the country.

## COUNTRY BY COUNTRY REPORTING PANDORA GROUP 2021 - DKK million

● Distribution    ● Warehouse    ○ Production    ● Headquarter

Country	Main business activities	Total revenue incl. Related party	Third-party revenue in P&L	Profit before tax	Tax paid	Current income tax charge for the year	Employees (FTE)	Accumulated earnings
Argentina	●	1.111	2.222	3.333	4.444	5.555	6.666	7.777
Australia	●	1.111	2.222	3.333	4.444	5.555	6.666	7.777
Austria	●	1.111	2.222	3.333	4.444	5.555	6.666	7.777
Belgium	●	1.111	2.222	3.333	4.444	5.555	6.666	7.777
Brazil	●	1.111	2.222	3.333	4.444	5.555	6.666	7.777
Canada	●	1.111	2.222	3.333	4.444	5.555	6.666	7.777
Chile	●	1.111	2.222	3.333	4.444	5.555	6.666	7.777
China	●	1.111	2.222	3.333	4.444	5.555	6.666	7.777
Colombia	●	1.111	2.222	3.333	4.444	5.555	6.666	7.777
Czech Republic	●	1.111	2.222	3.333	4.444	5.555	6.666	7.777
Denmark	● ●	1.111	2.222	3.333	4.444	5.555	6.666	7.777
Dubai	●	1.111	2.222	3.333	4.444	5.555	6.666	7.777
Finland	●	1.111	2.222	3.333	4.444	5.555	6.666	7.777
France	●	1.111	2.222	3.333	4.444	5.555	6.666	7.777
Germany	● ●	1.111	2.222	3.333	4.444	5.555	6.666	7.777
Hong Kong	●	1.111	2.222	3.333	4.444	5.555	6.666	7.777
Hungary	●	1.111	2.222	3.333	4.444	5.555	6.666	7.777
Ireland	●	1.111	2.222	3.333	4.444	5.555	6.666	7.777
Isle of Man	●	1.111	2.222	3.333	4.444	5.555	6.666	7.777
Italy	●	1.111	2.222	3.333	4.444	5.555	6.666	7.777
Japan	●	1.111	2.222	3.333	4.444	5.555	6.666	7.777
Jersey	●	1.111	2.222	3.333	4.444	5.555	6.666	7.777
Luxembourg	●	1.111	2.222	3.333	4.444	5.555	6.666	7.777
Macao	●	1.111	2.222	3.333	4.444	5.555	6.666	7.777
Mexico	●	1.111	2.222	3.333	4.444	5.555	6.666	7.777
Netherlands	●	1.111	2.222	3.333	4.444	5.555	6.666	7.777
New Zealand	●	1.111	2.222	3.333	4.444	5.555	6.666	7.777
Norway	●	1.111	2.222	3.333	4.444	5.555	6.666	7.777
Panama	●	1.111	2.222	3.333	4.444	5.555	6.666	7.777
Peru	●	1.111	2.222	3.333	4.444	5.555	6.666	7.777
Poland	●	1.111	2.222	3.333	4.444	5.555	6.666	7.777
Romania	●	1.111	2.222	3.333	4.444	5.555	6.666	7.777
Singapore	●	1.111	2.222	3.333	4.444	5.555	6.666	7.777
Slovakia	●	1.111	2.222	3.333	4.444	5.555	6.666	7.777
Spain	●	1.111	2.222	3.333	4.444	5.555	6.666	7.777
South Africa	●	1.111	2.222	3.333	4.444	5.555	6.666	7.777
Sweden	●	1.111	2.222	3.333	4.444	5.555	6.666	7.777
Switzerland	●	1.111	2.222	3.333	4.444	5.555	6.666	7.777
Taiwan	●	1.111	2.222	3.333	4.444	5.555	6.666	7.777
Thailand	● ● ○	1.111	2.222	3.333	4.444	5.555	6.666	7.777
Turkey	●	1.111	2.222	3.333	4.444	5.555	6.666	7.777
UK (3)	●	1.111	2.222	3.333	4.444	5.555	6.666	7.777
USA (3)	● ●	1.111	2.222	3.333	4.444	5.555	6.666	7.777
IFRS Eliminations		1.111	2.222	3.333	4.444	5.555	6.666	7.777