

PANDORA REMUNERATION REPORT

2021



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Due to rounding, numbers presented throughout this report may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

HIGHLIGHTS 2021

Rising up in a new era to deliver sustainable and profitable growth

In 2021, the launch of our new strategy, Phoenix, enabled us to unlock and expand our opportunities regarding our brand and network outreach, our key talent and our commitment as a sustainability market leader. Our strategy is a natural evolution of Programme NOW and focuses on leveraging our core assets to realise our full potential. The Remuneration Committee noted in particular the leadership achievements in:

- delivering continued strong financial performance, with robust and broad-based growth across most key markets resulting in the highest ever full year revenue (DKK 23.4 billion) in Pandora's history.
- completed the two-year turnaround, Programme NOW, and laid out a path for the future with our new growth strategy, Phoenix.
- the launch of Pandora Brilliance, sustainably lab-created diamond jewellery.

- announced plans for diversifying our global supply network and announced new targets for cutting emissions.
- introducing a globally consistent Pandora approach to goal setting and performance evaluation in line with our Phoenix strategy and values, and rewards based on contribution to Pandora's performance.

In the context of this landmark year for Pandora, the Remuneration Committee has considered the appropriate reward outcomes – to ensure that the members of Pandora's Executive Management are encouraged to enhance performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of Pandora in accordance with Pandora's Remuneration Policy. During 2021, the Remuneration Committee, met six times with the main activities focused on:

Previous performance period

- Reviewing the 2020 result and approving the achievement under the Short-term incentive plan ("STIP") for 2020 and the Long-term incentive plan ("LTIP") for 2018 that vested with zero pay-out in early 2021.

Current performance period

- Deciding on the proposed reward levels for 2021 – annual salary increase, STIP and LTIP metrics and Key Performance Indicators (KPIs) for 2021 – and continuing to review their appropriateness with the launch of our new Phoenix strategy on 14 September 2021.
- Evaluating the progress of the STIP and the LTIP 2021 in the context of the continuing impact of the COVID-19 on pandemic, business results and the contribution of Executive Management to the results.

Governance activities

- Considering shareholder feedback received during engagement following the Annual General Meeting ("AGM") and Capital Markets Day.
- Reviewing the Terms of Reference for the Remuneration Committee and the Remuneration Policy agreed at the AGM 2021, and concluding that these remained appropriate for the new Phoenix strategy.
- Preparing this Annual Remuneration Report 2021, in observation of guidelines on Company Law requirements for listed company remuneration reports (implementing the EU Shareholder Rights Directive), shareholder feedback and general best practice trends in executive remuneration disclosures.

Future performance periods

- Reviewing the operation of the STIP and LTIP for 2022 for consistency with the Phoenix strategy. This resulted in the recommendation to the Board of Directors to replace the TSR metric in LTIP 2021 with a sustainability metric that will account for 25% of the result on the LTIP 2022.
- Benchmarking the remuneration level for the Executive Management and Board of Directors – and deciding to align the fee multiples for Committee work to the levels allowed by the Remuneration Policy to align more to market practice and the scale of activities for the Committees.

BOARD OF DIRECTORS' REMUNERATION

The remuneration of the Board of Directors in 2021 was in accordance with the Remuneration Policy relevant prior to and post the 2021 AGM as appropriate. Each ordinary member of the Board of Directors was entitled to a fixed annual base fee (DKK 500,000 for 2021), while the Chair and Deputy Chair receive fixed multiples thereof. Each member of a Board Committee was entitled to an additional fixed annual fee (based on a proportion of the fixed annual base fee) for

their membership in the Committees. The Audit Committee fees were increased following the AGM in line with the new multiples provided for in the 2021 Remuneration Policy. (The fees and multiples for other Committees were not increased after the AGM and were lower than the new multiples provided for in the 2021 Remuneration Policy.) The table below summarises the fees for members of the Board of Directors:

2021 FEE STRUCTURE	Board of Directors		Audit Committee				Other Committees	
	Multiplier	DKK	Prior to AGM 2021		Post AGM 2021		Multiplier	DKK
			Multiplier	DKK	Multiplier	DKK		
Chair	3.0x	1,500,000	0.4x	200,000	0.8x	400,000	0.3x	150,000
Deputy Chair	1.5x	750,000	N/A	N/A	N/A	N/A	N/A	N/A
Member	1.0x	500,000	0.3x	150,000	0.4x	200,000	0.2x	100,000

The Remuneration of the Board of Directors in 2021 was in accordance with the Remuneration Policy.

In case of a disproportionate workload or ad hoc tasks beyond the normal work duties undertaken by members of the Board of Directors, a fixed ad hoc fee may be awarded by the Board of Directors, not exceeding an amount corresponding to 1.0 times of the fixed annual base fee. No such ad hoc fees were paid in 2021.

A fixed travel allowance is paid in addition to the annual base fees when attending Pandora related meetings outside the Board member's country of residence to reflect the additional time commitment required – DKK 60,000 for each intercontinental travel and DKK 30,000 for each continental travel. The actual levels of remuneration received reflect the entitlements above as well as the actual levels of expenses and other costs incurred. Pandora pays social security contributions in respect of members of the Board of Directors not residing in Denmark.

BOARD OF DIRECTORS' 2021 REMUNERATION
DKK million

Board member	Role	Audit Committee	Remuneration Committee	Nomination Committee	Base fees	Committee fees	Total	Other ¹	Travel allowances	Total incl. other & travel
Peter A Ruzicka	Chair		Chair	Member	1.5	0.3	1.8	0.3	0.4	2.4
Christian Frigast	Deputy Chair		Member	Chair	0.8	0.3	1.0	0.0	0.0	1.0
Heine Dalsgaard ²	Board member	Chair from AGM ³			0.4	0.3	0.7	0.0	0.0	0.7
Birgitta Stymne Goransson	Board member	Member ³		Member	0.5	0.3	0.8	0.0	0.1	0.8
Marianne Kirkegaard	Board member			Member	0.5	0.1	0.6	0.0	0.1	0.7
Catherine Spindler	Board member	Member			0.5	0.2	0.7	0.0	0.0	0.7
Jan Zijderveld ²	Board member		Member from AGM		0.4	0.1	0.5	0.0	0.0	0.5
Andrea Dawn Alvey ⁴	Former Board member	Member until AGM	Member until AGM		0.1	0.1	0.2	0.0	0.0	0.2
Isabelle Parize ⁵	Former Board member	Member until left the Board			0.4	0.2	0.6	0.0	0.0	0.6
Ronica Wang ⁴	Former Board member		Member until AGM		0.1	0.0	0.2	0.0	0.0	0.2
Total Board Remuneration 2021					5.2	1.7	6.9	0.3	0.6	7.8
Total Board Remuneration 2020⁶					5.2	1.2	6.5	0.3	1.0	7.8
Total Board Remuneration Annual Change, %							6%			-

¹ Social security costs in Norway in respect of fees paid to the Chair.

² Heine Dalsgaard and Jan Zijderveld were elected to the Board of Directors at the AGM on 11 March 2021.

³ Birgitta Stymne Goransson was Chair of the Audit Committee until May 2021, when she was replaced as Chair of the Audit Committee by Heine Dalsgaard.

⁴ Andrea Dawn Alvey and Ronica Wang left the Board of Directors at the AGM on 11 March 2021.

⁵ Isabelle Parize resigned from the Board of Directors on 4 November 2021.

⁶ For the months of May and June 2020 the Board agreed to a 20% reduction in fees resulting in a total reduction in fees for Board members of DKK 0.2m.

The overview of Board of Directors' 2021 Remuneration table includes the remuneration paid to the board members in their capacity as members of the Board of Directors of Pandora. The number of travel allowances paid to members reflects their attendance at Pandora-related meetings outside their home country of residence. Excluding travel allowances the overall level of fees paid increased approximately 6%, mainly reflecting the temporary reduction in Board fees in

2020, the increase in the fee multiples and the higher number of members of the Audit Committee. The overall fees are flat due to the reduced level of travel (and consequently reduced travel allowances) in 2021 compared to 2020, due to the fact that most Board and Committee meetings were held virtually. The historic view of fees paid to the individual members of the Board of Directors is available in the comparison tables in [Appendix 4](#). ↗



MEMBERS OF THE BOARD OF DIRECTORS' INTERESTS IN

PANDORA SHARES

In 2021, the members of the Board of Directors were not remunerated in shares. Board members are required to hold a minimum level of Pandora shares to emphasise their connection and commitment to Pandora, and to align their interests with shareholders ("Share ownership requirement").

Board members are required to purchase (if relevant) and hold Pandora shares to meet the Share ownership requirement as long as they serve on the Board of Directors. The Share Ownership Requirement for each individual member of the Board of Directors is set at 100% x Annual Fee. The Share

ownership requirement must be fulfilled within 24 months from the day of appointment to the Board of Directors. The table sets out the development of each individual board member's shareholding in Pandora over 2021:

SHARES HELD BY MEMBERS OF THE BOARD OF DIRECTORS

Board member	Role	Shares held at 31 December 2020	Purchases over 2021	Sales over 2021	Shares held at 31 December 2021	Market value DKK m ²	Holding as multiple of share ownership requirement
Peter A. Ruzicka	Chair	20,000	2,000	-	22,000	17.9	12x
Christian Frigast	Deputy Chair	48,500	5,000	-	53,500	43.6	58x
Heine Dalsgaard ³	Board Member	787 ⁴	-	-	787	0.6	N/A
Birgitta Stymne Göransson	Board Member	2,000	-	-	2,000	1.6	3x
Marianne Kirkegaard ⁵	Board Member	1,968	1,000	-	2,968	2.4	N/A
Catherine Spindler ⁵	Board Member	-	405	-	405	0.3	N/A
Jan Zijderveld ³	Board Member	-	720	-	720	0.6	N/A
Andrea Dawn Alvey	Former Board Member	6,107	-	-	6,107	5.0	10x
Isabelle Parize	Former Board Member	1,500	1,500	-	3,000	2.4	5x
Ronica Wang	Former Board Member	5,999	-	-	5,999	4.9	10x
Total		86,074	10,625		97,486	79.5	13x

¹ The Annual Fee for this purpose is the gross fixed annual base fee (including multiples thereof for the Chair and Deputy Chair) but not including any committee fees.
² Market value is based on the share price of DKK 815.40 as of close of business 30th December 2021.
³ As new board members joining at the AGM 2021, the share ownership requirement will apply from March 2023 – i.e. within 24 months from the day of appointment to the Board of Directors.
⁴ Shareholding on joining the Board at the AGM 2021.
⁵ As new board members joining at the AGM 2020, the share ownership requirement will apply from March 2022 – i.e. within 24 months from the day of appointment to the Board of Directors.

EXECUTIVE MANAGEMENT REMUNERATION

Components of Executive Management remuneration

Members of Executive Management receive the following remuneration:



Fixed annual base salary, (members of Executive Management are not eligible for any Pandora-paid pension contribution as retirement contributions are taken into account when benchmarking to market practice).



Long-term share-based incentive plan ("LTIP"), based on Pandora's performance during the three year performance period, and with a further 24 months holding period before shares awarded can be sold (total five year period).



Short-term cash incentive plan ("STIP"), based on Pandora's performance during the current performance year.



Other customary benefits on terms generally aligned to those received by other employees.

The combination of fixed and incentive-based remuneration has been chosen to ensure that Pandora has the flexibility to recruit and retain key talent in a highly competitive, international talent market. The Board of Directors believes that incentive plans can be key drivers behind exceptional Pandora performance and that it is appropriate to strongly align the interests of the members of Executive Management with those of Pandora's shareholders.

Fixed annual base salary for Executive Management

As outlined in the Annual Remuneration Report 2020, given the performance of Pandora's and the importance of the Executive Management to the turnaround, the Board of Directors intended to address the competitiveness of the fixed annual base salary of the CEO and CFO (subject to performance) with market adjustment increases in subsequent years.

The Remuneration Committee benchmarked the level of reward provided to Executive Management with its independent external advisor Willis Towers Watson, against comparable positions in European¹ and Danish² peers and found that the level of fixed annual base salary provided to the CEO is below the competitive level provided to CEOs of companies

of similar size and complexity. Taking into account (i) the benchmark results (ii) the change in reward mix effective under the Remuneration Policy 2021 (a reduction in target STIP from 100% to 80% x fixed annual base salary) (iii) overall performance during 2020 and 2021 and (iv) the cancellation of the salary increases awarded to Executive Management effective from 1 January 2020, the Remuneration Committee recommended to the Board of Directors that the fixed annual base salary of the CEO was increased 16.7% to DKK 10.5 million (2020: DKK 9 million), and that of the CFO increased 10.9% to DKK 6.1 million (2020: DKK 5.5 million). The Board of Directors approved the recommendation effective from 1 March 2021. As a result of the market adjustment, the Fixed annual base salary (annual salary plus any pension contributions) and overall reward opportunity provided to the CEO and CFO is considered to be broadly competitive with the appropriate peer groups. Salary increases in future years are expected to evolve in line with pay for performance principles set out in the Remuneration Policy.

¹ European benchmarking peer group 2021: Inditex, Kering, EssilorLuxottica, adidas, Richemont, H & M, PUMA, Moncler, Swatch, Burberry, Dufry, Hugo Boss, ASOS, TOD'S

² Danish benchmarking peer group 2021: Novo Nordisk, DSV, Maersk, Vestas Wind Systems, Coloplast, Genmab, Carlsberg, Novozymes, Demant, Chr. Hansen, Rockwool Group, GN Store Nord, AMBU, Netcompany, Royal Unibrew, Lundbeck, SimCorp, ISS, Bavarian Nordic, FLSmidth & Co.

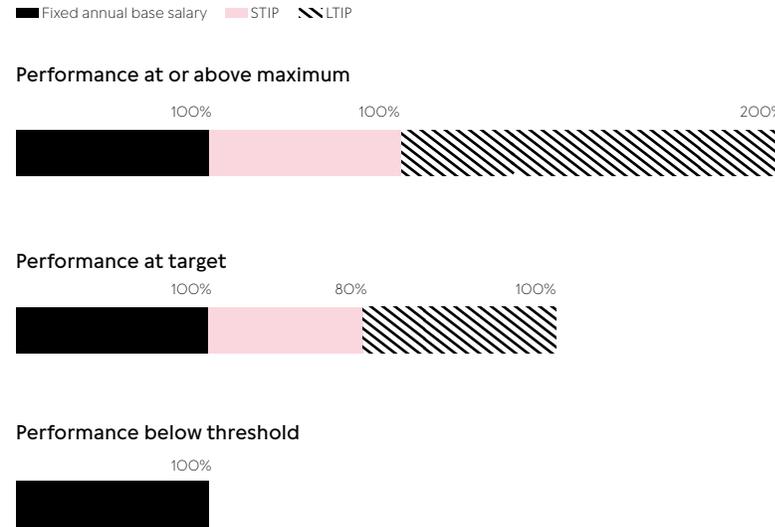
Pay mix for Executive Management

In 2021, the pay mix of Executive Management varies depending on performance relative to targets, in accordance with the Remuneration Policy 2021. The LTIP is in the form of Performance Share Units (PSUs) so the number of PSUs that are actually awarded as shares (at the end of the vesting period, and subject to a further 24 months' holding period, i.e. a total period of five years), may be in the range 0 – 200% of the target level of PSUs granted. The performance conditions are such that the maximum allocation of PSUs to all participants under the LTIP in 2021 is only awarded in shares if the performance conditions set by the Board are fully achieved.

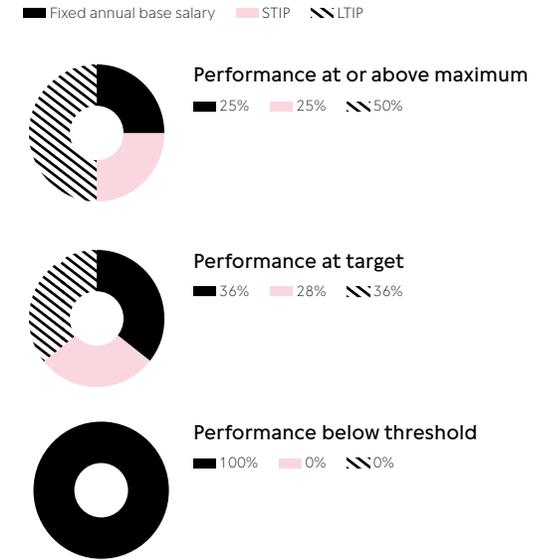
Remuneration of Executive Management for 2021

In 2021, the remuneration of Executive Management was in accordance with the Remuneration Policy 2021. The table provides an overview of the remuneration awards and outcomes for 2021, valued on the basis of remuneration awarded over the year (consistent with the way in which remuneration is determined in practice in accordance with the Remuneration Policy).

TOTAL REWARD – PAY ELEMENTS' AS % ANNUAL BASE SALARY²



PAY MIX* AS % TOTAL REWARD



¹ In line with usual communication practice, and the level of benefits in proportion to total reward, these illustrations include fixed annual base salary, STIP and LTIP only.
² Fixed annual base salary is defined, in accordance with the Remuneration Policy, as the annual salary level at the end of the performance period for STIP and at the grant date for LTIP.

EXECUTIVE MANAGEMENT REMUNERATION AWARDED

DKK million

Name	Role	Fixed Pay and Benefits			Variable Pay			Total regular remuneration awarded
		Fixed annual base salary received	Other Benefits	Total fixed remuneration	STIP Award	LTIP Grant ³	Total variable remuneration	
Alexander Lacik	CEO	10.3	2.2	12.4	10.5	10.5	21.0	33.4
Anders Boyer	CFO	6.0	0.3	6.3	6.1	6.1	12.2	18.5
Total 2021		16.2	2.4	18.7	16.6	16.6	33.2	51.9
Total 2020		14.0	1.7	15.7	14.5	14.5	29.0	44.7

³ Grant is shown at target value, which is the intended value at the time the LTIP KPI and metrics are prepared, based on the reference share price (being the average closing price in the last 5 days of the 2020 trading year). The actual value of the grant at the eventual grant date in accordance with IFRS2 principles may vary, as will the recognition of the LTIP expense over the period service is provided. This is explained further in Appendix 3.

Taking into account the accounting standards for the disclosure of share-based remuneration, the table provides an

overview of the key remuneration outcomes for Executive Management for the financial year 2021:

EXECUTIVE MANAGEMENT REMUNERATION EXPENSES DKK million

Name	Role	Annual salary received	Other benefits	Expense for short-term incentive	IFRS2 expense for long-term incentive				Total Remuneration
					LTIP 2019	LTIP 2020	LTIP 2021	LTIP Total	
Alexander Lacik	CEO	10.3	2.2	10.5	2.0	8.2	5.4	15.6	38.5
Anders Boyer	CFO	6.0	0.3	6.1	1.7	5.0	3.1	9.8	22.2
Total 2021 for current Executive Management		16.2	2.4	16.6	3.7	13.2	8.5	25.4	60.7
Total 2020 for current Executive Management		14.0	1.7	14.5	3.6	7.7	N/A	12.1¹	42.3
Annual change for current Executive Management									44%
Anders Colding Friis	former CEO	-	-	-	-	-	1.1	1.1	1.1
Peter Vekslund	former CFO	-	-	-	-	-	0.1	0.1	0.1
Total 2021 for current and former Executive Management		16.2	2.4	16.6	3.7	13.2	9.7	26.6	61.9
Total 2020 for current and former Executive Management		14.0	1.7	15.7	3.2	9.0	N/A	13.1¹	44.5
Annual change for current and former Executive Management									39%

¹ Total LTIP expense for 2020 includes DKK0.8m expense for LTIP 2018.

The change in total remuneration of Executive Management in 2020 to 2021 is explained primarily due to higher LTIP expense (reflecting company performance and the accounting expense for three in-flight awards for the CEO in 2021 compared to just two in-flight awards for 2020 LTIP expense), as well as the impact of the salary increases as explained earlier.

The proportion of total remuneration represented by share-based awards has increased to 43%² (2020: 29%). This is higher than the illustration of regular remuneration set out above, (where 32% of regular remuneration is in the form

of LTIP), as a consequence of the methodology of expensing share-based awards over the vesting period under the relevant accounting standard for disclosing share-based payments (International Financial Reporting Standard 2 (IFRS2)). The historic view of Executive Management remuneration, including expense for former members of Executive Management is set out in [Appendix 4](#). ↗

Short-term incentive plan (STIP)

The STIP is cash-based and designed to incentivise and encourage the members Executive Management to high

performance and promote achievement of the Group's short-term objectives on a basis that is overall consistent with sustainable delivery of long-term objectives For 2021, the target STIP was revised to 80% of fixed annual base salary for Executive Management (2020:100%) and maximum STIP remained at 100% of fixed annual base salary, in line with the Remuneration Policy approved at the AGM in 2021.

STIP 2021

The STIP KPIs for 2021 were based on (i) 50% Sell-out growth and (ii) 50% EBIT margin. As financial KPIs are commercially sensitive,

² The proportions of total remuneration represented by other reward items have changed as a consequence to: 26% (2020: 31%) for fixed salary and 27% (2020: 35%) for STIP. The proportion represented by other benefits salary remains at 4% (2020: 4%) due to the increase in absolute terms as explained in the discussion on relocation allowances later in this Section.



Pandora's practice is to communicate the KPIs after the end of the performance period. In setting the performance conditions for 2021 the Board of Directors anticipated a COVID-19 impact on Sell-out growth of -6%, consistent with the actual turnout for 2021. Accordingly, no adjustment was made to the STIP 2021 result when measuring the achievement against the performance conditions, and the STIP 2021 was awarded at the maximum 100% x Fixed annual base salary (125% of the target achievement of 80% x Fixed annual base salary). The STIP award for 2021 will be paid in cash in March 2022.

Long-term incentive plan (LTIP)

The purpose of the LTIP is to incentivise performance, ensure the commitment and retention of Executive Management, as well as to promote alignment of their interests with those of the shareholders. The LTIP rewards the Executive Management for dedicated and focused results intended to achieve and support the long-term interests of Pandora, including its sustainability.

LTIP 2021

The LTIP 2021 provides for a target award of 25,144 shares (maximum: 50,288 shares) to Pandora's Executive Management, conditional on performance (i.e., the award is in the form of PSUs). The target grant of PSUs is calculated based on the target grant level of 100% x Fixed annual base salary and the reference share price of DKK 660.24 (the average price of Pandora's shares on Nasdaq Copenhagen over the last five trading days of 2020). The granted PSUs will be awarded as shares in 2024 following the publication of Pandora's annual report for 2023, subject to fulfilment of the performance conditions in the range 0 – 200% of the target PSUs granted. For Executive Management the performance conditions are set out in the table opposite.

STIP 2021

Metrics	Threshold 0% x Fixed annual base salary	Target 80% x Fixed annual base salary	Maximum 100% x Fixed annual base salary (125% x Target)	Weight	Achievement		
					Actual, %	x Target, 0-125%	
Performance conditions	Sell-out growth vs 2020 (constant currency)	6%	9%	12%	50%	20%	125%
	EBIT margin	20.4%	21.5%	23.0%	50%	25%	125%
Total					100%	125%	

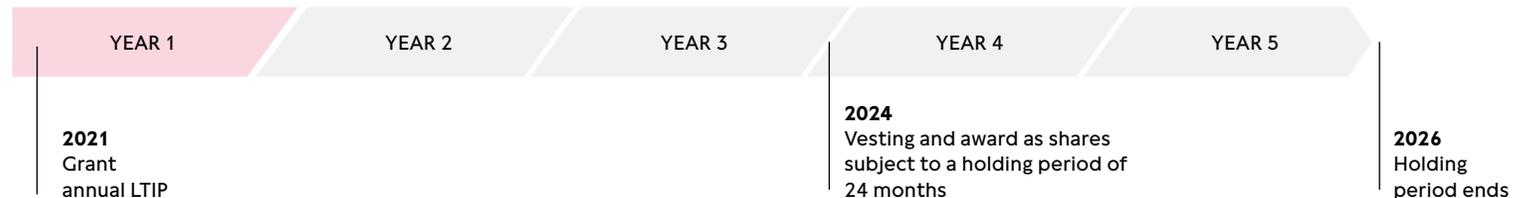
LTIP 2021 FOR EXECUTIVE MANAGEMENT

Performance conditions	Metric	Weight	Vesting % for achievement of performance conditions			
			Below threshold	At threshold	At target	At or above stretch
	EPS ¹	50%	0%	0%	100%	200%
	TSR ²	50%	0%	50%	100%	200%
Total		100%	0%	25%	100%	200%
Shares awarded			0	6,286	25,144	50,288
Value at the reference share price			0	DKK 4.1m	DKK 16.6m	DKK 33.2m

¹ Pandora's Earnings per share (EPS) for Financial Year 2023 will be assessed against objectives based on Pandora's internal financial projections. As financial KPIs are commercially sensitive, Pandora's practice is to communicate the KPIs after the end of the performance period.

² Pandora's relative Total shareholder Return (TSR) will be ranked (over the period from December 2020 – December 2023) against a basket of 15 industry peer companies. The threshold is a TSR ranking at median; the stretch is a TSR ranking at top quartile, and pro-rata in between.

5 YEAR PERFORMANCE PERIOD FOR THE LTIP 2021 FOR EXECUTIVE MANAGEMENT



As the grant of PSUs takes place after the end of the performance period, the PSUs granted have a vesting period of three years. After vesting, the shares awarded are subject to a further 24 months' holding period, during which Executive Management are restricted from selling the shares except for sales for payment of taxes triggered by PSUs vesting and being awarded as shares under this LTIP. During the holding period, the participant is eligible to receive dividends, if provided, on the shares awarded. At the end of the holding period, and subject always to compliance with shareholding requirements under the Remuneration Policy and restrictions in respect of relevant insider rules, the participant may sell the shares.

In addition, Executive Management meet and continue to be subject to a Share ownership requirement to maintain a shareholding of a value corresponding to the gross fixed annual base salary.

In accordance with the relevant International Financial Reporting Standards (IFRSs) the accounting expense for the LTIP will be recognised in the income statement over the 3-year vesting period.

LTIP 2020

In line with the then applicable Remuneration Policy approved at the 2020 AGM the format of the LTIP awards was changed to PSUs for the 2020 awards. In addition to the three-year performance measures, there is a two-year holding period after vesting for Executive Management, as for the LTIP 2021.

The LTIP 2020 provides a maximum allocation of 100,661 PSUs to Pandora's Executive Management, based on the par level of 100% x Annual base salary and the allocation share price of DKK 288.10 (the average price of Pandora's shares on Nasdaq Copenhagen over the last five trading days of 2019).

LTIP provides a maximum award of shares to Executive Management of 200% x Fixed annual base salary

The allocated PSUs will be granted in 2023 following the publication of Pandora's annual report for 2022, subject to fulfilment of the performance conditions in the range 0 – 100% of the maximum PSUs allocated. For Executive Management the performance conditions are set out in the table opposite.

LTIP 2019

In 2019, the Remuneration Committee granted members of Executive Management the option to purchase shares in the event certain performance conditions are achieved over a three year period. In addition to the three-year performance measures, there is a two-year holding period after vesting for Executive Management, as for the LTIP 2020. Although technically structured as options for legacy Danish tax treatment reasons, the awards have the characteristics of PSUs because the option exercise price is less than 1% of the share price. This legal structure was simplified in the LTIP 2020. The two performance conditions are (i) Total Shareholder Return (TSR) performance relative to the same group of peer companies as was adopted for LTIP 2020 and (ii) 2019 performance as measured under the STIP.

At end 2021, Pandora was the top performer amongst the peer group as set out in Appendix 1, and, accordingly, 100% of the maximum number of PSUs linked to TSR will be vested. The STIP 2019 achievement has been measured at 62.2%, and, accordingly, 37.8% of the PSUs linked to the STIP 2019 achievement have been cancelled and the remaining portion will be vested. The vesting date for the LTIP 2019 is 10 February 2022.

LTIP 2020 FOR EXECUTIVE MANAGEMENT

Performance conditions	Metric	Weight	Vesting % for achievement of target			
			Below threshold	At threshold	At par	At maximum
	EPS ¹	50%	0%	0%	50%	100%
	TSR ²	50%	0%	25%	50%	100%
	Total	100%	0%	12.5%	50%	100%
Maximum number of PSUs Allocated			0	12,583	50,331	100,661
Value at the allocation share price			0	DKK 3.6m	DKK 14.5m	DKK 29.0m

¹ Pandora's Earnings Per Share (EPS) for Financial Year 2022 will be assessed against objectives based on Pandora's internal financial projections. As financial KPIs are commercially sensitive Pandora's practice is to communicate the KPIs after the end of the performance period.

² Pandora's relative Total Shareholder Return (TSR) will be ranked (over the period from December 2019 – December 2022) against a basket of 15 industry peer companies. The threshold for the vesting of 25% of the PSUs linked to the TSR objective is a TSR ranking at median; the maximum for the vesting of 100% of the PSUs is a TSR ranking at top quartile. If the final achievement on the TSR metric is in between the Threshold and Maximum the vesting is pro-rated accordingly.

LTIP 2018

Performance for the LTIP 2018 was measured in 2020 and the minimum performance threshold of 34% EBITDA margin for 2020 was not met. Accordingly, none of the PSUs in the form

of options allocated under the LTIP 2018 vested in February 2021 and all were lapsed. None of the current members of the Executive Management received options in the form of PSUs, although Anders Boyer (CFO) did receive, as part of his sign-on conditions, an award of Restricted Share Units (RSUs) in the form of options that vested in February 2021, and will be available to exercise at the end of the usual two-year holding period for Executive Management.

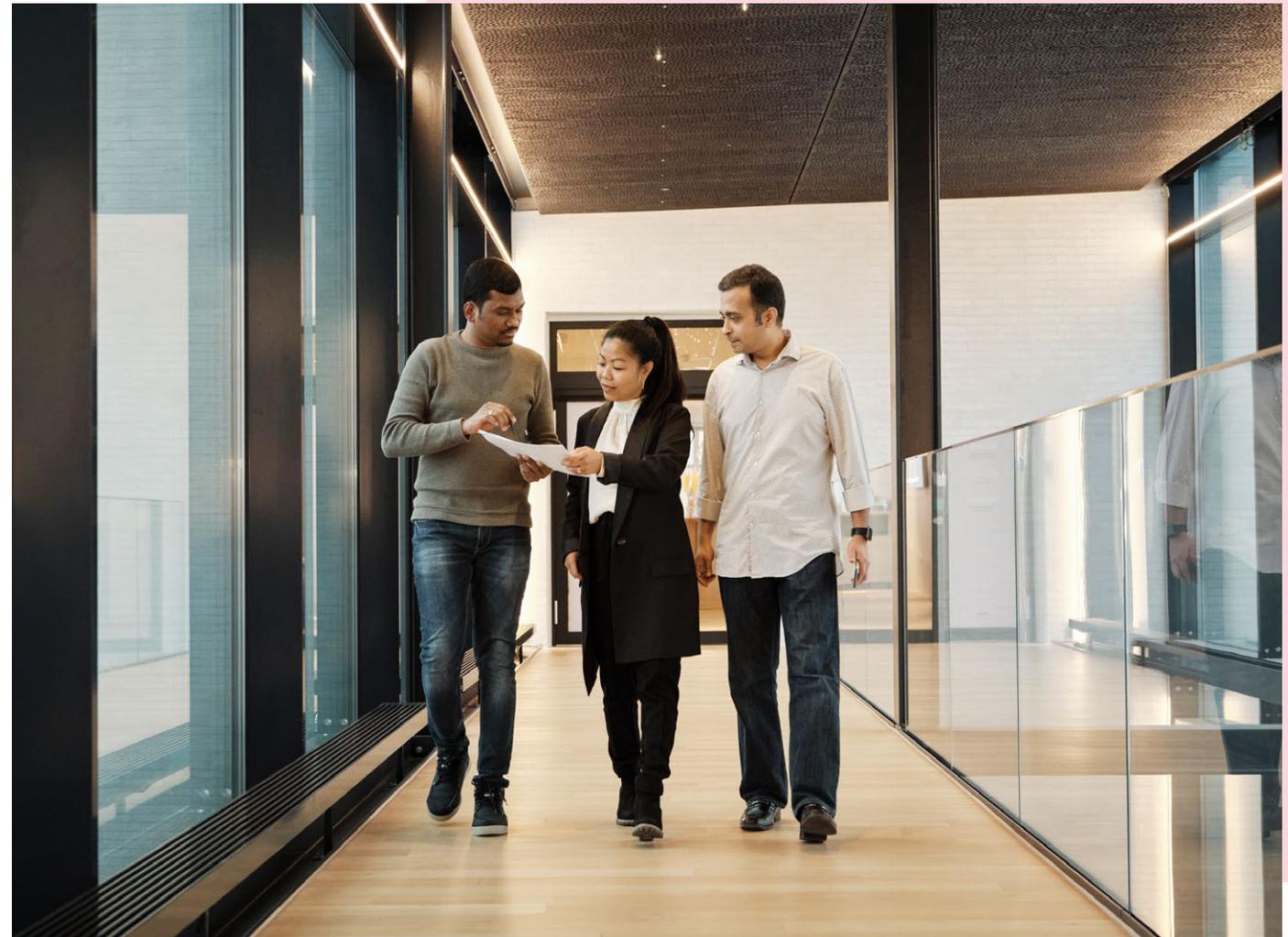
Other customary benefits

Members of Executive Management are not eligible for any Pandora-paid pension contribution as it is included in the Fixed Annual Base Salary and taken into account when benchmarking total remuneration. Other benefits – such as car allowance, annual health check and lifestyle coaching, company canteen, company paid health insurance, internet and phone allowance are provided on the same basis as is available to other senior employees based in Denmark.

Relocation allowances

In accordance with his relocation and settlement agreement, aligned to Pandora's policy for other senior employees, the CEO continued to receive ongoing support through 2021 in respect of tax filing, reimbursement of education fees and mobility allowances for housing, transport and living expenses.

Continued eligibility for ongoing settlement support was reviewed on the second anniversary of the date of relocation to Denmark (1 August 2020), and annually thereafter. Any changes are applied with 12 months' notice (i.e. three year initial commitment period). Support for ongoing relocation is discontinued, unless otherwise agreed by the Board of Directors, if the CEO tenders notice of resignation.



EXECUTIVE MANAGEMENT INTEREST IN

PANDORA SHARES

A shareholding requirement applies for Executive Management. Together with the design of the incentive arrangements, the requirement ensures that the value realised by Executive Management is directly linked to long-term sustainable business performance. The shareholding requirement is defined as such that the Executive Management shall buy and hold a number of shares in Pandora with a market value

corresponding to member's gross fixed annual base Salary from time to time.

The table sets out the development of Executive Management's shareholding in Pandora over the financial year.

In 2021, the members of the Executive Management received allocations of PSUs under the LTIP 2021. Together with allocations received in previous years, the remuneration approach and significant shareholding of Executive Management ensures alignment with shareholders' short-term and long-term interests through both shares held and conditional shares dependent on the performance of Pandora over subsequent periods, as set out in the table.

SHARES HELD BY EXECUTIVE MANAGEMENT

Name	Role	Shares held at 31 December 2020	Market value in DKK m (Dec 2020) ¹	Purchases over 2021	Vested shares over 2021	Shares in holding period 2021	Sales over 2021	Shares held at 31 December 2021	Market value in DKK m (Dec 2021) ²	Holding as multiple share ownership requirement
Alexander Lacik	CEO	161,628	110.1	1,649	-	-	-	163,277	133.1	13x
Anders Boyer	CFO	102,471	69.8	1,000	-	7,865	-	103,471	84.4	14x
Total		264,099	179.9	2,649	-	7,865	-	266,748	217.5	13x

UNVESTED SHARES ALLOCATED TO EXECUTIVE MANAGEMENT

Name	Role	Unvested shares at 31 December 2020			Movements over 2021					Unvested shares at 31 December 2021		
		Maximum number of PSUs	Maximum number of RSUs	Conditional value DKK m	New allocations of PSUs	PSUs cancelled	PSUs vested	RSUs vested	RSUs (in holding period)	Maximum number of PSUs	RSUs in holding period	Conditional value ¹ DKK m
Alexander Lacik	CEO	98,863	-	67.3	31,808	-	-	-	-	130,671		106.5
Anders Boyer	CFO	70,415	7,865	53.3	18,480	-	-	-	7,865	88,895	7,865	78.9
Total		169,278	7,865	120.6	50,288	-	-	-	7,865	219,566	7,865	185.4

¹ Market value is based on the share price of DKK 681 as close of business December 30, 2020.

² Market Value is based on the share price of DKK 815.40 as of close of business December 30, 2021.

GROUP PAY STRUCTURES

Reward element	Alignment with the wider workforce	
Fixed pay	<ul style="list-style-type: none"> Fixed annual base salary 	✓ The broad principles of this Remuneration Policy also apply when making remuneration decisions for all employees across Pandora, although, for roles below the most senior levels, different labour market dynamics may lead to that local rather than international pay comparisons are more appropriate.
	<ul style="list-style-type: none"> Retirement benefit 	For roles below Executive Management, Company contributions are provided in line with the local market level.
	<ul style="list-style-type: none"> Car benefit 	✓
Other benefits	✓	
Short-term incentive	<ul style="list-style-type: none"> Link to Pandora performance 	✓ Employees at director level and above are eligible for a Group bonus linked to business performance. For 2022, the individual bonus pay-out will also be linked to an individual's contribution to delivery of our Phoenix Strategy and Values (via the performance evaluation). In roles in our Retail or Production and Distribution environments the incentive outcome will relate more to the local achievement.
Long-term incentive	<ul style="list-style-type: none"> Form of award 	Performance share units are awarded at vice president level and above.
	<ul style="list-style-type: none"> Holding period requirement 	Only the EPS metric was applied for the 2021 award below the Executive Leadership Team.
	<ul style="list-style-type: none"> Share ownership requirement 	There is no holding period applied below Executive Management level. There is no share ownership requirement below Executive Management level.

Pay structures and salary budgets are managed on an organisation wide basis – ensuring that reward structures and processes in Pandora continue to be fit for purpose. The table summarises the key elements of the remuneration structure for Executive Management and how these currently flow through to the rest of the organisation.

Given the relationship between the principles for Executive Management and the wider workforce, reward movements for the wider workforce are generally expected to be comparable to that for Executive Management. The actual movement in pay levels for Executive Management – as set out in Appendix 4 – has been significantly more variable in practice due to (i) exceptional items linked to severance and sign-on arrangements (ii) the higher proportion of pay that is variable (i.e. linked to Pandora performance, especially the link to long-term performance through the LTIP) at Executive Management level and (iii) changes in the mix of employees (including movements in the proportions of the workforce employed in different geographies with different underlying pay levels).

OTHER DISCLOSURES

Share price performance

Pandora has performed well over 2021, and produced total shareholder return (TSR) in the top half of peer companies, as set out in Appendix 1. This continues the strong performance on TSR over the two-year and three-year periods from 2020 and 2019. The direct impact of the share price growth on the value of Executive Management's unvested shares and total shareholding as set out in Section 5, illustrates how the Remuneration Policy ensures alignment of interests between Executive Management and shareholders.

Shareholder engagement

As in previous years, throughout 2021, we continued to discuss our Remuneration Policy and approach with larger shareholders as well as investor representative bodies. We plan to continue this dialogue in 2022. Based on feedback received after the 2021 AGM, and experience over 2021, our external stakeholders recognise the improvements in transparency on the framework for the STIP and the LTIP, and are supportive of including a sustainability component in

LTIP 2022 to replace TSR. Details of the LTIP 2022 design will follow in next year's report.

The Annual Remuneration Report will continue to be submitted for an advisory vote at our AGMs.

Remuneration from Group companies

No member of the Board of Directors or Executive Management has received any other remuneration from other Group companies.

Claw-back

During 2021, Pandora has not exercised any claw-back provisions related to the STIP or LTIP.

Deviation from the Remuneration Policy

During 2021, Pandora has not found any reason to deviate from the framework set out by its current Remuneration Policy or the process of preparing, reviewing and implementing the Remuneration Policy.



STATEMENT BY THE BOARD OF DIRECTORS

The Board of Directors has today considered and approved the remuneration report of Pandora A/S for the financial year 2021. This annual remuneration report (the “Annual Remuneration Report”) of Pandora A/S, CVR no. 28505116, (the “Company” or “Pandora”) has been prepared considering the requirements of section 139b of the Danish Companies Act and the recommendations published by the Danish Committee on Corporate Governance and implemented by Nasdaq Copenhagen A/S applicable for the financial year 2021. The Annual Remuneration Report provides an overview of the total remuneration received by each member of the Board of Directors (the “Board”) and of the Executive Management (“Executive Management”) for the financial year 2021 with comparative figures for prior years. In line with the guidelines issued by the Danish Business Authority, five-year historical comparative figures have been provided. The Executive Management includes the members of the executive management of Pandora registered as such with the Danish Business Authority.

In our opinion, the remuneration report provides a fair presentation and complete overview of the remuneration that the individual management members were awarded during or for the benefit of the financial year 2021, and the remuneration report explains how the overall remuneration is in accordance

with the remuneration policy, including how the remuneration contributes towards promoting the business strategy and creation of value by supporting the Company’s short-term and long-term objectives.

Our approach to remuneration

The remuneration of the Board and Executive Management during the past financial year has been provided in accordance with the remuneration policy (the “Remuneration Policy”) of Pandora approved by the annual general meeting in 2021, which is available on www.pandoragroup.com/investor. The overall purpose of the Remuneration Policy is to attract, retain and motivate Pandora’s Executive Management and members of the Board while supporting the long-term interests of Pandora, including its sustainability. The Remuneration Committee notes the support received from the shareholders in favour of the Remuneration Policy at Pandora’s annual general meeting (“AGM”) held in 2021. Our engagements with shareholders in 2021 helped us understand the voting outcome and expectations for further clarity around certain aspects of the Remuneration Policy. This Remuneration Report, to be tabled for an advisory vote at Pandora’s AGM 2022, illustrates how we have promoted and will continue to promote a healthy performance culture

in a transparent remuneration framework that aligns the interest of Pandora’s Executive Management and the long-term interests of the shareholders.

Copenhagen 9 February 2022

Board of Directors

Peter A. Ruzicka
Chair

Christian Frigast
Deputy Chair

Heine Dalsgaard

Birgitta Stymne Göransson

Marianne Kirkegaard

Catherine Spindler

Jan Zijderveld

INDEPENDENT AUDITOR'S

REPORT ON THE REMUNERATION REPORT

To the shareholders of Pandora A/S

As agreed with the Company's Board of Directors, we have examined whether the remuneration report of Pandora A/S for the period 1 January 2021 – 31 December 2021 contains the disclosures required pursuant to section 139b(3) of the Danish Companies Act. The degree of assurance we express in this report is reasonable.

The Board of Directors' responsibility for the remuneration report

The Board of Directors is responsible for the preparation of the remuneration report in accordance with section 139b(3) of the Danish Companies Act and the Remuneration Policy 2021 as adopted by the Annual General Meeting on 11 March 2021.

The Board of Directors is also responsible for such internal control as the Board of Directors determines is necessary to enable the preparation of a remuneration report that is free from material misstatement, whether due to fraud or error.

Auditor's independence and quality control

We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants

issued by the International Ethics Standards Board for Accountants (IESBA Code) and the ethical requirements of laws and regulations applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code, which rely on general principles of integrity, objectivity, professional competence and due care, confidentiality and professional conduct.

EY Godkendt Revisionspartnerselskab is subject to the International Standard on Quality Control, ISQC 1, and thus uses a comprehensive quality control system, documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable requirements of Danish law and other regulations.

Auditor's responsibilities

Our responsibility is to express a conclusion on the remuneration report based on our examinations. We performed our work in accordance with ISAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information and additional requirements under Danish audit regulation to obtain reasonable assurance for purposes of our conclusion.

As part of our examinations, we performed the below procedures:

- We have verified whether the remuneration report, to the extent relevant, contains the disclosures required pursuant to section 139b(3)(i)-(vi) of the Danish Companies Act regarding the remuneration of each individual member of the Board of Directors and Executive Board.

We believe that our work provides a reasonable basis for our conclusion.

Our examinations did not include procedures aiming to test the accuracy and completeness of the disclosures made in the remuneration report, and accordingly, we do not express a conclusion in this respect.

Conclusion

In our opinion, the remuneration report contains, in all material respects, the disclosures required pursuant to section 139b(3) of the Danish Companies Act.

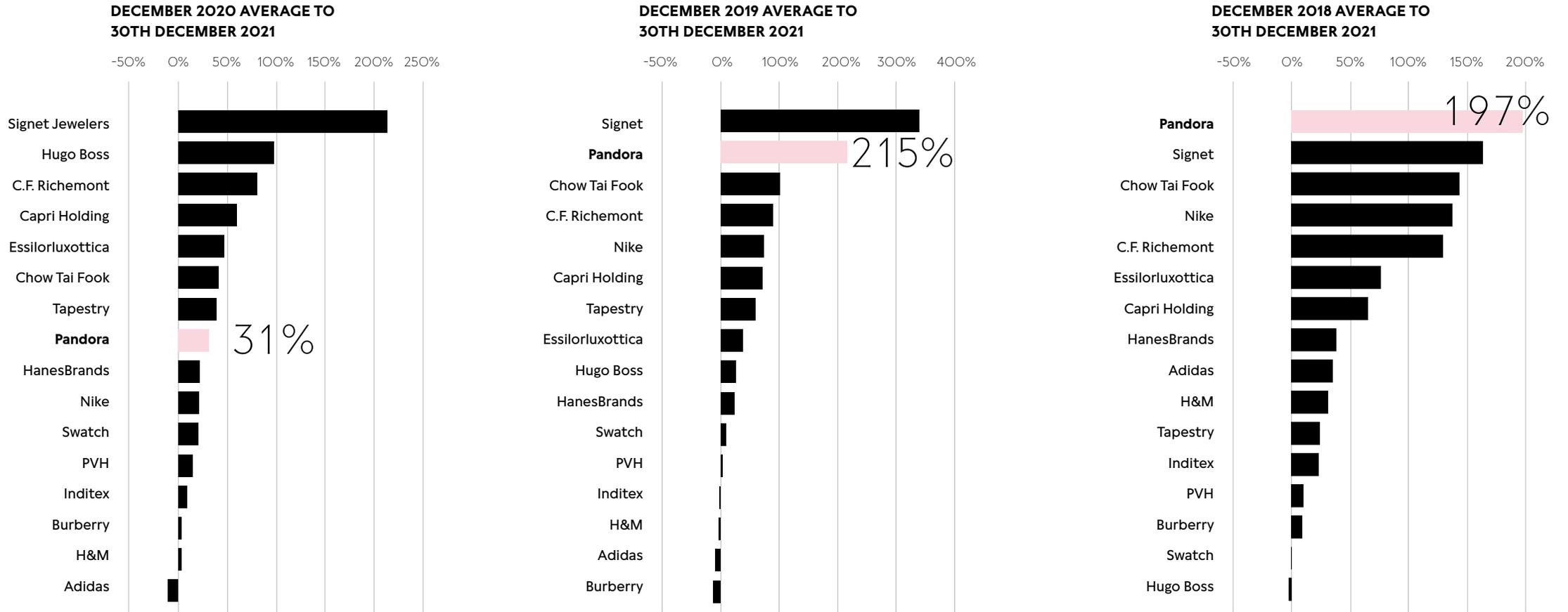
Copenhagen,
9 February 2022
EY Godkendt
Revisionspartnerselskab
CVR no. 30 70 02 28

Mikkel Sthyr
State Authorised
Public Accountant
mne26693

Jens Thordahl Nøhr
State Authorised
Public Accountant
mne32212

APPENDIX 1

PANDORA'S TOTAL SHAREHOLDER RETURN RELATIVE TO PEERS



Achievement of the TSR performance condition under the LTIP is measured compared to an average December starting point. Therefore the TSR achievement from average December 2020 to end 2021 is not equivalent to the TSR for the discrete financial year quoted in this year's annual report.

APPENDIX 2

STIP FOR EXECUTIVE MANAGEMENT
STIP ACHIEVEMENT HISTORY

Programme	Performance period	Metrics	Weights	Achievement as % maximum
2021	1 January 2021 – 31 December 2021	Sell-out growth	50%	100%
		EBIT margin	50%	100%
		Total	100%	100%
Revised 2020	1 January 2020 – 31 December 2020	Revenue	50%	100%
		Adjusted EBIT (excl. restructuring)	50%	100%
		Total	100%	100%
2020	1 January 2020 – 31 December 2020	Like- for-like revenue growth	40%	0%
		EBIT margin (excl. restructuring)	60%	0%
		Total	100%	0%
2019	1 January 2019 – 31 December 2019	Like-for-like revenue growth	30%	25%
		EBIT margin (excl. restructuring)	70%	78%
		Total	100%	62.2%
Interim 2018	1 January 2018 – 31 December 2018	New EBITDA guidance	Trigger	Met
		Total	100%	100%
2018	1 January 2018 – 31 December 2018	Revenue growth in local currency	80%	N/A
		Like-for-like revenue growth	20%	N/A
		EBITDA %	Trigger	Not met
		Total	100%	0%
2017	1 January 2017 – 31 December 2017	Revenue	100%	83.7%
		EBITDA %	Trigger	Met
		Total	100%	83.7%

STIP PAY-OUT HISTORY

Name	Position	Programme	Achievement as % maximum	Pay-out (DKK m)
Alexander Lacik	CEO	2021	100%	10.5
		Revised 2020	100%	9.0
		2019	62.2%	3.9
Anders Boyer	CFO	2021	100%	6.1
		Revised 2020	100%	5.5
		2019	62.2%	3.4
		Interim 2018 STIP	100%	2.1
Jeremy Schwartz	Former COO	2019	62.2%	2.9
		Interim 2018 STIP	100%	2.3
Anders Colding Friis	Former CEO	Revised 2020	100%	5.8
		2019	62.2%	5.4
		2018	0%	0.0
		2017	83.7%	7.3
Peter Vekslund	Former CFO	Revised 2020	100%	0.3
		2019	62.2%	2.6
		2018	0%	0.0
		2017	83.7%	3.4



APPENDIX 3

LTIP FOR EXECUTIVE MANAGEMENT

LTIP ACHIEVEMENT HISTORY

Programme	Performance period	End of holding period	Metrics	Weights	Achievement as % maximum
2021	1.01.2021 – 31.12.2023	After publication of FY 2025 Annual Report – expected February 2026	Relative TSR	50%	Currently #8, which would generate 25%
			EPS FY2022	50%	Currently trending at 100%
			Total	100%	62.5% trend
2020	1.01.2020 – 31.12.2022	After publication of FY 2024 Annual Report – expected February 2025	Relative TSR	50%	Currently #2, which would generate 100%
			EPS FY2022	50%	Currently trending at 100%
			Total	100%	100% trend
2019	1.01.2020 – 31.12.2021	After publication of FY 2023 Annual Report – expected February 2024	Relative TSR	71.3%	100%
			STIP 2019 result	28.7%	62.2%
			Total	100%	89.1%
2018	1.01.2018 – 31.12.2020	After publication of FY 2022 Annual Report – expected February 2023	Revenue FY2020 (CAGR)	50%	0%
			Accumulated EBITDA (FY2018–FY2020)	50%	0%
			Total	100%	0%
2017	1.01.2017 – 31.12.2019	After publication of FY 2021 Annual Report – expected February 2022	Revenue FY2019 (CAGR)	100%	N/A
			EBITDA margin FY2019	Trigger	not met
			Total	100%	0%



APPENDIX 3

LTIP FOR EXECUTIVE MANAGEMENT (CONTINUED)

LTIP ALLOCATION HISTORY

Name	Position	Programme	Maximum number of PSUs allocated	Target value of grant (at grant date) DKK m	Total IFRS2 expense expected (at grant date) DKK m	PSUs cancelled	PSUs vested	RSUs in holding period	PSUs exercised/awarded in shares	Share price at exercise/award DKK	Exercise price DKK	Value realised DKK m
Alexander Lacik	CEO	2021	31,808	10.5	11.1	-	TBD	-	-	-	0	-
		2020	62,479	9.0	14.3	-	TBD	-	-	-	0	-
		2019	40,813	6.2	6.4	-4,429	TBD	-	-	-	TBD	-
Anders Boyer	CFO	2021	18,480	6.1	6.4	-	TBD	-	-	-	0	-
		2020	38,182	5.5	8.7	-	TBD	-	-	-	0	-
		2019	36,157	5.5	5.7	-3,924	TBD	-	-	-	TBD	-
		2018 RSU	7,865	2.1	1.8	-	TBD	-7,865	-	-	TBD	-
Anders Colding Friis	Former CEO	2020	14,039	2.0	3.2	-	TBD	-	-	-	0	-
		2019	31,820	4.8	5.0	-3,453	TBD	-	-	-	TBD	-
		2018	11,594	8.0	6.7	-11,594	-	-	-	N/A	N/A	-
		2017	9,605	8.8	7.3	-9,605	-	-	-	N/A	N/A	-
Peter Vekslund	Former CFO	2020	791	0.1	0.2	-	TBD	-	-	-	0	-
		2019	9,734	1.5	1.5	-1,056	TBD	-	-	-	TBD	-
		2018	4,263	2.9	2.5	-4,263	-	-	-	N/A	N/A	-
		2017	4,501	4.1	3.4	-4,501	-	-	-	N/A	N/A	-

APPENDIX 3

LTIP FOR EXECUTIVE MANAGEMENT (CONTINUED)

As noted in Section 4, the accounting expense of the share-based grants over the period reflects only a proportion of the total grant value. The table reconciles the par value of the share units allocated at the allocation date to the accounting

expense according IFRS2, to give a fuller illustration of the alignment of interests between Executive Management and the shareholders.

RECONCILIATION OF LTIP ALLOCATIONS TO LTIP EXPENSE FOR EXECUTIVE MANAGEMENT

Name & position	Programme	Target value of grant (DKK million)	Maximum PSUs granted	PSUs cancelled	PSUs vested	RSUs subject to holding period	LTIP grant			IFRS2 expense (DKK million)				
							Maximum unvested RSUs and PSUs			Total expected, effective as of the grant date	Total expected, effective as of year end 2021	Total recognised as of year end 2020	Total not recognised as of year end 2021	2021 expense recognised
							PSUs end 2021	RSUs in holding period	Total					
Alexander Lacik (CEO)	LTIP 2021	10.5	31,808	-	-	-	31,808	-	31,808	11.1	16.2	N/A	10.8	5.4
	LTIP 2020	9.0	62,479	-	-	-	62,479	-	62,479	14.3	19.4	4.8	6.5	8.2
	LTIP 2019	6.2	40,813	-4,429	-	-	36,384	-	36,384	6.5	5.5	3.5	-	2.0
	Total	25.7	135,100	-4,429	-	-	130,671	-	130,671	31.9	41.1	8.3	17.3	15.6
Anders Boyer (CFO)	LTIP 2021	6.1	18,480	-	-	-	18,480	-	18,480	6.4	9.4	N/A	6.3	3.1
	LTIP 2020	5.5	38,182	-	-	-	38,182	-	38,182	8.7	11.9	2.9	4.0	5.0
	LTIP 2019	5.5	36,157	-3,924	-	-	32,233	-	32,233	5.7	4.9	3.2	-	1.7
	RSUs 2018 ¹	2.1	7,865	-	-	7,865	-	7,865	7,865	1.8	1.8	1.8	-	-
	Total	19.2	100,684	-3,924	-	7,865	88,895	7,865	96,760	22.6	28.0	7.9	10.3	9.8
Total for current Executive Management	44.9	235,784	-8,353	-	7,865	219,566	7,865	227,431	54.5	69.1	16.2	27.6	25.4	

¹ Restricted share units (RSUs) were provided to the CFO as an interim LTIP 2018 in lieu of the main allocation.

APPENDIX 4

FIVE YEAR COMPARISON OF REMUNERATION

The development in the remuneration of the Board and Executive Management over the past five financial years, is summarised in the Five year history of Remuneration:

FIVE YEAR HISTORY OF REMUNERATION FOR EXECUTIVE MANAGEMENT AND THE BOARD OF DIRECTORS

Name	Position	2021			2020			2019			2018			2017		
		DKK million	Annual change, %	Variable proportion ¹	DKK million	Annual change, %	Variable proportion	DKK million	Annual change, %	Variable proportion	DKK million	Annual change, %	Variable proportion	DKK million	Annual change, %	Variable proportion
Alexander Lacik	CEO	38.5	49%	68%	25.9	-14%	61%	29.9	-	18%	-	-	-	-	-	-
Anders Boyer	CFO	22.2	35%	72%	16.4	16%	66%	14.2	82%	41%	7.8	-	29%	-	-	-
Jeremy Schwartz	Former COO	-	-	-	-	-	-	12.3	78%	24%	6.9	-	33%	-	-	-
Anders Colding Friis	Former CEO ²	1.1	-48%	100%	2.1	-	100%	-1.8	-	100%	42.8	97%	42%	21.7	-12%	58%
Peter Vekslund	Former CFO ²	0.1	-	100%	-	-	100%	-0.8	-	100%	15.6	61%	43%	9.7	-13%	56%
Total for Executive Management		61.9	39%	70%	44.5	-17%	65%	53.7	-26%	21%	73.1	133%	40%	31.4	-12%	57%
Peter A. Ruzicka	Chair	2.4	-	-	2.4	- ³	-	0.1	-	-	-	-	-	-	-	-
Christian Frigast	Deputy Chair	1.0	0%	-	1.0	1%	-	0.9	0%	-	0.9	5%	-	0.9	0%	-
Heine Dalsgaard	Board Member	0.7	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Birgitta Stymne Göransson	Board Member	0.8	0%	-	0.8	-7%	-	0.8	-2%	-	0.8	1%	-	0.8	51%	-
Marianne Kirkegaard	Board Member	0.7	17%	-	0.6	-	-	-	-	-	-	-	-	-	-	-
Catherine Spindler	Board Member	0.7	40%	-	0.5	-	-	-	-	-	-	-	-	-	-	-
Jan Zijderveld	Board Member	0.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Andrea Dawn Alvey ⁴	Former Board Member	0.2	-75%	-	0.8	-4%	-	0.8	-8%	-	0.9	-4%	-	1.0	31%	-
Isabelle Parize ⁵	Former Board Member	0.6	-14%	-	0.7	-9%	-	0.8	-	-	-	-	-	-	-	-
Ronica Wang ⁴	Former Board Member	0.2	-71%	-	0.7	-16%	-	0.9	3%	-	0.9	-7%	-	0.9	24%	-
Peder Tuborgh ⁶	Former Chair	-	-	-	-	-	-	1.5	0%	-	1.5	3%	-	1.5	0%	-
Allan Leighton ⁷	Former Deputy Chair	-	-	-	-	-	-	-	-	-	0.2	-76%	-	0.9	6%	-
Per Bank ⁸	Former Board Member	-	-	-	0.2	-77%	-	0.6	0%	-	0.7	8%	-	0.6	0%	-
John Peace ⁸	Former Board Member	-	-	-	0.2	-73%	-	0.6	-	-	-	-	-	-	-	-
Bjørn Gulden ⁹	Former Board Member	-	-	-	-	-	-	0.2	-75%	-	0.7	-7%	-	0.7	15%	-
Anders Boyer ⁷	Former Board Member	-	-	-	-	-	-	-	-	-	0.2	-75%	-	0.7	6%	-
Michael Hauge Sørensen ¹⁰	Former Board Member	-	-	-	-	-	-	-	-	-	-	-	-	0.4	-54%	-
Total for Board of Directors		7.8	-	-	7.8	6%	-	7.4	8%	-	6.8	-19%	-	8.4	6%	-

¹ This is the proportion of the remuneration expense for the year that relates to STIP and LTIP – the remainder relates to remuneration elements that are not linked to Pandora performance, such as fixed salary and other benefits.

² Accounting expense for 2019 and 2020 in relation to Anders Colding Friis (released effective 1 September 2018 and expiry of employment on 31 August 2020) and Peter Vekslund (released effective 1 August 2018 and expiry of employment on 31 January 2020) reflects actual incidence of expense for incentive programmes compared to the amounts anticipated in prior years – no service was provided over the period. The annual change in remuneration for these years is therefore not meaningful and has not been included in the tables above.

³ Peter A. Ruzicka was first appointed to the Board in December 2019 and was appointed to the Chair effective 1 January 2020. The annual change in remuneration for these years is therefore not meaningful and has not been included in the tables above.

⁴ Andrea Dawn Alvey and Ronica Wang left the Board of Directors at the AGM on 11 March 2021.

⁵ Isabelle Parize resigned from the Board of Directors on 4 November 2021.

⁶ Peder Tuborgh left the Board of Directors at the end of December 2019.

⁷ Allan Leighton and Anders Boyer left the Board of Directors after the AGM in March 2018.

⁸ Per Bank and John Peace left the Board of Directors after the AGM in March 2020.

⁹ Bjørn Gulden left the Board of Directors after the AGM in March 2019.

¹⁰ Michael Hauge Sørensen left the Board of Directors after the AGM in March 2017.

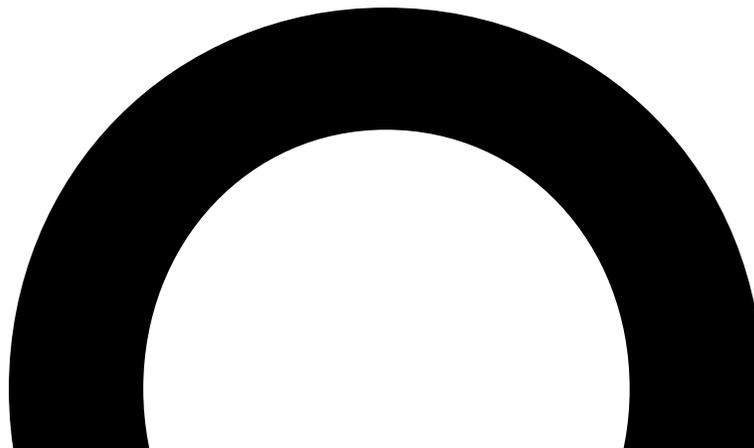
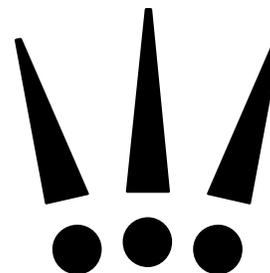
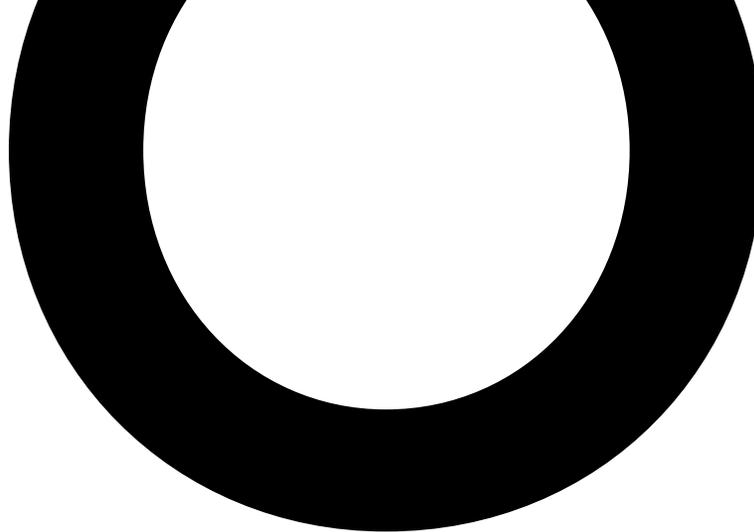
APPENDIX 5

FIVE YEAR COMPARISON OF PANDORA PERFORMANCE INCLUDING CHANGES IN THE LEVEL OF REWARD IN THE WIDER WORKFORCE

FIVE YEAR HISTORY OF FINANCIAL PERFORMANCE AND AVERAGE STAFF COST	2021	2020	2019	2018	2017
Financial performance					
Organic growth, %	23%	-11%	-8%	-2%	11%
Sell-out growth, %	20%	-12%	-8%	-4%	0%
EBIT margin excluding restructuring costs, %	25.0%	20.4%	26.8%	28.2%	34.2%
Net profit ¹	4,160	1,938	2,945	5,045	5,768
Earnings per share (EPS), basic – DKK	42.1	20.0	30.3	47.2	52.0
Earnings per share (EPS), diluted – DKK	41.7	19.9	30.1	47.0	51.8
Annual change in earnings per share, diluted, %	110%	-33%	-36%	-9%	-1%
Average remuneration of group employees					
Group employees (FTE)	22,441	22,336	23,736	24,030	20,904
Average staff costs (DKK)	224,314	200,465	202,797	188,792	191,494
Annual change in average staff cost of a group employee², %	12%	-1%	7%	-1%	-5%

¹ The net profit for the parent company was as follows (DKK m): 2021: 5,420; 2020: 1,624; 2019: 1,789; 2018: 5,665; 2017: 9,501.

² The average remuneration of an employee in the parent company was as follows (DKK m) and % change annually: 2021: 1.16 (9%); 2020: 1.07 (17%); 2019: 0.92 (20%); 2018: 0.76 (-22%); 2017: 0.97 (-12%).



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