

To the shareholders of  
Demant A/S

8 February 2022

Notice is hereby given of the Annual General Meeting of Demant A/S to be held on:

**Thursday, 10 March 2022 at 4:00pm CET**  
virtually and at the company's headquarters  
**Kongebakken 9, 2765 Smørum, Denmark**

The ordinary AGM will be held as a hybrid meeting, which means that it is possible to attend the meeting both physically and virtually due to the coronavirus situation. Please note that the meeting will be conducted in Danish.

Please see below for further information on how to attend the AGM.

## **Agenda**

In accordance with Article 8.2 of the Articles of Association, the agenda is as follows:

1. The Board of Directors' report on the company's activities in the past year.  
The Board of Directors recommends that the report be adopted.
2. Presentation for approval of the audited Annual Report 2021, including the consolidated financial statements.  
The Board of Directors recommends that the Annual Report 2021 be approved.
3. Resolution on the appropriation of profit or payment of loss according to the approved Annual Report 2021.  
The Board of Directors proposes that the profit of DKK 2,015 million be transferred to the company's reserves to the effect that no dividend be paid.
4. Presentation of and indicative vote on the Remuneration Report for 2021.
5. Approval of remuneration for the Board of Directors for the current financial year.  
The Board of Directors recommends that the proposed remuneration be approved.
6. Election of members to the Board of Directors.

Under Article 11.2 of the Articles of Association, Board members elected by the AGM are elected for one-year terms. At the AGM in 2022, Niels B. Christiansen, Niels Jacobsen, Anja Madsen, Sisse Fjelsted Rasmussen and Kristian Villumsen stand for re-election.

7. Election of auditor.

The Board of Directors proposes that PwC be elected.

8. Any proposals from the Board of Directors or shareholders.

The Board of Directors has submitted the following proposals:

- 8a) Reduction of the company's share capital
- 8b) Authorisation to the Board of Directors to let the company acquire own shares
- 8c) Approval of the company's Remuneration Policy
- 8d) Authority to the chairman of the AGM

9. Any other business

### **Elaboration of the proposals**

#### Re agenda item 4

The Board of Directors proposes that the Remuneration Report for the financial year 2021 be approved. The Remuneration Report is available on the company's website <https://www.demant.com/investor-relations/annual-general-meeting>.

The vote is indicative pursuant to section 139b (4) of the Danish Companies Act.

The Remuneration Report for 2020 was approved at the AGM on 5 March 2021 without comments from the shareholders.

#### Re agenda item 5

The Board of Directors proposes that the basic fee for board members remains DKK 400,000 for 2022 and that the Chairman will continue to receive three times the basic fee and the Deputy Chairman twice the basic fee.

In addition to this, the Board of Directors proposes that the basic fee for audit committee members remains DKK 50,000 and that the chairman of the audit committee will continue to receive three times the basic fee.

#### Re agenda item 6

Niels B. Christiansen, Niels Jacobsen, Anja Madsen, Sisse Fjelsted Rasmussen and Kristian Villumsen stand for re-election. Information on each of the Board members, their managerial posts etc. follows below:

**Niels B. Christiansen**, Chairman (born 1966, male). Joined the Board of Directors in 2008 and was most recently re-elected in 2021 for a term of one year. He is chairman of the nomination, remuneration and IT security committees and a member of the audit committee. Because of his seat as deputy chairman on the board of William Demant Foundation (the company's majority shareholder), he is not considered independent. Other managerial posts: *LEGO A/S, CEO and President; Tetra Laval S.A., board member; Confederation of Danish Industry, chairman of Committee on Business Policy.*

Niels B. Christiansen holds a Master of Science degree in Engineering from the Technical University of Denmark (DTU) and holds an MBA from INSEAD in France. His international experience from the

management of major, global, industrial, hi-tech corporations is comprehensive. He has extensive board experience from listed companies as well as strong insight into industrial policy.

**Niels Jacobsen**, Deputy Chairman (born 1957, male). Joined the Board of Directors in 2017 and was most recently re-elected in 2021 for a term of one year. He is a member of the audit, nomination, remuneration and IT security committees. Because of his former position as President & CEO of Demant A/S, he is not considered independent. Other managerial posts: *William Demant Invest A/S, CEO; KIRKBI A/S, deputy chairman; Nissens A/S, chairman, Thomas B. Thrige Fond (Thomas B. Thrige Foundation), chairman, ABOUT YOU Holding GmbH, deputy chairman; EKF Danmarks Eksportskredit, board member; ATP Langsigtet Dansk Kapital, member of the advisory board.* Additional duties related to William Demant Invest: *Jeudan A/S, chairman; Össur hf., chairman; Vision RT Ltd., chairman; Founders A/S, chairman; Boston Holding A/S, board member.*

Niels Jacobsen holds a Master of Science degree in Economics from Aarhus University. He has extensive leadership experience from major international companies. His competencies include business management and in-depth knowledge of financial matters, accounting, risk management, mergers and acquisitions. He has broad experience from the global healthcare.

**Anja Madsen** (born in 1976, female). Joined the Board of Directors in 2020 for a term of one year and was most recently re-elected in 2021 for a term of one year. She is considered an independent Board member. Other managerial posts: *Føtex, Executive Vice President; Lemvig-Müller A/S, board member.*

Anja Madsen holds a BSc in Economics from London School of Economics and an MBA from INSEAD. Anja Madsen has extensive international management experience from positions in the retail segment as well as board experience. Anja Madsen's competencies includes in particular management of operations and extensive experience with transformations that focus on execution of strategies.

**Sisse Fjelsted Rasmussen** (born in 1967, female). Joined the Board of Directors in 2021 for a term of one year. She is considered an independent Board member. Other managerial posts: *Stark Group A/S, CFO; CO-RO, board member and chairman of the audit committee; Conscia, board member; Confederation of Danish Industry, member of the Committee on Tax Policy.*

Sisse Fjelsted Rasmussen is a state-authorized public accountant and holds a M.Sc. in Business Administration and Auditing from Copenhagen Business School (CBS). Sisse Fjelsted Rasmussen has extensive experience from and competencies in finance and accounting. In addition, she has extensive management and board experience from listed companies as well as competencies in value creation, change management and M&A.

**Kristian Villumsen** (born in 1970, male). Joined the Board of Directors in 2021 for a term of one year. He is considered an independent board member. Other managerial posts: *Coloplast A/S, President & CEO since 2018; Confederation of Danish Industry, member of the Committee on Healthcare Issues.*

Kristian Villumsen holds a Master of Political Science from Aarhus University and a Master in Public Policy from Harvard University. Kristian Villumsen has extensive international management experience from the MedTech industry as well as extensive management and board experience from listed companies in such areas as innovation, strategy deployment and commercial excellence.

### Re agenda item 7

Pursuant to statutory requirements on the rotation of audit partners and audit firms, the Board proposes that the company's long-serving audit firm, Deloitte, be changed. The Board proposes that PwC be elected in accordance with the recommendation of the audit committee.

The audit committee has not been influenced by any third party and has not been subject to any agreements concluded with third parties that limit the election by the AGM of certain auditors or accounting firms.

### Re agenda item 8a

The Board of Directors proposes a reduction of the company's share capital by nominally DKK 1,949,819.60 divided into 9,749,098 shares of DKK 0.20, corresponding to the company's holding of treasury shares as at 27 January 2022 less shares to cover Management's retention programme and the employees' share salary arrangement. The company's holding of treasury shares was acquired as part of the company's share buy-backs in 2021. The amount of the reduction will be distributed to the shareholders in accordance with section 188 of the Danish Companies Act. The shares were acquired at a total price of DKK 3,134,973,171.00, meaning that DKK 3,133,023,351.40 was paid in addition to the nominal amount of the reduction.

As a result of the capital reduction, the Board of Directors proposes that Article 4.1 of the Articles of Association be amended accordingly after expiry of the time limit prescribed in section 192 of the Danish Companies Act to the effect that it will then be stated in Article 4.1 that the company's share capital is DKK 46,075,747.00.

Before the capital reduction is implemented, the company's creditors will be requested, through the IT system of the Danish Business Authority (Erhvervsstyrelsen), to file their claims within four weeks in accordance with section 192(1) of the Danish Companies Act. Under section 193(1) of the Danish Companies Act, the capital reduction and the resulting amendment of the company's Articles of Association will be registered as final by the Danish Business Authority no later than four weeks after expiry of the time limit for the filing of claims by creditors, unless the capital reduction cannot be implemented at such time under the provisions of the Danish Companies Act.

### Re agenda item 8b

Until the next AGM, the Board of Directors is authorised to let the company acquire own shares of a nominal value of up to 10% of the share capital. The bid price for the shares must not deviate by more than 10% from the price quoted on Nasdaq Copenhagen A/S at the time of acquisition. The price quoted on Nasdaq Copenhagen A/S at the time of the acquisition means the closing price – all transactions at 5:00pm CET.

### Re agenda item 8c

The Board of Directors proposes that an updated Remuneration Policy be approved to the effect that the remuneration structure for the Executive Board is changed.

In order to take a step further in realising Demant's overall strategy, while being able to attract, retain and motivate the members of the Executive Board, the Board of Directors believes that offering a short- and long-term incentive programme to the Executive Board will contribute to aligning the interests of the members of the Executive Board with the interests of the company and the shareholders and also

contribute to furthering long-term value creation in the company and thus supporting the company's business strategy.

This Remuneration Policy will replace the Remuneration Policy approved at the AGM in March 2020. At the AGM in March 2021, the Remuneration Report for 2020 was approved without comments from the shareholders.

The most important changes to the proposed Remuneration Policy are:

- Introduction of a cash-based *Short-Term incentive programme* for the Executive Board. Any pay-out and the size of such payout under this programme is dependent on the achievement of performance criteria.
- Introduction of performance criteria in the *Long-Term Incentive Programme* for the Executive Board to ensure that pay-out under this programme is dependent on the achievement of these criteria.
- Grant of *Restricted Stock Units* (RSUs) instead of "shadow shares" under the long-term incentive programme.
- The clawback provision is altered to take into account any incorrect information provided in connection with the performance criteria based on which remuneration is paid.
- An Executive Board member's entitlement to remuneration throughout the period during which a non-competition clause is exercised is included.

The Board of Directors' proposal for a revised Remuneration Policy will be available on the company's website <https://www.demant.com/investor-relations/annual-general-meeting> no later than 14 February 2022.

After approval by the AGM, the company's Remuneration Policy will as soon as possible be published on the company's website <https://www.demant.com/investor-relations/annual-general-meeting>.

#### Re agenda item 8d

The chairman of the AGM is authorised to make any such amendments and additions to the resolutions passed by the AGM and to apply for registration of such amendments and additions with the Danish Business Authority that may be required by the Authority in connection with the registration of the amendments passed.

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Adoption of the proposed resolution under agenda item 8a (reduction of the company's share capital), is subject to at least 51% of the share capital being represented at the AGM and the resolutions being passed by at least two-thirds of both the votes cast and the voting share capital represented at the AGM, cf. Article 10.3 of the Articles of Association.

The other proposed resolutions on the agenda may be passed by a simple majority of votes, cf. Article 10.2 of the Articles of Association, however, the proposal under agenda item 4 (Remuneration Report) is solely indicative.

The company's share capital is DKK 48,025,566.60, divided into shares of DKK 0.20 or multiples thereof, cf. Article 4.1 of the Articles of Association. Each share of DKK 0.20 carries one vote, cf. Article 9.1 of the Articles of Association.

## Participation in the general meeting

Under Article 9.2 of the Articles of Association, shareholders who are registered as shareholders in the register of shareholders on the date of registration, **3 March 2022**, or have made a request to that effect and such request having reached the company are entitled to attend and vote at the AGM.

Shareholders entitled to attend and vote at the AGM under Article 9.2 of the Articles of Association are entitled to attend the AGM, subject to having obtained an admission card for themselves and for any adviser accompanying them to the meeting no later than on **7 March 2022 at 11:59pm CET**.

Please note that only shareholders registered in the register of shareholders on the date of registration and having obtained an admission card prior to the AGM are entitled to attend.

Admission cards may be obtained:

1. electronically through the Shareholder Portal, which can be found on the company's website, <https://www.demant.com/investor-relations/share-and-ownership>,
2. by submitting the order form by post to Computershare A/S, Lottenborgvej 26 D, 1st floor, DK-2800 Kgs. Lyngby, Denmark, or as a scanned copy by e-mail to [gf@computershare.dk](mailto:gf@computershare.dk),
3. by making a written application to the company's headquarters, Kongebakken 9, DK-2765 Smørum, Denmark (marked "Adgangskort til generalforsamling"), or
4. by appearing in person at the company's headquarters, Kongebakken 9, DK-2765 Smørum, Denmark.

The company will forward electronic admission cards, including information on how to participate in the virtual general meeting, by e-mail to the e-mail address indicated by the shareholder when registering in the Shareholder Portal. In order to participate virtually, each shareholder is responsible for ensuring that the shareholder has a mobile or other device that can access the relevant internet browser and that the shareholder has adequate and functioning internet access at the time of the AGM. Please see this guide for further information: <https://www.computershare.com/dk/Online-AGM-User-Guide>.

The company has designated Danske Bank A/S as its custodian bank through which the company's shareholders may exercise their financial rights.

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By **14 February 2022**, the following information and documents will be made available on the company's website, <https://www.demant.com/investor-relations/annual-general-meeting>: 1) Notice convening the AGM; 2) the total number of shares and voting rights as at the date of the notice; 3) all documents to be submitted to the AGM, including the audited Annual Report 2021; 4) the agenda and the complete proposed resolutions to be submitted to the AGM; and 5) postal and proxy voting forms.

All shareholders may submit written questions about the agenda and the documents to be used for the AGM. Any questions must be sent by post to the company or by e-mail to [info@demant.com](mailto:info@demant.com). Questions will be answered in writing before or orally at the AGM, unless the answer is made available on the company's website, <https://www.demant.com/investor-relations/annual-general-meeting>, prior to the AGM.

If you are unable to attend the AGM, the company's Board of Directors would be pleased to act as proxy to cast the votes attaching to your shares. Proxies may be appointed electronically through the Shareholder Portal on the company's website, <https://www.demant.com/investor-relations/share-and-ownership>, no later than on **7 March 2022**. You may also complete, date and sign a proxy form and return it by post to Computershare A/S, Lottenborgvej 26 D, 1st floor, DK-2800 Kgs. Lyngby, Denmark, or as a scanned copy by e-mail to [gf@computershare.dk](mailto:gf@computershare.dk) for receipt no later than on **7 March 2022**. If you wish to appoint proxies other than the Board of Directors, you may use the form for appointing a third-party proxy. Please note that you must also request an admission card for the proxy. The above proxy forms are available on the company's website, <https://www.demant.com/investor-relations/annual-general-meeting>.

You may also vote by post. Postal votes may be cast electronically through the Shareholder Portal on the company's website, <https://www.demant.com/investor-relations/share-and-ownership>, no later than on **9 March 2022 at 12:00pm CET** (noon). You may also complete, date and sign a postal voting form – the same form as the proxy form – and return it by post to Computershare A/S, Lottenborgvej 26 D, 1st floor, DK-2800 Kgs. Lyngby, Denmark, or as a scanned copy by e-mail to [gf@computershare.dk](mailto:gf@computershare.dk), for receipt no later than on **9 March 2022 at 12:00pm CET** (noon). Postal voting forms are available on the company's website, <https://www.demant.com/investor-relations/annual-general-meeting>.

In connection with the AGM, the company collects, processes and keeps certain personal data. For further information, please refer to the company's Privacy Notice, which is available on the company's website, <https://www.demant.com/privacy-notice>.

Smørum, 8 February 2022

The Board of Directors