



Demant Group Policy on Diversity, Equity and Inclusion

February 2022

Demant

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In November 2021, Demant launched a Group position paper on Diversity, Equity and Inclusion (DE&I) as part of the overall Demant DE&I programme called Embrace. Following the position paper, this Policy defines and describes global targets and activities for Embrace towards 2025.

Our ambition for Diversity, Equity and Inclusion

Demant is a global company. We are present in all parts of the world and employ people with different ethnic background, personality, nationality, age, gender and education. Demant is built on a heritage of care, health and innovation, and our values reflect the importance of trust, respect, strong collaboration and finding innovative solutions to challenges together. Our heritage and values constitute a strong foundation for an inclusive culture.

While diversity across Demant allows us to draw on a wide range of experience for the benefit of us all and our business, inclusion unlocks the strength of this diversity. In Demant, we want all employees to feel included, have the opportunity to develop as professionals, obtain their personal goals and contribute to the success of the company.

Inclusion - our main priority towards 2025

In December 2021, a DE&I survey was conducted, covering more than half of all Demant employees in several countries. The survey was intended to strengthen our insight into the level of equity and inclusiveness in Demant. At an overall result level, the survey revealed that a large group of employees do not experience the Demant culture as being as inclusive as we would like. Hence, improving our inclusiveness will be a key leadership priority towards 2025.

We want a workplace culture that welcomes employees of all backgrounds and where all feel valued and appreciated for their unique set of skills, characteristics and contributions. A more inclusive culture will strengthen employee engagement, retention and our ability to attract further diverse talent to Demant. In essence, and in line with our values, we want the Demant culture to be infused by inclusiveness.

Key short-term activities

As part of our Policy and targets towards 2025, we have defined short-term activities to be initiated and executed by 2023. After 2023, we will define new activities.

Diversity, equity and inclusion training for leaders

In 2022, Demant leaders will be offered leadership development that is focused on the fundamentals of inclusion and the behaviour required to strengthen inclusive leadership. In addition, we have integrated an inclusiveness index in our yearly employee engagement survey providing managers with yearly feedback on the level on inclusiveness in their teams.

Focus on diversity, equity and inclusion in recruitments

We will ensure that we adhere to the principle of the best qualified for the job and put practises in place that reduce unconscious bias. Job requirements must be thoroughly described and consistently used when we assess candidate qualifications. All shortlists for all recruitments must as a rule reflect a mix of

gender in candidates and a mix of additional diversity dimensions. Furthermore, we will make sure that communication and tone of voice reflect that we invite people of all traits and backgrounds to apply for jobs with Demant if they are qualified for the job. In the recruitment process for global top-level management positions, we also want to ensure a diverse composition of the group of people involved in the selection of candidates for the position.

Review of core people processes

We will review core processes like onboarding, performance management and employee development to ensure that they support a stronger culture of inclusiveness for all employees in Demant.

Business area action plans to be included in people agendas

The annual people agendas for each business area must include an item, clarifying how the business area intends to contribute to overall diversity target achievement.

Target areas towards 2025

Based on Demant's position on DE&I, our ambition and insights from the 2021 DE&I survey, the following focus areas and targets have been defined in January 2022.

Women in global top-level management

To achieve a more diverse global top-level management, we want to increase the number of women in our global top-level management and reach a proportion of 30% women in 2025. As of January 2022, the percentage of women at this level is 22.

We will work with our recruitment processes, strengthen retention and build a stronger gender-balanced succession pipeline for senior management positions. We insist that candidate shortlists for global top-level management positions include female candidates.

Team diversity

We want to ensure a diverse composition of employees in our global top-level management teams across Demant's business areas, including Group Services and Corporate Functions. Initially and towards 2025, we will focus primarily on the gender balance in these teams, and it is mandatory to include the gender team diversity target for global top-level management teams. We are aiming to have a maximum of 75% of one gender by 2025 in 75% of the global top-level management teams.

In individual areas, global top-level management teams may also decide to implement an additional team diversity target to increase diversity on another parameter than gender only. The additional team diversity target can be tenure, generation, nationality or educational background.

General gender distribution in Demant

We want to ensure a relevant gender balance in our overall Demant employee population. In 2022, we will analyse the current situation in each business area, set relevant targets and establish potential initiatives for each business area to obtain a relevant gender balance.

We believe that a focus on achieving a better gender balance at top-level management and in management teams, combined with a strong focus on building skills in inclusive leadership, will set a development in motion and contribute to creating a culture that is even more inclusive and promotes all kinds of diversity.

	Target 2025	Starting point January 2022
Women in global top-level management	Proportion of women: 30% by the end of 2025	Proportion of women: 22% <i>Managers in scope, N: 112 (87 men and 25 women)</i>
Global top-level management team gender diversity	75% of the management teams in scope have a maximum of 75% of one gender by the end of 2025 <i>(i.e. 64 of the 85 teams meet the gender diversity target)</i>	65% of the management teams in scope have a maximum of 75% of one gender <i>Teams in scope, N: 85 (i.e. 55 of the 85 teams meet the gender diversity target)</i>