

Demant Group Code of Conduct



Code of Conduct is also available in
our compliance app.

Scan the QR code for instant
download.



Demant

Letter from the CEO

Dear Demant employees,

Every day, we strive to deliver innovative audio and hearing technologies and services to help improve people's health and hearing. We are let into people's lives and are involved in some of the most important aspects of life by enabling people to communicate and be actively engaged in social settings. Caring for other people's well-being and our society has always been the core of our business, so being in this line of business is indeed a big responsibility.

This Code of Conduct sets the minimum standards and ethical principles applicable to all employees. The Code of Conduct serves as a guideline and point of reference for anyone faced with dilemmas, doubts or concerns.

I believe that high ethical standards play a significant role in ensuring our continued growth and success. We do not compromise on our commitment to integrity.

If you have concerns about our ethical behaviour, it is possible to raise your voice via our whistleblower hotline.

I kindly ask you to study this Code of Conduct carefully, and live by its principles in your daily activities.

Thank you for your support.

Søren Nielsen
CEO

The Demant Code of Conduct

This Code of Conduct describes the way we do things.

It is the framework and sets the minimum standards and ethical principles applicable to all employees regardless of location and nature of work.

This Code of Conduct provides everyone with a common understanding of how we conduct business. Whenever in doubt of correct business behaviour, please consult your manager, local legal or Group Legal & Compliance at Groupcompliance@demant.com

We adhere to the laws of each countries in which we operate, including the Foreign Corrupt Practices Act and the UK Bribery Act.

We conduct business in line with the UN Global Compact principles and relevant internationally recognised standards. We adhere to quality regulations and conduct responsible marketing.

Global Policies can be found on www.demant.com, our compliance app as well as on our internal sites.

At Demant, we have a whistleblower hotline. If an employee or third party suspects or observes a violation of this Code of Conduct, we trust him or her to report any concerns or violations as soon as they arise. This Code of Conduct includes information on how to raise concern.





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Anti-Corruption

Demant is against any form of direct or indirect corruption and bribery with the aim of securing an improper advantage. We are committed to avoid such practices. We want to avoid conflicts of interests where personal interests may result in corruption or may be perceived as such.

We do not tolerate facilitation payments, and we will not pay protection or extortion money in any country unless there is a threat to our health and safety. Facilitation payments are small payments or gifts offered to public officials and intended to secure or speed up routine governmental actions, which you are already entitled to, or to obtain unlawful preferential treatment.

Business interactions, such as providing or receiving hospitality, gifts, grants, sponsorships or donations, are considered part of doing business and maintaining relationships. However, such payments can be perceived as having undue influence on business decisions. You must never offer, provide or accept such payments in order to win or retain business under improper conditions.

What is expected of you?

- Whenever you face dilemmas or you are in doubt about how we do things, please consult our Demant Group Policy on Anti-Corruption for further explanations, Q&As etc. This policy is available on our legal compliance SharePoint site and in our compliance app.
- Never directly or indirectly engage in any type of bribery. Contact your manager immediately if you are offered or asked to pay a bribe.
- Facilitation payments are prohibited. If you are met with a demand to make a facilitation payment, you may only make the payment under extraordinary circumstances if there is a threat to your health and safety. In such a case, ask for documentation that payment has been made, report the incident to your manager and record the payment in the books for accounting purposes.
- Ensure that circumstances that might suggest a conflict of interest are transparent and never involve yourself in commercial activities if they contain a financial or personal advantage.
- Ensure that any gift or hospitality given or received has a legitimate business purpose, is of moderate value and is reasonable, appropriate and proportional to the relationship in each case.
- Do not give or receive cash or cash equivalents to facilitate an undue advantage.
- Special care must be taken with anything of value given to public officials, as such transactions are illegal in most countries.



Compliance with Competition Law

Competition laws are intended to stimulate free markets and enhance productivity, innovation and value for customers. We are committed to conducting our business in full compliance with applicable competition and antitrust laws.

Failure to comply with competition laws could have serious consequences for Demant and its employees, such as damage to our reputation, large fines (up to 6% of Group revenue), exclusion from public contracts, lawsuits and imprisonment.

What is expected of you?

- Special care must be taken by employees dealing with customers and distributors (e.g. in sales), competitors (e.g. through industry associations and fairs) and management and especially when employees are involved in pricing and commercial strategies. Always familiarise yourself with our Demant policies.
- Do not engage in illegal arrangements that may damage competition, e.g. by dividing markets with competitors.
- Never disclose or exchange competitive material or engage in discussions that could be perceived as an attempt to illegally coordinate competitive behaviour.
- Do not disclose to competitors any commercially sensitive information about pricing, discounts, bonuses, sales terms or similar.
- Bid for contracts and tenders independently from and without any agreements or arrangements with competitors.
- If Demant holds a leading market position, never act in a way that could be perceived to abuse this position (e.g. by selling products or services below cost or by charging excessive prices).
- During any investigation by the competition authorities, follow the advice given by Group Legal & Compliance and never attempt to destroy any evidence or documents or obstruct the investigation.



Fraud

We do not tolerate any form of fraud, including theft, embezzlement, money laundering or misuse of Demant's property.

What is expected of you?

- Use Demant funds solely for company purposes.
- All reimbursements must be accurately reported and documented.
- Do not accept or authorise payments without the correct underlying documentation or invoice.
- Keep accurate records of all transactions.
- Refuse cash payments or cheques issued by an unknown third party.





Data Privacy

Demant is entrusted with personal data on our employees, customers, users and business partners, and we are committed to protecting such personal data through high-level security measures and responsible policies. All collection and processing of personal data must be in accordance with laws and regulations. This includes GDPR (EU/EEA) and CCPA & HIPAA, etc (US).

Failure to comply with the rules may not only have serious consequences for the persons whose data we possess, but may also result in large fines for Demant (up to 4 % of Group revenue), if the rules are violated.

What is expected of you?

- Personal data and other legally protected categories of data must be treated responsibly, and all applicable data protection laws and regulations as well as our internal IT Security Policy must be adhered to.
- Respect the purpose of the data: Consider the original purpose of the collection of the data and do not use it for other purposes without consulting your local privacy expert.
- Never keep personal data longer than necessary.
- Ensure that only authorised people have access to data on a need-to-know basis.
- Treat data in a safe manner: From collection, processing, storing, sharing to finally disposing of it.
- Immediately report any suspected data breaches by following the Data Breach Response Procedure.



Human Rights

Demant is committed to internationally recognised human rights standards, relevant laws and regulations aimed at protecting and promoting human rights globally and at work. Wherever we operate, we strive to meet or exceed local human rights standards. Should national legislation and international human rights principles conflict, we adhere to the higher standard.

16 PEACE, JUSTICE
AND STRONG
INSTITUTIONS



What is expected of you?

- Do your utmost to never discriminate based on gender, ethnic origin, race, religion, age or sexual orientation.
- Adhere to laws and regulations relating to labour conditions, ensure that employees and other workers are compensated fairly and ensure a good working environment.
- Participate in the development of a culture that supports and respects human rights.



Environment

Demant is committed to complying with all environmental rules and regulations. We use materials efficiently and strive to reduce waste in our entire supply chain.

We work to increase the amount of sustainable materials in our operations and production. We limit the use of hazardous substances in products and processes. We monitor, evaluate and aim to reduce our overall climate impact, including, but not limited, to our energy consumption and CO2 emissions.

What is expected of you?

- Ensure the efficient use of Demant resources and contribute to energy saving and efficiency objectives, including the reduction of water consumption, natural resources consumption and waste.
- Work continuously towards making the smallest possible detrimental impact on the environment and the workplace.
- Encourage our business partners to act in an environmentally conscious way and to comply with environmental laws and regulations.





Workplace Environment

We see it as our duty to take good care of our employees by ensuring that our workplaces are operated in a safe and sound manner. We encourage gender equality and respect for diversity, and we strive to treat all employees fairly and equally. Demant respects freedom of association and the right to collective bargaining. Demant will not accept any form of slavery or human trafficking, use of compulsory labour or the employment of children. Demant is committed to respecting employee privacy.

What is expected of you?

- Do not discriminate or harass, including sexual harassment.
- Treat colleagues with respect and fairness.
- Act if you witness health or safety issues at work or if you experience or witness psychological health issues for you or your colleagues.





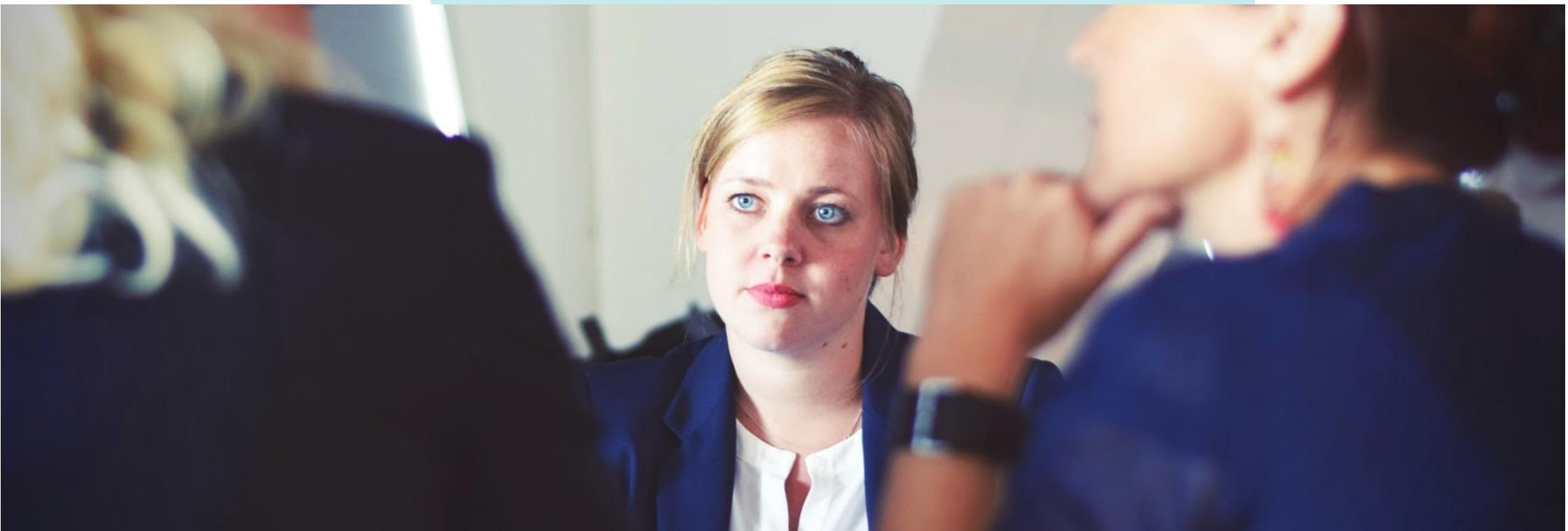
Business Partner Relations

Demant is committed to responsible sourcing and collaboration with third parties. We expect business partners to adhere to all applicable laws, regulations and our Demant Third Party Compliance Code.

Customer complaints are addressed effectively.

What is expected of you?

- Your interactions with business partners must be transparent.
- When selecting suppliers and vendors, do not let your decisions be influenced by gifts, favours or entertainment that can amount to bribes and kickbacks.
- Ensure that adequate due diligence is conducted in relation to third parties prior to engaging with them.





Export Controls and Sanctions

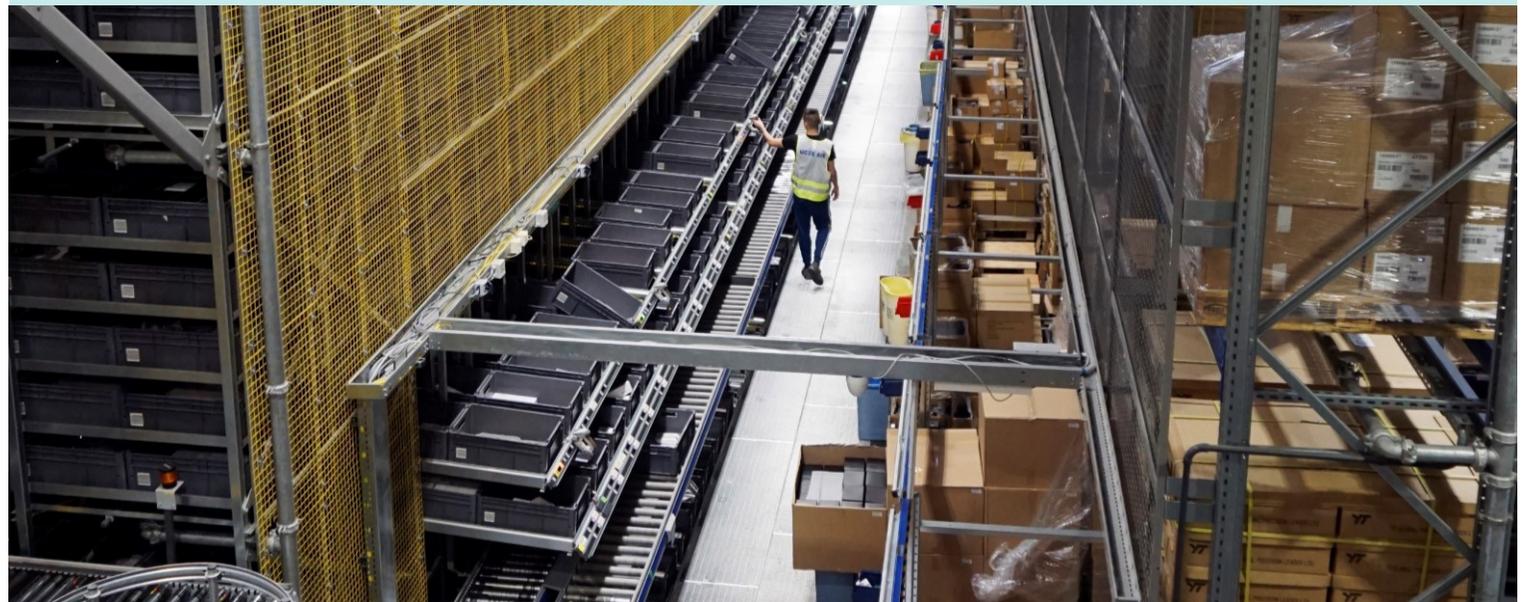
In many countries, governments have established domestic controls to restrict the access to items needed for manufacture of weapons of mass destruction as well as sanctions to prevent financing of terrorism and illegal activities.

Such controls may include the requirement to obtain an authorisation for the export of items that can be used for both civil and military purposes.

Demant must always observe and respect applicable laws, regulations and internal procedures relating to export bans, export restrictions and financial sanctions on specific countries, persons, entities or sectors.

What is expected of you if you work in Demant functions that deal with sanctioned countries?

- Familiarise yourself with our processes and policies on export controls and sanctions. If in doubt, contact your local legal advisor or Group Legal & Compliance.
- Always check if the exported goods in question are subject to export control regulations.





Raise Concern

Concern may be raised through local channels, e.g. your manager, HR, your local legal advisor, Group Legal & Compliance or by using our whistleblower hotline.

The whistleblower hotline is global and can be used in different languages. File a report online through the hotline on www.demant.com, via Inside or directly via an app on your mobile device. In the US, a report may also be filed via phone.

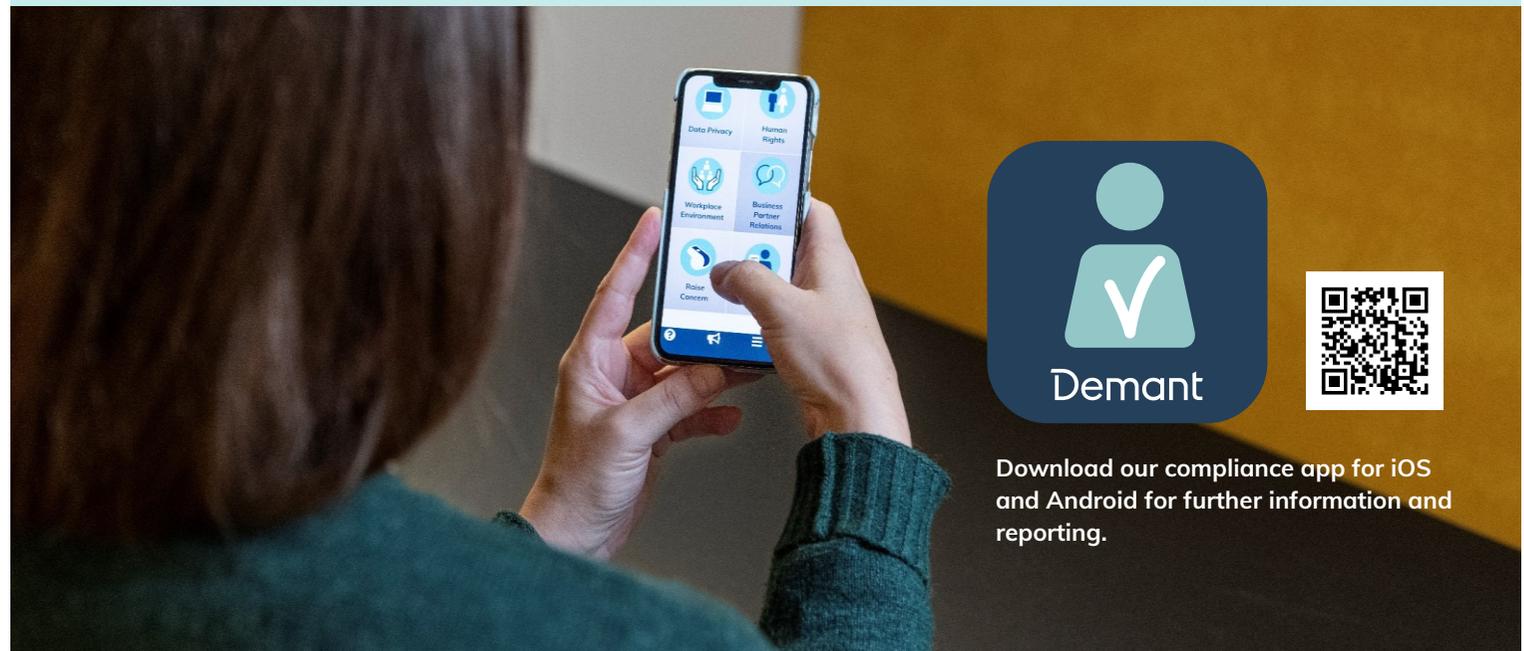
The system guarantees confidentiality and anonymity. All data provided will be subject to data privacy regulations. Demant will ensure that there will be no discriminatory or retaliatory actions against employees who file a complaint with or raise concern to the company in good faith.

For more information, please consult our Demant Group Whistleblower Policy.

We encourage our employees to raise their concerns on serious and sensitive improper actions that:

- fail to comply with this Code of Conduct,
- fail to comply with applicable laws and regulations, and/or
- affect the health and safety of employees,

if such actions are relevant for the Demant Group or any individual country.



Definitions used in the Code of Conduct

Bribery

Bribery is an offer of any gift, loan, fee, reward or other advantage to or from any person as an inducement to do something which is dishonest, illegal or a breach of trust in the conduct of the company's business.

Conflict of Interest

Conflict of interest typically occurs when the personal activities of employees, members of their families or friends clash with the interests of the company and thus impair the employee's ability to make unbiased, arm's length decisions on behalf of the company.

Corruption

Corruption is the abuse of entrusted power for private gain.

Facilitation Payment

Facilitation payment (sometimes also called "grease money") usually refers to situations where a small sum of money is offered to lower-level public officials to secure or expedite the performance of a routine governmental action (such as processing paperwork for visas, permits, certificates or licences, loading or unloading cargo, mail delivery, releasing goods held in customs or obtaining utility services, water or power).

Fraud

Fraud is the deliberate deception intended to secure financial or personal gain or to deprive another individual or party of their valuables.

Hospitality

Hospitality means any payment of lodging and accommodation, transport and travel associated with a business conference, meeting or event or tickets to social events, including sports events, shows, concerts and similar entertainment.

Gifts

Gifts means any payment, present or pecuniary advantage offered, promised, given or received to obtain an undue business advantage, e.g. wine, food baskets, gift cards, memberships, discounts, cash etc.

Third Party

Any individual or legal entity with whom the Demant Group collaborates or who acts on behalf of Demant, including, without limitation, suppliers, distributors, contractors, manufacturers, vendors, consultants, customers, agents, business partners, public and private hospitals, universities and institutions as well as non-governmental organisations.

Public Official

Public Official means:

- a. Any appointed officer or any director
 - i. at any level of national, regional or local government (e.g. employees of customs and immigration authorities),
 - ii. with any entity owned, managed or otherwise controlled by any government or political party,
 - iii. with any public international organisation, such as the United Nations or the European Union, including any department or agency thereof, and
- b. any candidate or officer employed by a political party.