

EPOS



Sustainability at EPOS

Creating our sustainable future

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Creating Our Sustainable Future

As part of the world's leading hearing healthcare and technology group, Demant, EPOS is integrated in the Demant Sustainability Strategy and Framework and committed to contributing to the UN's Sustainable Development Goals. We work to strengthen sustainability in our operational practices, and in the coming years, we have two main priorities in this regard:

- **Climate impact:** We strive to reduce packaging and waste, support production and sourcing of green energy and strive for ambitious emission reductions, particularly in our use of transport. As part of the Demant Group, we are committed to the Science Based Targets initiative, committing to align climate targets with what is deemed necessary by science to meet the most ambitious aim of the Paris Agreement: to limit global warming to 1.5°C by reaching net-zero global carbon emissions by 2050.
- **Diversity and inclusion:** As of January 2022, the percentage of women at this level is 22%. 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.

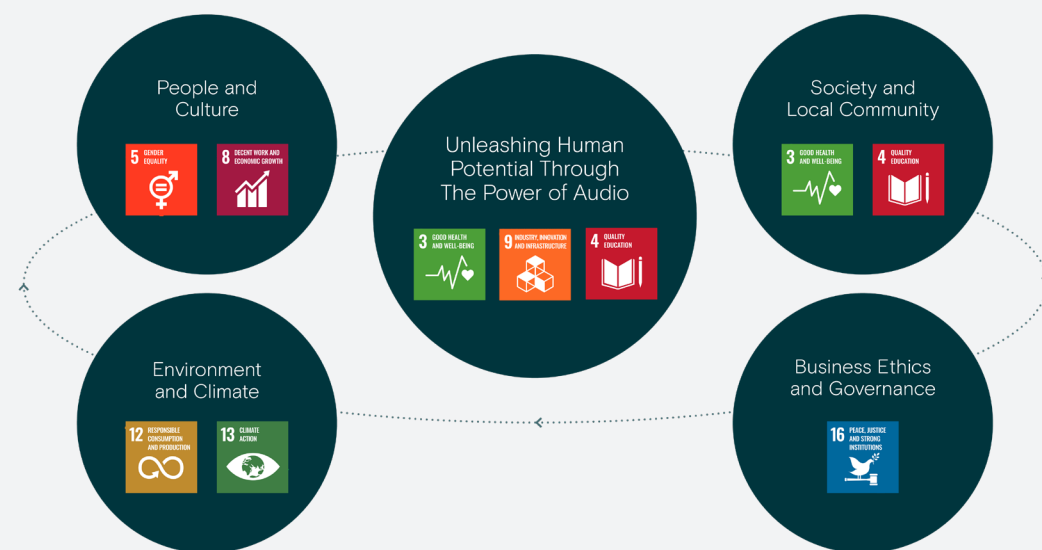
While these areas are the focus of our current sustainability strategy, we will continue to improve on other important areas of our business.



Our Sustainability Framework

Our Sustainability Framework provides an overview of the areas that are key to the EPOS Sustainability Strategy, and which Sustainability Development Goals we focus on as part of this. The direction we take for our sustainability work builds on a thorough assessment of the most important sustainability topics for EPOS and Demant, our stakeholders as well as our current and potential contributions to the UN Sustainable Development Goals.

Connected to the core of our Sustainability Framework, we have four pillars in our sustainability work which are mainly linked to our operational practices. For each pillar, we are defining individual ambitions, projects and targets that will drive our continued progress.





Environment and Climate

We want to leave the planet in good shape for future generations. Therefore, we are committed to reducing our climate impact and support the Paris Agreement. As part of this, we assess our impact and continuously work to limit our footprint.

Science Based Targets

The Demant Group commits to reducing absolute scope 1, 2 and 3 greenhouse gas emissions by 46% by 2030 from a 2019 base year and to reaching net-zero emissions across the entire value chain by 2050.

How will we deliver on a group level: Reduce emissions from Demant's vehicles (Scope 1) 50% by 2030 by transitioning to electrical vehicles.

Eliminate emissions from purchased electricity by transitioning to renewable electricity. Demant aims to cover 50% of its electricity consumption with renewable energy by 2025 and 100% in 2030.

Reduce scope 3 emission by engaging with suppliers to support their sustainable transition and by working with our own product design, sourcing of materials and transportation of goods.

EPOS has initiated four key projects to reach our ambitions, while we continue to further address our impact on the climate and the environment.

In 2023, the targets presented to SBTi were validated marking a big step forward in our continued sustainability journey. Our sustainability performance hasn't gone unnoticed. In 2024, EPOS received a bronze medal from EcoVadis. This rating validates and demonstrates our commitment to sustainability.



Packaging: From April 2024 we will be introducing new sustainable materials and manufacturing.



Transportation: A new consolidated warehouse setup saves up to 20% of our transportation footprint.



Certifications: EPOS headquarters holds the ISO 14001:2015 certification for its Environmental Management System. In 2023, we began a cradle to grave Life Cycle Assessment (LCA) on a selection of our product portfolio. We expect to have the first analysis, verified by a third-party, ready in 2024.



Sourcing: Secure sustainable sourcing of components.



EcoVadis: EPOS received a bronze medal for our sustainability performance.

People and Culture

Our employees are our biggest strength and most valuable resource. We honor diversity, recognize differences, and foster an unbiased and inclusive culture with fair opportunities for all. We believe there is a strong connection between high engagement among employees and success, and our employees' well-being, development and engagement are top priorities to our business.



Diversity, equity, and inclusion

At EPOS, we believe it is a fundamental right to be who you are, also at work. We employ a diverse group of people from all parts of the world with different ethnic backgrounds, personalities, age, gender, and educations. We understand that our differences are our strengths, and our ability to embrace the strengths that this diversity bring, is one of the key roots of our business.

As part of the Demant Group, we have a focused approach to diversity, equity, and inclusion (DE&I). Initially, we are focusing our efforts on the diversity traits of gender and nationality. A global DE&I policy and target-setting have been introduced, striving to achieve relevant gender balancing when it comes to our entire workforce and increasing the number of women in senior management.

In December 2021, a DE&I survey was conducted. Based on Demant's position on DE&I, our ambition, and insights from the 2021 DE&I survey, the following focus areas and 2025 targets have been defined:

- Focusing on DE&I in recruitment
- 30% women in global top-level management by 2025
- Maximum of 75% of one gender by 2025 in 75% of the global top-level management teams

Development, growth, and engagement

Supporting our employees in developing their professional competencies to grow individually, as part of a team and as part of EPOS is high on our agenda. Consequently, we encourage people in their development, while ensuring that everyone has the right function with a skill set that matches business needs and challenges.

We have several initiatives in place globally, including a global policy on workplace flexibility, a Leadership Framework to develop and train all, and a new Career Framework to support managers and employees in seeing all the exciting career opportunities in the group.

Also, we work with and focus on employee engagement via our global engagement program, Pulse, which includes a yearly global survey that helps us obtain knowledge of the current levels of engagement throughout the organization. In collaboration, managers and employees discuss results, attention areas and actions throughout the year.



Business Ethics and Governance

We comply with all rules and regulations, and it is important that we always conduct our business in an ethical manner. We believe that going further than what local laws prescribe can be necessary and have a positive effect on local governments and practices.

As part of the Demant Group, we contribute to eliminate bribery and corruption via our Business Ethics Program. To EPOS, business ethics are an undeniable part of conducting a sustainable business and fundamental for a global society to achieve sustainable development. Our business ethics program reflects our commitment to a high level of business ethics. It contains:

- The Demant Group Code of Conduct
- A Global Whistleblower system
- Portfolio of global policies and guidance within business ethics
- Anti-corruption policy
- Competition law
- Data ethics
- Diversity, Equity, and Inclusion
- Third-Party Compliance Code

At EPOS, we operate with contract manufacturing and has thus no in-house production. We work closely with our suppliers to ensure conformity with Demant Third Party Compliance Code, and they all hold relevant certifications, including ISO/EN14001, ensuring that the production complies with environmental standards and compliance obligations.



Society and Local Community

Our company is an important part of society, and it is imperative for us to be a good neighbor in the communities in which we operate. That means that we, through the Demant Group, share our resources, donate to purposeful causes, and engage in impactful projects around the world. We want to positively contribute to local conditions and ensure that we give back to society by supporting health, educational, social, and cultural initiatives. As part of this, we have the following ambitions:

- We represent an overall positive impact on the economic and social well-being of the communities in which we operate.
- We reinvest in society and channel our philanthropic activities through the William Demant Foundation, which donates to altruistic causes and expands its sustainable investments.

Our foundation ownership allows us to reinvest in people and society in the best way possible. To separate grants and donations from commercial activities, all purely philanthropic activities are channeled through the William Demant Foundation. The Foundation reinvests in society by donating to altruistic causes and by expanding its sustainable investments. The Foundation works with four core categories for distributing its funds: audiology and hearing impairment; social and humanitarian causes; art and culture; and education and science.



Good Health and Well-being at EPOS

EPOS BrainAdapt™

Our solutions help prevent stress and listening fatigue that can be caused by imperfect audio experiences and help improve concentration and the ability to focus for longer. Designing audio and video solutions based on EPOS BrainAdapt™ technology providing the best conditions for the brain.

Scientific research has been a key element in the development of audio solutions built on EPOS BrainAdapt™ Technology and in recent scientific studies conducted by EPOS in the Centre for Applied Audiology Research at Oticon Headquarters in Denmark, researchers concluded the benefits of EPOS noise attenuation technology.

By minimizing the brain effort spent on listening and understanding elements of a conversation we can help users unlock new levels of productivity and performance. Results from these studies prove that by helping our brain, we help our performance.

With EPOS BrainAdapt™:

- Users spent 67% less listening effort.
- Users recognize and understand speech up to 48% better.
- Users had 10% better memory recall.



THE POWER OF AUDIO

EPOS

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