



GN ETHICS GUIDE

GN STORE NORD GROUP
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As an international company, GN Store Nord A/S ("GN") aims to generate a competitive return for its shareholders by developing, manufacturing and market innovative solutions for the hearing instrument and headset industries, and helping our employees respond to challenges and act responsibly in an environment that combines advanced technology with global sales.

This mission is founded on what we do, what we focus on and, most importantly, what we believe in as an organization. One of the critical elements in accomplishing our mission is to ensure that our individual and collective reputation is beyond reproach. Our goal is to demonstrate the highest level of ethics and integrity in our business dealings. This is a corporate priority and a shared responsibility for all GN employees as all of our actions and decisions affect our company and its reputation.

This Ethics Guide outlines the responsibilities and guidelines that describe the ethical standard expected of all employees. In addition, it provides a decision making process supporting the resolution of ethical issues and identifies GN employees who are available for help and advice. Case studies are provided to illustrate how ethical responsibilities and guidelines apply in everyday situations.

Please review this document carefully and make it an integral part of the way you conduct business at GN. You play an important role in representing our organization. Guided by these ethical standards, we build trusted relationships with our customers, shareholders, suppliers, fellow employees and the community.



Gitte Pugholm Aabo

A handwritten signature in black ink, appearing to read 'GP Aabo'.

CEO, GN Hearing A/S



René Svendsen-Tune

A handwritten signature in blue ink, appearing to read 'RS'.

CEO, GN Audio A/S



Introduction

This Guide applies to all GN businesses and their employees, officers and directors. Solely for the purpose of this guide “GN employees” or “employees” means all employees, officers and directors, including members of the Board of Directors, officers and employees of the GN Corporation and its subsidiaries.

It is not intended that there be any waivers to this Guide. In the unlikely event that a waiver is considered and granted, the waiver is not valid unless it has been explicitly granted by the Board of Directors in writing.

In reviewing this Guide, employees are reminded that GN reserves the right to vary, revoke or amend any terms in the Guide as is required by the needs of the business. GN will notify employees of any amendments to the Ethics Guide prior to the changes becoming binding. Nevertheless, employees are expected periodically to review this Guide (at least annually) in order to remain familiar with its terms. This Guide is available on the intranet under “Shared Functions/Corporate Legal/Guidelines”.

Responsibilities

All employees are expected to act honestly in all dealings, comply with the laws and regulations governing our businesses, and maintain an ethical work environment. This standard requires that all employees understand and apply this guide to everyday actions and decisions.

All business activities should be able to stand up to possible public scrutiny and further investigation if required. These guidelines are based upon generally accepted standards of ethical business conduct and applicable civil and criminal laws. The absence of a guideline covering a particular situation does not relieve any of us from the responsibility of acting ethically.

Employees are prohibited from directly or indirectly taking any actions to improperly

influence, coerce, manipulate or mislead the Company’s external or internal auditors or their representatives.

In addition to the aforementioned responsibilities, GN managers have a special obligation to familiarize themselves with the GN Ethics Guide. Managers should promote and maintain a climate in which honest, ethical and legal business conduct is the norm and communicate GN’s commitment to such conduct to all employees. Furthermore, managers must accept and investigate reports of possible business misconduct and maintain, without compromise, our ethical standards in achieving goals and objectives, no matter how important the goal or objective may be. Managers must review the Ethics Guide with teams and colleagues on a regular basis (at least annually) and introduce it to new employees.

To Obtain More Help or Report a Problem

In situations where the right ethical behaviour is unclear, or where there may be the appearance of a contravention with these guidelines, you should seek advice and clarification. First, you should direct inquiries to your immediate manager. In most cases, your immediate manager will have a broader perspective, and will appreciate being brought into the decision-making process before it is too late. In the rare case where it may not be appropriate to discuss an issue with your immediate manager, address it locally with your local Human Resource Manager first and, if you are still not satisfied, with the General Manager of your group company afterwards. If all other contacts are also not appropriate, you may contact Group Legal or make use of GN’s Whistleblower Hotline that has been set up for anonymous tips. For how to report through the Whistleblower Hotline please go to <https://www.gn.com/About/Corporate-sustainability/Whistleblower> or My.GN under “Group Functions>Risk and Compliance>Alertline”.



All inquiries and reports are handled confidentially to the greatest extent possible under the circumstances. If the law permits it employees may choose to remain anonymous, though in some cases this could make it more difficult to follow up and ensure resolution of an inquiry. If anonymity is desired, you should advise your local Human Resource or Group Legal that this is the case or use the Alertline.

Failure to act in accordance with these guidelines may have consequences for the individual, may create potential harm to GN's reputation and brand, and may put GN at risk of legal penalty. Individual consequences may include disciplinary action, up to and including dismissal. Corporate consequences may include civil and criminal penalties. Therefore, please regard the requirement to understand and to act in accordance with the GN Ethics Guide as a most serious matter.

Ethical Decision Making

This guide reflects GN's commitment to high standards of ethical behaviour in our professional and business dealings. The Ethics Guide is intended as a living document that supports open and frank discussion and the satisfactory resolution of ethical dilemmas.

Each of us is responsible for striving to ensure our behaviour is ethical and for taking steps to resolve ethical dilemmas. These guidelines are provided to assist you with ethical decision-making. As business becomes increasingly complex, the guide cannot provide guidance on every possible situation. In these circumstances, discuss your situation with your manager or with colleagues in support of determining the appropriate ethical course of action.

If you would like to discuss ethics further or have a dilemma with which you would like help, follow the process below, stopping at the point at which your situation has been resolved.

Questions to Ask Yourself

Gather information and then determine if the situation you face is an ethical dilemma. The questions below may help to clarify your situation and ethical action.

- What is my immediate feeling about this?
- Is this an expected part of my job?
- How would others perceive this action?
- What would my action be if my employees, peers, or supervisor were present?
- Would I or GN be embarrassed if this situation was discussed in the newspaper?
- Would I be putting GN or myself at unnecessary risk?
- Are there adverse legal implications of my action?
- Is this taking revenue or customers away from GN on short or long term?
- Was this intended to, or does this, influence my decisions?

Review Guidelines and Policies

Review the guidelines in this guide and the case studies. If you need further assistance, consider the following related policies as they may apply to your situation.

- Corporate policies (<https://www.gn.com/About/Document-download-center#!#all>)
- In-house rules governing trading in shares in GN Store Nord
- In-house rules preventing unauthorised disclosure of inside information
- Finance Manual
- Social Media Policy

Talk to Your Manager

Often your manager is in the best position to help you work through the dilemma. Your manager is responsible for supporting open discussions, working through the ethical questions you have, and guide you to further assistance as required. In situations where you are uncomfortable talking with your manager, or your manager is unable to help, you should refer to the next level of



management or seek expert assistance as detailed in the next section.

Assistance

If you have tried the above sources but still have questions, assistance is available through Human Resources, Group Risk and Compliance and Group Legal.

Whistleblower Hotline

GN has implemented a Whistleblower Hotline. The hotline enables employees and external stakeholders to report complaints anonymously to an independent third party, including complaints regarding alleged irregularities of a general, operational, legal, ethical and/or financial nature in GN. Managers are responsible for implementing and informing all of their employees of this hotline.

Business Conduct and Practices

Compliance with Laws

A fundamental principle of this guide is that all employees must comply with all applicable laws and regulations when conducting business on behalf of the Company. Employees should be familiar with the laws and regulations that relate to their work and comply with them. It is the responsibility of the managers to ensure that members of their team are aware of their responsibilities in this regard, and to seek advice from Group Legal if they are uncertain.

Proprietary Rights of Others

Employees must honour the valid proprietary rights of others as expressed in patents, copyrights, trademarks and industrial designs. Examples of intellectual property that may be protected include, but are not limited to, written materials, logos, creative suggestions, pictures, audio and video products and computer software. Employees must respect conditions of use. Employees are prohibited from duplicating, distributing, or incorporating in GN, material that are the intellectual property of others, unless prior permission has been obtained. Software used by employees for company business must be covered by a license from the owner of the software.

Dilemma: Angela is attending an important marketing meeting next week and has to prepare a presentation with complicated charts. Her colleague has offered her some software she can use to put the presentation together. Can Angela go ahead and install the software on her computer?

Solution: No. The use of software on unlicensed computers is strictly prohibited by law. Angela must verify and respect the manufacturer's conditions of license or the agreement under which the software was acquired. By copying her colleague's software onto her computer, she may be in breach of the provisions of the software company's agreement as well as copyright laws and thereby place the company at risk of prosecution for copyright infringement. Angela should speak to IT to discuss her software needs.

Business Records & Financial Integrity

GN Store Nord is required by law to report its results, including its financial results, accurately and completely.

To ensure that the Company's reports to third parties, including shareholders, creditors, and government entities, are accurate and complete, employees must ensure that internal reports are equally accurate and complete. All company financial reports, accounting records, research reports, sales reports, expense accounts, time sheets, and other documents must accurately and clearly represent the relevant facts or the true nature of a transaction. Intentional accounting misclassifications (e.g., expense versus capital), sham transactions (e.g., sales where the company is obligated to repurchase products, or sales in excess of customer's reasonable requirements), and improper acceleration, deferral, or recognition of expenses or revenues are examples of prohibited reporting practices. Also prohibited are payments made with the positive knowledge that the payments will be used for illegal purposes.



Responsibility for compliance with these policies rests with all employees, not solely with the Company's finance and accounting personnel. Each employee is required to be familiar and in compliance with the internal controls and disclosure controls related to his or her job. All employees must be truthful and open in dealing with the Company's internal and independent auditors. Employees may not directly or indirectly take any action to influence, coerce, mislead, or manipulate the Company's internal or independent auditors.

Bribery and Kickbacks

Investigations carried out by the UN have disclosed far reaching examples of bribery and kickbacks in relation to the Oil-for-food program in Iraq involving large and respectable corporations, including several Danish ones. Bribery and kickbacks are therefore not uncommon when doing business globally, especially in emerging and underdeveloped markets. Employees working in such markets should be very cautious as bribery and kickbacks are serious crimes.

In short, bribery is a crime in which money, a favour, or something else of value is promised to, given to, or taken from an individual or corporation in order to alter the behaviour of the recipient in ways not consistent with the duties of that person or in breach of law.

Kickbacks are payments or offering of services made to someone for referral of a customer or business. Kickbacks targeted towards business partners are not allowed if they are illegal. Kickbacks targeted towards GN employees must never be accepted.

The forms that bribery takes are numerous. For example, a motorist might bribe a police officer not to issue a ticket for speeding; an employee seeking paperwork in connection with the

opening of a research facility might bribe a public official for faster service. Bribery may also take the form of a secret commission; a profit made by an agent, in the course of his employment, without the knowledge of his principal. Bribers and recipients of bribery are likewise numerous although bribers have one common denominator and that is the financial ability to bribe.

Employees are expected to report to their manager, Group risk and Compliance or Group Legal immediately if they come across bribery and/or kickbacks. Anonymous reports may also be done by making use of the GN AlertLine. Responsibility for compliance rests with all employees and the employees may under no circumstances directly or indirectly take any action to improperly influence foreign public officials or business partners.

Failure to act in accordance with the above may have consequences for the individual, may create potential harm to GN's reputation and brand, and may put GN at risk for legal penalty. Individual consequences may include disciplinary action, up to and including dismissal. Corporate consequences may include civil and criminal penalties. Therefore, please regard the requirement to understand and to act in accordance with the above as a most serious matter.

Dilemma: Jake works with large tenders and in connection with a public procurement he is informed by a public official that he will be awarded the contract if Jake kicks back a part of what Jake is paid for the contract to the government official. How should Jake react?

Action: The offer from the public official is an illegal kickback, which should be rejected immediately. Jake should notify his manager or Corporate Legal of the offer, so that they can take the appropriate steps.



Fair Dealing

Employees are expected to apply high standards of courtesy, professionalism, and honesty in interactions with customers, shareholders, suppliers, co-workers and the community. Employees are required to be fair in representing others products and services and not to take unfair advantage through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair dealing.

Dealing with Suppliers

When deciding among competing suppliers, GN weighs the facts impartially to determine the best supplier. All employees should do so whether an employee is in a purchasing job, a local office, or any other part of the business.

Whether or not an employee is in a position to influence decisions involving the evaluation or selection of suppliers, an employee must not exert or attempt to exert influence to obtain "special treatment" for a particular supplier. Even to appear to do so can undermine the integrity of GN's established procedures. GN uses a competitive evaluation process to select the best suppliers. Prices and other information submitted by suppliers and GN's evaluation of that information is confidential to GN. Employees and former employees may not use any of this information outside of GN without written permission. It is essential that suppliers competing for GN's business have confidence in the integrity of GN's selection process.

Business Contacts with Competitors

Special attention must be given when the opposite party is a competitor of GN. Such relationships require extra care. It is inevitable that GN's employees and competitors will, from time to time, meet, talk and attend the same industry or association meetings. Many of these contacts are perfectly acceptable as long as established procedures are followed. Acceptable

contact includes: sales to other companies in our industry and purchases from them; approved participation in joint bids; and attendance at business shows, standard organizations and trade associations. But even these contacts require caution. If in doubt, employees should seek advice from Group Legal.

All voice and e-mail communication are the sole property of the Company. Communication on these systems is expected to be business records that may be monitored by the Company and subpoenaed by a court of law, and therefore, employees should have no privacy expectations with regards to communication sent or received via those systems, unless the communication is clearly marked with "Private", e.g. in the subject field of an email. Private communication will be handled in accordance with local laws.

Dilemma: Bill sells GN products. In a meeting with a customer, he learns that his customer has plans to expand its business to another country, but this information is not publicly known. The next day, Bill meets with a competitor to his previous days customer. The competitor indirectly asks several questions about the first customer's business strategy. Bill knows that if he mentions the first customer's business plans, he can sell more GN products.

Solution: Bill's job is to sell GN products; however, he cannot disclose confidential information for any reason. Bill must maintain the confidentiality of his customer's information.

Confidential Information & Insider Trading

Confidentiality of Information

Employees, including past employees, must not disclose, permit or assist in the disclosure of GN's Confidential Information



(defined below) and Confidential Information received from third parties, unless such disclosure or use is required in connection with work performed on behalf of the Company. In situations where disclosure is necessary for business purposes, Group Legal can draw up a confidentiality agreement or license agreement to protect GN.

The term "Confidential Information" shall mean any non-public information, trade secrets, knowledge, data or any other information regarding the Company that might be useful for competitors or harmful to the Company if disclosed, including but not limited to inventions, trade secrets, ideas, programs, know-how, improvements, designs and techniques, new products, business plans, budgets and unpublished financial statements, prices and costs, suppliers and customers, and information regarding the skills and compensation of other employees of GN.

Insider Trading

Employees who have material non-public information about the Company or other companies, including our suppliers and customers, as a result of their relationship with the Company, are prohibited by law and Company policy from trading in securities (shares, options, etc.) of the Company or such other companies, as well as from communicating such information to others who might trade on the basis of that information (information is "material" if it would affect a reasonable investor's decision to buy, sell, or hold the stock in question. Information is "non-public" until it has been broadly disclosed publicly, typically by means of a stock exchange announcement or a press release).

Employees who on a regular basis or in isolated cases have access to inside information will be recorded in a register kept by the Company. Being included in the insider register prohibits you from trading GN Store Nord securities outside a four-week trading window. The four-week window generally opens on the day

following the disclosure of GN Store Nord's quarterly and annual financial statement and closes on the weekday of the disclosure in the fourth week following the opening. Recorded insiders will be informed immediately about registration and deregistration, and will continuously be notified of the opening and closure of the four-week trading window.

To help ensure that an employee does not engage in prohibited insider trading and avoid even the appearance of an improper transaction, the Company has adopted "Internal rules on trading in GN Store Nord shares" and "Internal rules preventing unauthorized disclosure of inside information" which is available on www.gn.com. Further information about the insider register can also be found following this link <https://www.gn.com/About/Document-download-center#!#all>

If you are uncertain about the legal constraints on your purchase or sale of any Company securities or the securities of any other company of which you are familiar by virtue of your relationship with the Company, you should consult Group Legal before making any such purchase or sale

Dilemma: Michael is part of a team working on the quarterly financial results and regularly sees all the results before they are approved for release. One evening, a good friend of him asks, "How is GN doing these days?" In this casual conversation, is it acceptable if he answers, "Well, the results are really good this quarter"?

Action: No, it is not. This information is not yet public and therefore should be regarded as confidential company information. In addition, since this information is material (i.e. would reasonably be expected to have a significant effect on the value or price of GN shares), Michael would violate the Danish securities laws if he answers as above.



Employment Practices

Discrimination and Harassment

The diversity of GN employees is a tremendous asset. GN provides equal opportunity and equal chances in all aspects of employment and will not tolerate discrimination or harassment of any kind based on racial or ethnic characteristics, gender, religion, age, sexual orientation, handicap or any other classification and derogatory comments in this regard is strictly prohibited. Unwelcome sexual advances and similar behaviour is also strictly prohibited.

Dilemma: Peter's manager frequently makes racist comments about one of his co-workers. This personally offends Peter, but because his manager is involved, he does not feel he can speak up.

Action: Racist comments are unacceptable. You have a right to express your disapproval of such comments – without fear of reprisal. If you are uncomfortable approaching your manager, you should speak to the Human Resource, Corporate Legal or your manager's superior. You may also file an anonymous report by making use of GN's Whistleblower Hotline.

Health and Safety

GN strives to provide a safe and healthy work environment by following safety and health rules and practices. All employees must cooperate with GN on all health and safety matters and follow all policies, standards, guidelines and procedures concerning health and safety. In addition, all worksite accidents, injuries and unsafe equipment practices, or conditions must be reported immediately.

Violence or threatening behaviour is not permitted at work, and employees are expected to report fit for work; such that their ability to work safely is not impaired by alcohol, drugs, medications or any other substance.

Child Labour and forced labour

GN does not accept child labour and forced labour as defined by the UN Convention on the Rights of the Child.

Political Activities

As private citizens, employees are free to make contributions to causes, candidates or political parties of his or her choice. Unless expressly approved by GN, employees are not allowed to associate GN with personal political activities. GN will comply with all relevant laws regulating its participation in political affairs.

Freedom of Association

GN respects voluntary freedom of association, including the right to organize and bargain collectively in a manner that is legally compliant. Workers representatives are not subject to discrimination and have access to workplaces necessary to carry out their respective functions.

Personal Data

GN possesses personal information concerning its employees. This includes sensitive information protected by law. It is GN's policy not to disclose this information to anyone other than for legitimate purposes and in accordance with all legal requirements.

All employees who have access to such information are required to abide by this policy. Before releasing any such information, an employee should consult with Human Resources or Group Legal.

Conflict of Interest

A conflict of interest occurs when an employee's private interest interferes in any



material way – or even appears to materially interfere – with the interests of the Company. A conflict of interest situation can arise when an employee takes actions or has interests that may make it difficult for him or her to perform his or her job objectively and effectively. Conflicts of interest also arise when an employee, or his/her close relatives, receives improper personal benefits as a result of his or her position in the Company. Employees have a duty to avoid situations in which a conflict of interest may arise as well as to disclose potential conflicts of interest to management.

Gifts and Benefits

GN employees shall not accept, directly or indirectly, gifts, gratuities, rewards, favours or benefits from any organization or person doing business with GN other than in the normal course of business. GN employees shall not offer or provide gifts, gratuities, rewards, favours or benefits to employees of any other company to secure or maintain business other than in the normal course of business. It is not a conflict of interest to accept hospitality or entertainment, provided it is reasonable, and is within the limits of responsible and generally accepted business practices. However, employees must not accept gifts that are intended to influence, or appear to influence, a particular business decision. **Acceptable benefits in the normal course of business for GN employees must never exceed more than USD 100 or the closest equivalent in other currencies. Acceptable benefits in the normal course of business include:**

- Transportation to or from the customer's or supplier's place of business
- Paid luxury hotel accommodation in relation to business activities
- Attendance at sporting or cultural events (within reasonable boundaries)
- Business lunches or dinners
- Small seasonal holiday gifts or prizes to be used in office draws and raffles

Employees whose job consist of negotiating, selecting and purchasing from suppliers, or have contract management roles within GN,

are subject to more stringent professional purchasing requirements regarding gifts and benefits and should therefore not accept any gifts or benefits from suppliers or potential suppliers without the explicit and written permission of his or her manager. Exempt from this is i) transportation to or from the supplier's place of business, ii) paid hotel accommodation in direct relation to business activities and iii) business lunches or dinners.

In some instances, such as when an employee is a guest in another country and is offered a valuable gift as part of a public occasion, refusal of such a gift may cause embarrassment or offence to the person offering it. In these cases, the best practice is usually to accept the gift on behalf of the Company, report it and turn it over to the Company.

Failure to act in accordance with the above guidelines on conflict of interest may have consequences for the individual, may create potential harm to GN's reputation and brand, and may put GN at risk for legal penalty. Individual consequences may include disciplinary action, up to and including dismissal. Corporate consequences may include civil and criminal penalties. Therefore, please regard the requirement to understand and to act in accordance with the above guidelines as a most serious matter.

Relationship with a Supplier or Vendor

An employee's retention of a company owned by his or her near relative to provide goods or services to an operating unit of the Company is prohibited without prior disclosure and written approval from at least two levels of supervision that are above the level of the employee (and at least at Corporate Vice President level).



Dilemma: Martin believes his sister-in-law's firm could provide GN with a great product, and Martin knows she will do a good job. Is Martin allowed to propose his sister-in-law's as a supplier?

Action: GN can always use good suppliers, but any potential conflict should be handled through disclosure.

Outside Investments

Employees may not have a direct or indirect financial interest in a business enterprise that supplies, purchases from, competes with, or has other business relations with the Company, unless this has been disclosed and approved in writing by at least two levels of supervision that are above the level of the employee (and at least at Vice President level).

This section does not prohibit employees from holding publicly traded shares of an entity with which GN has a business relationship or a competitor, provided that the employee does not have a significant investment in the entity and does not acquire the shares based on material undisclosed confidential information obtained as a result of the employment with GN.

