



GN Store Nord A/S

# GN brings people closer

Annual General Meeting of GN Store Nord A/S

Wednesday, March 15, 2023, at 10:00 a.m. (CET)  
Company reg. no. 24257843



## TO THE SHAREHOLDERS OF GN STORE NORD A/S

The Annual General Meeting will be held on Wednesday, March 15, 2023, at 10:00 a.m. (CET) at GN Store Nord A/S, Lautrupbjerg 7, DK-2750 Ballerup, Denmark.

### **Attendance, request for admission card(s), and voting paper**

#### Registration

Shareholders must register for GN Store Nord A/S' Annual General Meeting by requesting an admission card. Admission cards can be obtained through the Shareholder Portal hosted by Computershare A/S at [www.computershare.dk](http://www.computershare.dk) (also accessible through the company's website at [www.gn.com/agm](http://www.gn.com/agm)) or by phone +45 45 46 09 97.

Shareholders may attend the Annual General Meeting together with one accompanying person (advisor or guest). Shareholders wishing to attend the Annual General Meeting with an accompanying person have to request an extra admission card.

The deadline for ordering admission card(s) is Friday, March 10, 2023, at 11:59 p.m. (CET).

Admission cards are issued electronically. The admission card(s) will be sent to the email address provided by the shareholder on the Shareholder Portal at [www.computershare.dk](http://www.computershare.dk).

#### Participation at the Annual General Meeting

Participants must bring the admission card(s) to the Annual General Meeting, either electronically on a smartphone/tablet or in print. Admission card(s) may also be collected at the registration counter at the entrance to the Annual General Meeting upon presentation of proof of identity. A printed voting paper will be provided at the registration counter.

#### Live streaming from the Annual General Meeting

The Annual General Meeting is transmitted live in Danish and English via webcast on the company's website, [www.gn.com/agm](http://www.gn.com/agm).

#### Voting if not participating at the Annual General Meeting

Shareholders who do not expect to attend the Annual General Meeting may vote by postal vote or by proxy given to the Chairman of the Board of Directors or to a person appointed by the shareholder and participating at the Annual General Meeting. Submission of postal vote or proxy may take place through the Shareholder Portal at [www.computershare.dk](http://www.computershare.dk) (also accessible through the company's website at [www.gn.com/agm](http://www.gn.com/agm)).

A proxy must be received by Computershare A/S no later than Friday, March 10, 2023, at 11:59 p.m. (CET).

A postal vote must be received by Computershare A/S no later than Tuesday, March 14, 2023, at 3:00 p.m. (CET). Please note that once received by Computershare A/S, the postal vote cannot be revoked or replaced by a new postal vote.

#### Communication by email or ordinary mail

Shareholders also have the option of requesting admission card(s) or submitting their postal vote/proxy by email or ordinary mail. The registration/proxy/postal vote form can be downloaded from the Shareholder Portal at [www.computershare.dk](http://www.computershare.dk) or [www.gn.com/agm](http://www.gn.com/agm). The form must be signed and returned to Computershare A/S as set out in the form.

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## Agenda and complete proposals

**1. Report by the Board of Directors on the activities of the company during the past year.**

The Board of Directors proposes that the report is noted by the general meeting.

**2. Submission of the audited Annual Report for approval.**

The Board of Directors proposes that the audited Annual Report 2022 is approved. The Annual Report 2022 is available on the company's website, [www.gn.com/agm](http://www.gn.com/agm).

**3. Resolution of discharge to the Board of Directors and the Executive Management.**

The Board of Directors proposes that the Board of Directors and the Executive Management are granted discharge from liability.

**4. Decision on application of profits or covering of losses in accordance with the approved Annual Report.**

The Board of Directors refers to page 57 of the Annual Report 2022 containing the proposal on distribution of the annual profits, according to which no dividends are paid out in respect of the financial year 2022.

**5. Presentation of and advisory vote regarding the Remuneration Report.**

The company has prepared a Remuneration Report covering the financial year 2022, which is available on the company's website, [www.gn.com/agm](http://www.gn.com/agm). The Remuneration Report has been prepared in accordance with applicable rules and regulations and is presented to the Annual General Meeting for an advisory vote.

The Board of Directors notes that the 2022 Remuneration Report has been prepared to further enhance transparency in remuneration reporting and, after consultation with several key investors during the year, to directly address shareholder feedback provided to the 2021 Remuneration Report. It has also been prepared with a view to comply with applicable rules and the Danish Recommendations on Corporate Governance published by the Committee on Corporate Governance. The report covers remuneration due or awarded during the financial year 2022 to the company's Board of Directors and Executive Management.

The Board of Directors proposes that the Annual General Meeting approves the company's 2022 Remuneration Report in the advisory vote.

**6. Approval of remuneration to the Board of Directors for the current financial year.**

The Board of Directors proposes that the remuneration approved by the Annual General Meeting for the financial year 2022 is maintained at the same level for the financial year 2023:

The base fee for serving on the Board of Directors of GN Store Nord A/S remains at DKK 305,000, with 2 times the base fee to the Deputy Chairman and 3 times the base fee to the Chairman.

The base fee for serving on the Board of Directors of each of GN Audio A/S and GN Hearing A/S, respectively, remains at DKK 120,000, with 1.75 times the base fee to the Deputy Chairman and 2.5 times the base fee to the Chairman.

The base fee for serving on each of the Audit Committee, the Remuneration Committee, or the Strategy Committee, respectively, remains at DKK 185,000, with 2 times the base fee to the Chairman of the respective committee.

The base fee for serving on the Nomination Committee remains at DKK 90,000, with 2 times the base fee to the Chairman of the committee.

In addition to reimbursement of travel expenses, members of the Board of Directors are entitled to receive a fixed allowance in the following amounts in connection with participation in Board and/or committee related meetings held outside the Board Members' country of residence:

- EUR 3,000 per journey to (a) meeting(s) held on the same continent as the Board Member resides, and
- EUR 6,000 per journey to (a) meeting(s) held on a continent other than the continent on which the Board Member resides.

The fixed travel allowance amounts also remain unchanged from the financial year 2022.

In addition to the above-mentioned fees, GN pays statutory contributions to social security and similar taxes and charges within the EU/EEA that GN is obligated to pay according to applicable law in relation to a member of the Board of Directors' directorship with GN.

## 7. Election of members to the Board of Directors.

Pursuant to article 15.1 of the company's Articles of Association, all members of the Board of Directors elected by the general meeting are elected for a term until the company's next Annual General Meeting.

As set out in company announcement no. 3 of January 26, 2023, Per Wold-Olsen has decided not to stand for re-election as member of the Board of Directors as per the end of his current term.

The Board of Directors proposes re-election of: Jukka Pekka Pertola, Hélène Barnekow, Montserrat Maresch Pascual, Ronica Wang and Anette Weber.

The Board of Directors proposes election of Klaus Holse as new member of the Board of Directors. Klaus Holse serves as a Chairman of the board of directors of Zenegy ApS, SuperOffice AS, EG A/S, Vizrt Group AS, Macrobond Financial AB and the Confederation of Danish Industry and serves as a member of the board of directors of Better Collective ApS and Terma A/S. The Board of Directors proposes election of Klaus Holse as he will add significant international leadership experience from the IT and software industry along with sustainability and digitalization insight. Further information on Klaus Holse's directorships and management positions can be found in Appendix 1.

Jukka Pekka Pertola, Hélène Barnekow, Montserrat Maresch Pascual, Ronica Wang and Anette Weber are all considered independent as defined in the Danish Recommendations on Corporate Governance published by the Committee on Corporate Governance. The proposed new member of the Board of Directors, Klaus Holse, is also considered independent.

As set out in company announcement no. 3 of January 26, 2023, the Board of Directors intends to constitute itself with Jukka Pekka Pertola as the new Chairman of the Board of Directors. In this connection, Jukka Pekka Pertola has informed the company that during 2023, he will reduce his number of other board and chair positions held outside of GN to fully comply with governance standards and investor requirements, e.g. by ensuring that he holds no more than two chair positions and one position as ordinary board member in listed companies. In this regard, GomSpace Group AB has announced on January 18, 2023, that it is likely that Jukka Pekka Pertola will have to resign from his board position in GomSpace Group AB in August 2023 at the latest. In addition, Asetek A/S has announced on February 20, 2023, that Jukka Pekka Pertola will step down as the Chairman of the board of directors of Asetek A/S and is expected to remain on the board of directors as an ordinary member.

Information on directorships and management positions of each candidate proposed for re-election to the Board of Directors is attached hereto as Appendix 2. Further information may be found on [www.gn.com](http://www.gn.com) and in the Annual Report 2022.

**8. Election of a state-authorized public accountant to serve until the company's next Annual General Meeting.**

Pursuant to article 18.2 of the Articles of Association, a state-authorized public accountant must be elected for the term until the next Annual General Meeting. Based on a recommendation from the Audit Committee, the Board of Directors proposes re-election of PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab (PwC), company reg. no.: 33771231.

In connection with the above, the Audit Committee has not been influenced by third parties nor has it been subject to any contractual obligations restricting the Annual General Meeting's choice of certain auditors or audit firms.

**9. Proposals from the Board of Directors.**

**a. Proposal from the Board of Directors to authorize the Board of Directors to increase the share capital with pre-emptive rights for existing shareholders and to insert a new article 5.1 in the Articles of Association in accordance herewith.**

As referred to in company announcement no. 6 of February 8, 2023, the company is contemplating to complete a rights issue in the first half of 2023.

The Board of Directors consequently proposes for the Annual General Meeting to authorize the Board of Directors to increase the company's share capital by the nominal value of up to DKK 2,000,000,000 from the nominal value of DKK 548,773,512 to the nominal value of up to DKK 2,548,773,512 by way of cash contribution (the "**Rights Issue**"). The company's existing shareholders shall have pre-emptive rights to subscribe for the new shares, proportional to their shareholdings.

The Board of Directors intends to use the authorization to increase the company's share capital by the nominal value of up to DKK 2,000,000,000 to raise gross proceeds of up to DKK 7 billion in connection with the Rights Issue, as referred to in company announcement no. 6 of February 8, 2023. Proceeds from the Rights Issue will be used to strengthen the company's balance sheet by repaying debt. With this action the company confirms its commitment to the capital structure policy with a target of 1-2x NIBD/EBITDA, which the company plans to reach in the short term. The company has entered into a standby underwriting letter and, as such, the Rights Issue is, subject to certain customary conditions, fully underwritten by a syndicate of banks.

In order to be able to affect the Rights Issue it is proposed to reword the existing article 5.1 in the company's Articles of Association to the following:

*"5.1 The board of directors is authorized to increase the share capital with preemptive rights for the existing shareholders by issuing new shares in one or more rounds with a total nominal value of up to DKK 2,000,000,000 from the nominal value of DKK 548,773,512 to a nominal value of up to DKK 2,548,773,512 by way of cash contribution. The new shares shall be subscribed for at market price or at a price discounted to the market price. The authorization is valid until 15 March 2024."*

The authorization will further be subject to the terms set out in articles 5.7 and 5.8 of the Articles of Association (proposed to be renumbered to articles 5.3 and 5.4, respectively, pursuant to agenda item 9c below).

**b. Proposal from the Board of Directors to renew the standard authorization to the Board of Directors to increase the share capital without pre-emptive rights (article 5.2 of the Articles of Association).**

The standard authorization to issue shares in article 5.2 of the company's Articles of Association expires on 13 March 2023. Hence, the Board of Directors proposes that, until 15 March 2024, the Board of Directors be



authorized to increase the company's share capital by the nominal value of up to DKK 54,877,348, corresponding to 10% of the share capital, without preemptive rights for the existing shareholders by way of cash contribution.

It is proposed that article 5.2 in the company's Articles of Association be adopted with the following wording:

*"5.2 The board of directors is authorized to increase the share capital without preemptive rights for the existing shareholders by issuing new shares in one or more rounds with a total nominal value of up to DKK 54,877,348 by way of cash contribution. The new shares shall be subscribed for at market price. The authorization is valid until 15 March 2024."*

The authorization will further be subject to the terms set out in articles 5.7 and 5.8 of the Articles of Association (proposed to be renumbered to articles 5.3 and 5.4, respectively, pursuant to agenda item 9c below).

**c. Proposal from the Board of Directors to remove articles 5.3, 5.4, 5.5 and 5.6 from the company's Articles of Association.**

The Board of Directors proposes that articles 5.3, 5.4 and 5.6 of the company's Articles of Association authorizing the Board of Directors to issue convertible debt instruments, to issue warrants and to increase the share capital in connection with the exercise of warrants, respectively, be removed from the company's Articles of Association as the authorizations have expired and the company does not see a need for renewal of such.

The Board of Directors also proposes to remove article 5.5 as the company does not intend to issue new shares against other payment than cash during the coming year. The new authorizations proposed under items 9a and 9b can only be exercised against cash payment.

As a consequential change article 5.5 will be removed and articles 5.7 and 5.8 be renumbered to 5.3 and 5.4 respectively.

Following adoption of agenda item 9a, 9b and 9c, article 5 of the company's Articles of Association will be worded as follows:

*"5.1 The board of directors is authorized to increase the share capital with preemptive rights for the existing shareholders by issuing new shares in one or more rounds with a total nominal value of up to DKK 2,000,000,000 from the nominal value of DKK 548,773,512 to a nominal value of up to DKK 2,548,773,512 by way of cash contribution. The new shares shall be subscribed for at market price or at a price discounted to the market price. The authorization is valid until 15 March 2024."*

*5.2 The board of directors is authorized to increase the share capital without preemptive rights for the existing shareholders by issuing new shares in one or more rounds with a total nominal value of up to DKK 54,877,348 by way of cash contribution. The new shares shall be subscribed for at market price. The authorization is valid until 15 March 2024."*

*5.3 Shares issued pursuant to this Article 5 cannot be issued against partial payment and are issued in the name of the holder. The shares carry dividend from such time as resolved by the board of directors, but not later than for the financial year following the year of the capital increase. The shares are freely negotiable instruments. The new shares rank in all respects pari passu with the existing share capital."*

*5.4 The board of directors determines the terms of capital increases made under this Article 5."*

**d. Proposal from the Board of Directors to authorize the Board of Directors to acquire treasury shares.**

On May 21, 2019, the company issued convertible bonds consisting of bonds with warrant units, allowing holders to convert such warrants into existing ordinary shares of the company. As set out in company announcement no. 26 of May 14, 2019, the company covers this obligation through treasury shares. Moreover, the company is continuously hedging its obligations under its long-term incentive programs with treasury shares.

Accordingly, the company currently has a holding of around 9.2 million treasury shares, corresponding to approximately 6.7% of the share capital.

In order to allow the company to continuously buy back shares, the Board of Directors proposes that, until the next Annual General Meeting, the Board of Directors be authorized to allow the company and its subsidiaries to acquire additional shares in the company up to a total nominal value equivalent to 10% of the company's share capital at the time of acquisition. The shares are to be acquired at the market price applicable at the time of purchase subject to a deviation of up to 10%. The company's holding of treasury shares, including previously acquired shares, may at no time exceed 15% of the share capital of the company.

The proposal is in line with the company's capital structure policy (see the company's 2022 Annual Report published with announcement no. 7 of February 9, 2023).

**e. Proposal from the Board of Directors to amend the Remuneration Policy.**

The Board of Directors proposes that the Annual General Meeting approves an updated version of the company's Remuneration Policy.

The purpose of the proposal is to make it possible for the company, if deemed appropriate for administrative or other relevant reasons, to grant synthetic cash-based financial instruments (phantom share options) as part of and on the same terms and conditions as the existing long-term share-based incentive plan.

Consequently, the following has been added at the end of section 5.2.4 in the Remuneration Policy:

*"Further, GN reserves the right to fully or partially substitute the share options by synthetic cash-based financial instruments (phantom share options) subject to such instruments being granted on the same terms and conditions as for the share options as set out in this Remuneration Policy with any necessary changes."*

The proposed updated Remuneration Policy is attached hereto as Appendix 3.

**10. Proposals from shareholders.**

There are no proposals from shareholders.

**11. Any other business.**

No decisions nor proposals may be adopted under this item.

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**Rules on adoption**

Adoption of the proposal under item 9a, 9b and 9c, which involves amendments to the company's Articles of Association, requires a majority of at least 2/3 of the votes cast as well as of the share capital represented at the Annual General Meeting. All other proposals may be adopted by a simple majority of votes. The 2022 Remuneration Report is presented for an advisory vote.

**The size of the share capital and the shareholders' voting rights**

The company's share capital of nominally DKK 548,773,512 is divided into shares of DKK 1 or multiples hereof. Each share of DKK 1 carries one vote.

Shareholders are entitled to attend the Annual General Meeting and vote on shares held on the record date, Wednesday, March 8, 2023. The shares held by each shareholder are based on information in the company's register of shareholders as well as notifications about ownership received by the company prior to or on the record date for entry into the register of shareholders, but which have not yet been recorded.

**Further information about the Annual General Meeting**

Further information about the Annual General Meeting is available at the company's website, [www.gn.com/agm](http://www.gn.com/agm), including the total number of shares and voting rights as of the date of the notice to convene the Annual General Meeting, this notice to convene the Annual General Meeting with the agenda and complete proposals, information on the candidates for election to the Board of Directors, the current and the proposed updated Remuneration Policy, as well as the registration, proxy and postal vote forms to be used in connection with the Annual General Meeting. The full Annual Report for 2022 is available at [www.gn.com/annualreport2022](http://www.gn.com/annualreport2022).

The Annual General Meeting is transmitted live in Danish and English via webcast on the company's website, [www.gn.com/agm](http://www.gn.com/agm). The transmission will cover the stage and the rostrum only. With regard to collection and processing of personal data, reference is made to the company's information sheet on data protection in connection with Annual General Meetings, which is available on the company's website, [www.gn.com/agm](http://www.gn.com/agm).

The company offers simultaneous translation from Danish into English at the Annual General Meeting.

Access to the Annual General Meeting at GN Store Nord A/S will open at 9:00 a.m. (CET). Tea/coffee is served until 10:00 a.m.

**Driving instructions**

The Annual General Meeting will be held at GN Store Nord A/S, Lautrupbjerg 7, DK-2750 Ballerup, Denmark.

If you are arriving by car from Ringvej b4/O4, turn onto Klausdalsbrovej. Turn right onto Lautrupparken and turn right at the first cross street onto Lautrupbjerg. The destination will be on your left-hand side.

If you are arriving by car from Route 16, take exit 4-Gladsaxe-Klausdalsbrovej. Turn west onto Klausdalsbrovej. Turn left onto Lautrupparken and turn right at the first cross street onto Lautrupbjerg. The destination will be on your left-hand side.

**Questions from the shareholders**

Questions regarding the agenda or the documents etc. published in connection with the Annual General Meeting can be directed to GN Store Nord A/S by email to: [agm@gn.com](mailto:agm@gn.com) no later than Monday, March 13, 2023.

If you have any other questions to the above, please contact GN Store Nord A/S by phone +45 45 75 00 00.

Ballerup, February 20, 2023

GN Store Nord A/S  
The Board of Directors