

Annual General Meeting  
GN Store Nord A/S

# 2024

The meeting will be broadcast live on  
Wednesday March 13, at 10:00 CET

*(Please check audio reception - music is played while we wait)*



GN

# Welcome

GN's Annual General Meeting  
March 13, 2024

*Introduction by  
Chair of the Board of Directors  
Jukka Pekka Pertola*





## Today's agenda



1. The Board of Directors' report on the company's activities in 2023
2. Submission of the audited Annual Report for approval
3. Resolution of discharge to the Board and Executive Management
4. Decision on application of profits or covering of losses
5. Presentation of and advisory vote regarding the Remuneration Report
6. Approval of remuneration to the Board for 2024
7. Election of members to the Board
8. Election of a state-authorized public accountant
9. Proposals from the Board
10. Proposals from shareholders
11. Any other business



1. The Board of Directors' report on the company's activities in 2023

## Today's agenda

## Key highlights in 2023

*Chair of the Board of Directors  
Jukka Pekka Pertola*



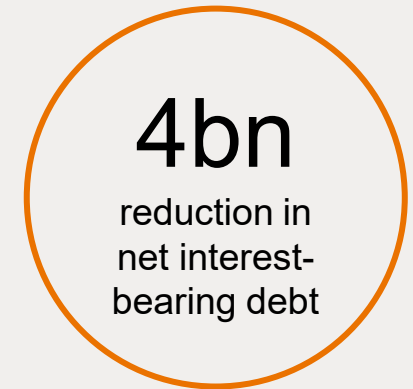
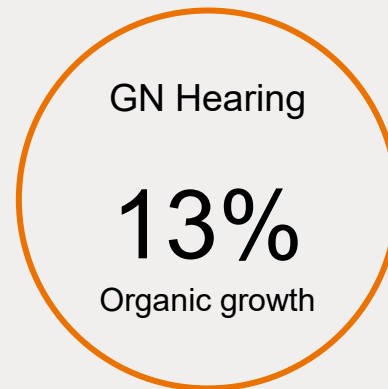
# GN Group 2023 performance: Delivering what we promised



ReSound OMNIA  
drove market  
share gains

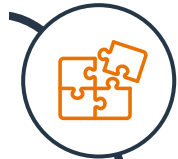


Enterprise  
defended  
market leadership



SteelSeries drove  
market share gains

# New capital plan provides solid foundation for strategy execution



**Equity:** Directed issue and private placing of 17 million new shares and existing treasury shares generated **DKK 2.6 billion** net proceeds



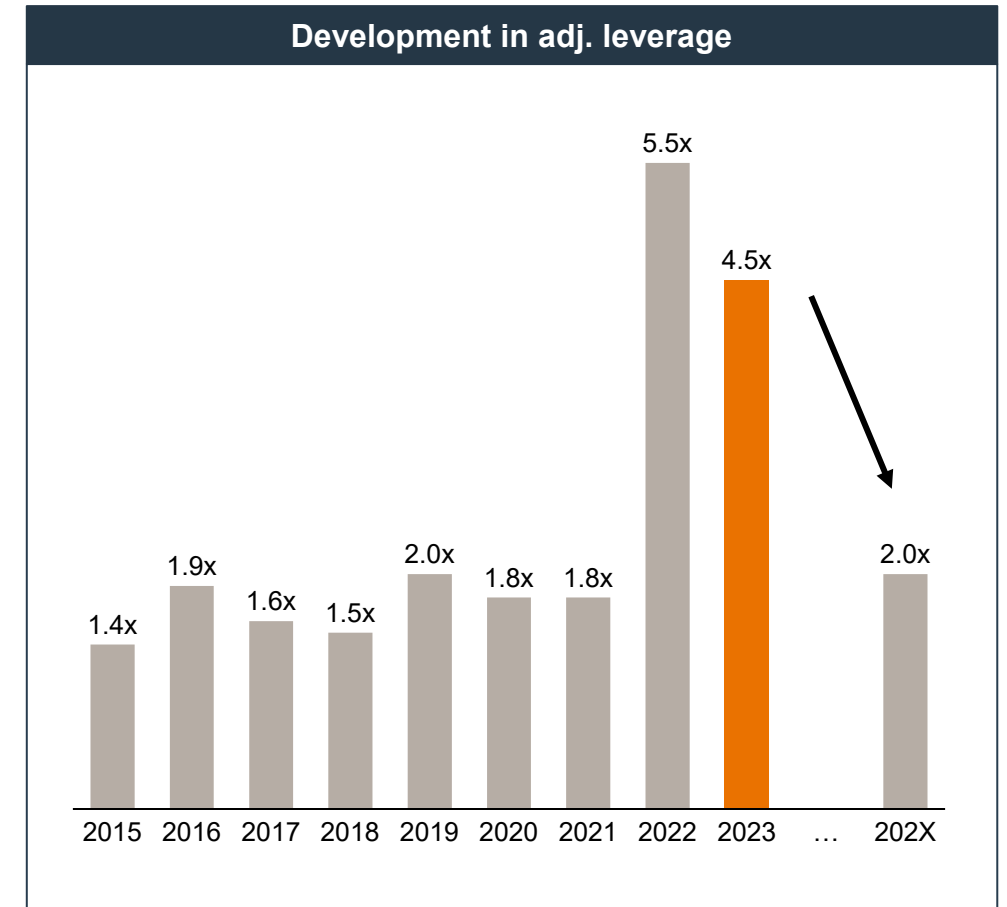
**Debt refinancing:** New **DKK 6.0 billion** term loan facility maturing in 2026 replaced existing DKK 3.9 billion term loan



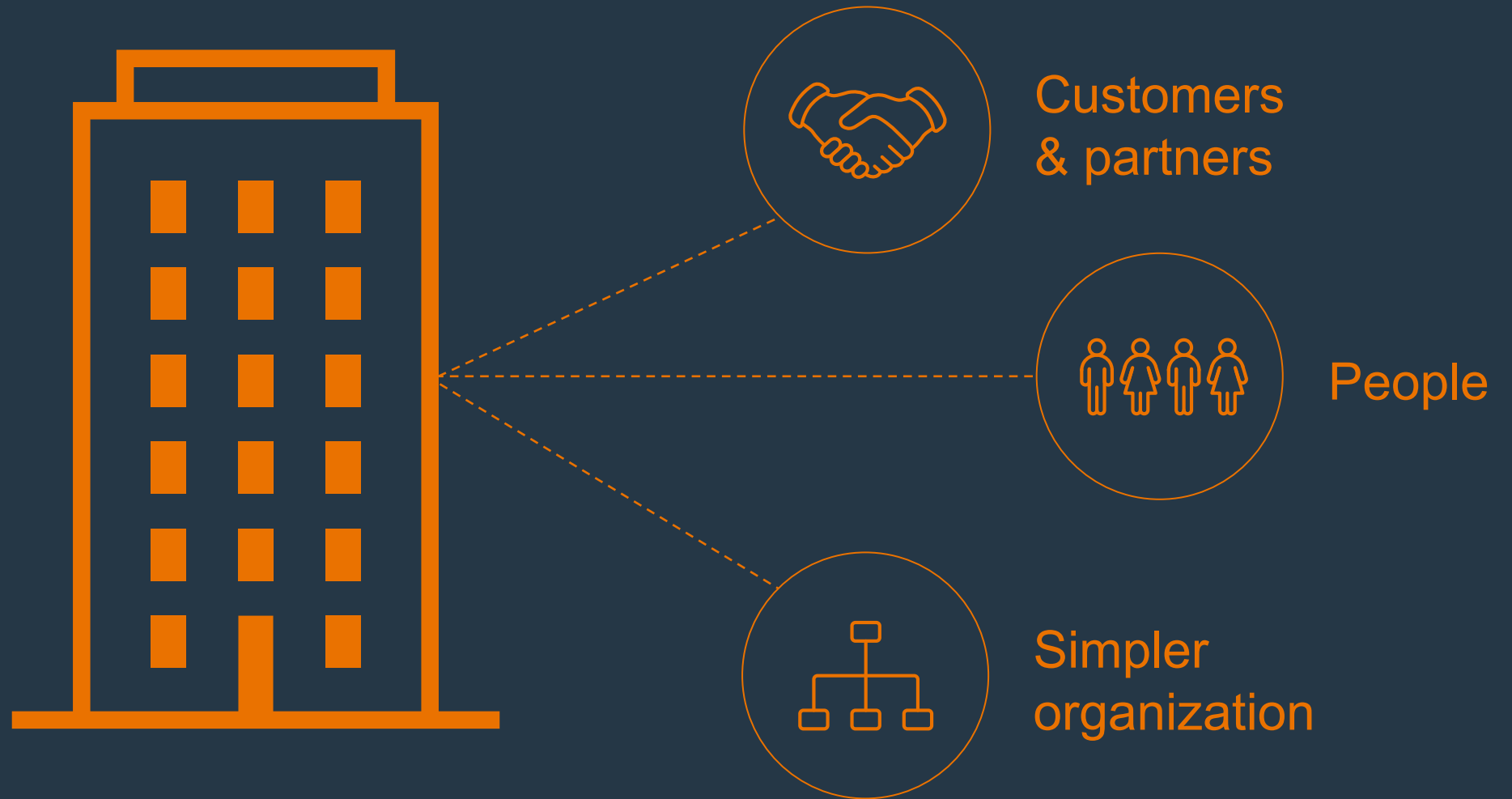
**Disposals:** BelAudição generated **DKK ~0.5 billion**. Sale and leaseback of the company's headquarter generated **DKK ~0.5 billion**



**Operational measures:** **DKK 1.1 billion** free cash flow excl. M&A generated in 2023



# ONE company



# New Executive Leadership Team with experienced leaders



**Peter Karlstromer**  
CEO  
*With GN since 2023*



**Søren Jelert**  
CFO  
*With GN since 2023*



**Ann Fogelgren**  
Chief Information Officer  
*With GN since 2020*



**Calum MacDougall**  
President Enterprise  
Division\*  
*With GN since 2015*



**Christoph Schmid**  
Chief R&D Officer  
*With GN since 2021*



**Ehtisham Rabbani**  
President Gaming  
& Consumer Division  
*With GN since 2022*



**Pierre Berkmann**  
Chief People Officer  
*With GN since 2016*



**Scott Davis**  
President Hearing Division  
*With GN since 2019*



**Stefan Bergfors**  
Chief Operations Officer  
*With GN since 2017*



**Trine Finnemann**  
Chief Strategy and  
Transformation Officer  
*With GN since 2019*

\*Interim



# Environmental, Social, and Governance topics



# Great **sustainability** performance in 2023

## Health



Helped **10.5 million** people with hearing loss

...surpassing our 2025 goal of 10 million

## Climate



Reduced carbon emissions by **34%** (fully in our control\*)



Reduced carbon emissions by **24%** (partner emissions in our indirect control\*\*)



Reduced the carbon footprint of business travel per employee by **17%**

\*) Scope 1 and 2

\*\*\*) Scope 3

## Products and packaging



Launched **9 products** containing recycled plastic - 4 already meet the 50% target



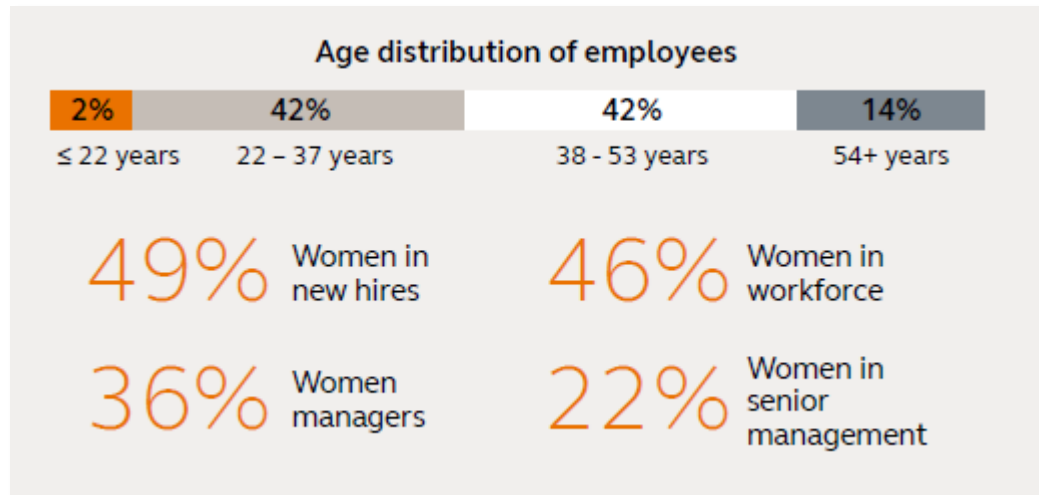
**62%** of our newly launched products meet our sustainability packaging goals



Taken **several** circularity initiatives

# On a journey to build a more diverse organization

- Diversity, equity, and inclusion are strategic priorities
- Advancing diversity and equity through inclusive recruitment and leadership training
- Strengthening a diverse leadership pipeline and talent development



## Diversity in leadership levels 2023

### 1 - Board of Directors

|   |     |
|---|-----|
| Total number (elected by General Meeting) | 4   |
| Underrepresented gender (%)               | 50  |
| Target (%)                                | N/A |
| Target year                               | N/A |

### 2 - Senior Leadership

|                             |      |
|-----------------------------|------|
| Total number                | 18   |
| Underrepresented gender (%) | 17   |
| Target (%)                  | 25   |
| Target year                 | 2025 |

### 3 - Other Senior Management

|                             |      |
|-----------------------------|------|
| Total number                | 341  |
| Underrepresented gender (%) | 22   |
| Target (%)                  | 25   |
| Target year                 | 2025 |

# Our tax payments contribute to the countries in which we operate

- GN is committed to paying tax responsibly, complying with tax regulations and good tax practices
- GN supports the international initiatives building trust in multinationals tax management and payments
- Estimated corporate tax payment in 2023: DKK 175 million (2022: DKK 185 million)
- Allocation of taxes paid is aligned with our operational and commercial activities
  - OECD-acceptable transfer pricing model

| Regions                        | Nature of Activity                      | Number of employees | Effective tax rate | Tax paid (DKK million) |
|--------------------------------|---|---------------------|--------------------|------------------------|
| Denmark                        | Principal                               | 1,805               | 34.0%              | 36                     |
| Europe                         | R&D, Production, distribution and sales | 830                 | 32.0%              | 48                     |
| North America                  | R&D, Production, distribution and sales | 1,734               | 47.0%              | 9                      |
| Rest of World                  | R&D, Production, distribution and sales | 2,796               | 28.0%              | 82                     |
| <b>Total</b>                   | <b>Total GN Group</b>                   | <b>7,165</b>        | <b>22.4%</b>       | <b>175</b>             |
| <b>IFRS annual report 2023</b> | <b>Total GN Group</b>                   | <b>7,165</b>        | <b>22.4%</b>       | <b>175</b>             |

# Dividends and share buy back

## General policies

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### Dividend and share buyback policy

- GN aims to pay out a dividend corresponding to 15-25% of the annual net results
- The company will use share buyback programs when appropriate, maintaining a sound balance sheet and as approved by the shareholders
- GN's long-term capital structure targets net interest-bearing debt between one and two times to EBITDA

## Recommendations for 2023 results

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### Dividend and share buyback for the financial year 2023

- Dividend payments and share buybacks are subject to, among other, cash requirements to support the ongoing operations, strategic opportunities, and the company's capital structure
- Given the current adj. leverage of 4.5x, GN prioritizes to reduce the leverage until it is back at the long-term target of 2.0x
- As a result, GN will not pay out dividend in respect of the financial year 2023 and share buyback programs have been paused for the time being

# Remuneration principles for Executive Management

- GN uses Mercer IPE to establish the correct market benchmarks
- Remuneration normally within 80-120% of the market median
- Remuneration of Executive Management consists of:
  - Fixed annual base salary
  - Short-term cash-based incentive program linked to the company's short-term objectives
  - Long-term share option-based incentive program linked to GN's performance relative to a peer group and to the GN share price development
  - Other customary benefits
  - No pension benefits

## *Remuneration Report 2023*

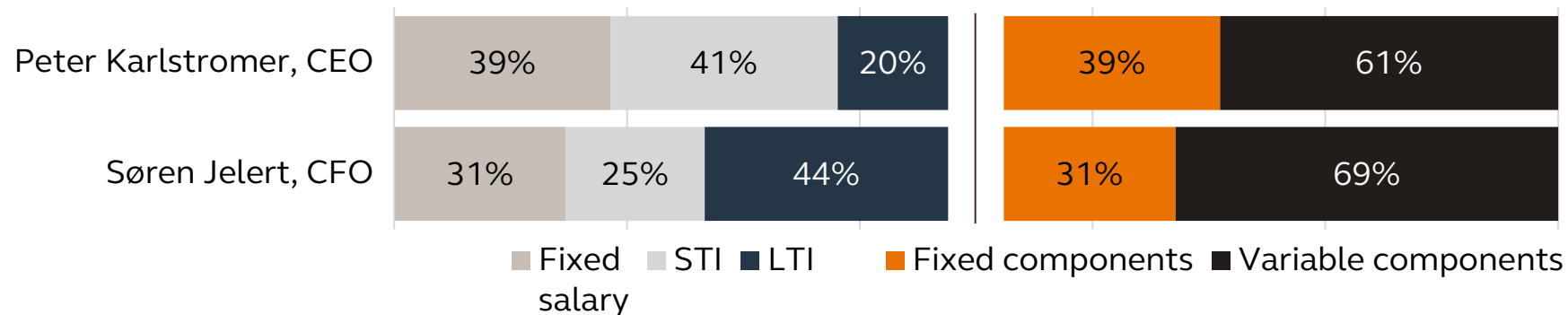
1. No in-flight changes to targets or adjustments to performance relative to targets in the short-term incentive plan
2. No discretionary adjustment of bonus
3. Disclosure of CEO pay ratio for 2023
4. Disclosure of share ownership guidelines for Executive Management
5. Disclosure of peer group for the long-term share option-based incentive plan

# Remuneration of Executive Management

| DKK million   | 2023      |                       |                      | Total |
|---|-----------|-----------------------|----------------------|-------|
|   | Fixed pay | Short-term incentives | Long-term incentives |       |
| Peter Karlstromer, CEO of GN Store Nord (from Jan. 2, 2023) | 8.3       | 8.8*                  | 4.2                  | 21.3  |
| Søren Jelert, CFO of GN Store Nord (from Jun. 1, 2023)      | 2.8       | 2.3                   | 4.0*                 | 9.1   |

\*) Including sign-on bonus to compensate for forfeited equity with previous employer

Proportion of fixed and variable remuneration of Executive Management by category – 2023



The full Remuneration Report 2023 is available at [www.gn.com/remuneration2023](http://www.gn.com/remuneration2023)

# Board activities and remuneration 2023

## Board of Directors' remuneration 2023

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Base fee for GN Store Nord Board (DKK 305,000):

- 3 times the base fee to the Chair; 2 times the base fee to the Deputy Chair

Base fee for GN Audio and GN Hearing Boards (DKK 120,000):

- 2.5 times the base fee to the Chair; 1.75 times the base fee to the Deputy Chair

Base fee for the Audit, Remuneration, Strategy (DKK 185,000) and Nomination (DKK 90,000) committees:

- 2 times the base fee to the committee Chair

Travel allowance for board members residing abroad

- Travel allowance and social security 2023: DKK 1,032m

**Total board remuneration 2023: DKK 9,051m**

## Board of Directors' meeting activity 2023 (2022)

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|                          |             |      |
|--------------------------|-------------|------|
| • Chairmanship           | 16 meetings | (21) |
| • GN Store Nord          | 22 meetings | (16) |
| • GN Hearing             | 6 meetings  | (7)  |
| • GN Audio               | 6 meetings  | (7)  |
| • Audit committee        | 4 meetings  | (5)  |
| • Remuneration committee | 14 meetings | (11) |
| • Strategy committee     | 4 meetings  | (7)  |
| • Nomination committee   | 10 meetings | (1)  |

# Future one-Board remuneration structure

- Going forward, Board Members elected by this General Meeting will **only serve as Board Members of GN Store Nord**
- Not as previously also of GN Hearing and GN Audio
- The GN Board will **oversee the entire group** – thus the workload for each shareholder elected Board Member will remain the same
- Three Board fees are **consolidated into one Board fee** to members of the GN Board
- The **total Board remuneration remains substantially the same**

## *Proposed 2024 fee structure*

- **GN Store Nord** base fee: DKK 545,000 with 2 times the base fee to the Deputy Chair and 3 times the base fee to the Chair
- **Audit Committee** base fee remains at DKK 185,000, with 2 times the base fee to the Chair of the committee
- **Remuneration Committee** and **Strategy Committee** base fees, respectively, decrease from DKK 185,000 to DKK 137,500, with 2 times the base fee to the Chair of the respective committee
- **Nomination Committee** base fee increase from DKK 90,000 to DKK 137,500, with 2 times the base fee to the Chair of the committee
- The **fixed travel allowance** amounts remain unchanged from the financial year 2023
- GN pays **statutory contributions to social security and similar taxes and charges**

# Board evaluation 2023

## Structured annual evaluation of Board and Executive Management

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### Board evaluation of Executive Management

- Performance plans with specific KPIs
- Assessing performance and execution
- Evaluate structure and composition of Management
- Individual performance evaluation meetings

### The Board's self-evaluation

- Contribution and results
- Cooperation on the Board and with Executive Management
- Chair's leadership
- Composition of the Board
- Committee work and structure
- Organization and quality of materials

## Process and conclusion of the 2023 Board evaluation

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- 2023 Board self-evaluation with assistance of external advisor
- Input from all Board members, seven executives, and two auditors

### General conclusions

- Members are empowered to express their thoughts and opinions
- Members are perceived to be well-prepared and highly committed
- Board has diverse experiences, personal styles, and cultural backgrounds
- Chair is inclusive and professional, well-trusted by management
- The external advisor provided certain recommendations, which the Board intends to take into consideration going forward
- 2023: Significant time and effort spent on tactical topics due to macroeconomics, new company structure, and new management
- Future: Board will allocate relatively more time to long-term strategic questions and continue building an encouraging and valuable relationship with management

# Current Board of Directors

## Elected by the Annual General Meeting

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Jukka Pekka  
Pertola  
*Chair*



Klaus Holse  
*Deputy Chair*



Anette Weber



H el ene Barnekow

## Employee elected members

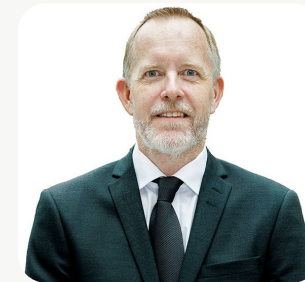
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Leo Larsen



Cathrin Inge  
Hansen



Claus Holmbeck-  
Madsen

# Election to the Board of Directors

*The Board proposes re-election of Jukka Pekka Pertola, Klaus Holse, Hélène Barnekow, and Anette Weber – and proposes election of Kim Vejlbj Hansen and Jørgen Bundgaard Hansen as new members*

## Kim Vejlbj Hansen



### CEO at FOSS

Danish

Born 1964

Based in  
Copenhagen,  
Denmark

Civil Engineer (E),  
Ph.D.

- Extensive executive leadership career with globally operating FOSS since 2002 (Vice President R&D, Executive Vice President Business & Product Development, COO and member of Executive Management, and CEO since 2016)
- Deep expertise within general management, business development, M&A, product development (software, hardware, digital signal processing), quality, service & sales support, production, procurement, and logistics
- Ph.D. in digital signal and image processing, optimization theory, including neural network.
- Past leadership and engineering positions with Nokia, Oticon, Brüel & Kjær, ØDS, and Storno
- Board Chair Ibsen Photonics A/S, FOSS Ejendomme SLG A/S; Board Member SPIO Systems ApS, FOSS Analytical A/S, FOSS af 24. august 1998 ApS

## Jørgen Bundgaard Hansen



### CEO and Chair of Gravitas Medical

Danish & American

Born 1967

Based in Princeton,  
NJ, U.S.A.

B.Sc.. Mechanical  
Engineering; B.Sc.  
International  
Commerce

- Experienced international leader (EU, USA, Asia) of large organizations with a global agenda of growth and/or major transformation
- Strong track record of leading +\$1B revenue public, private equity, and venture capital owned companies especially in health care
- Have led transformational turnarounds, change management, and major restructurings
- Expertise within strategy, M&A, sales, marketing, R&D, operations/supply chain, public company investor relations, private equity, and venture capital
- Build high performing teams and promoted organizational diversity, agility, and employee well-being, through strategic alignment/deployment, team empowerment, team building, leadership training and coaching
- Past leadership positions with Ivenix, Cantel Medical, ConvaTec, and Coloplast
- Board member Sterilucent, Inc.



# Business highlights and market outlook

*CEO Peter Karlstromer*



# Significantly improved performance expected in 2024

|                                | <u>2023<br/>performance</u> | <u>2024<br/>guidance</u> |
|--------------------------------|-----------------------------|--------------------------|
| Organic revenue growth         | -1%                         | 2% to 8%                 |
| EBITA margin*                  | 10%                         | 12% to 14%               |
| Free cash flow excl. M&A (DKK) | 1.1bn                       | >700m                    |

\*) 2023 is "adjusted EBITA margin"

# Three empowered divisions & strong functions of scale to support

## Divisions



Enterprise



Gaming &  
Consumer



Hearing

## Functions of scale



People



Finance



IT



Global  
Operations



R&D



Strategy &  
Transformation

# How we lead our company, divisions, and functions in One-GN



**Peter Karlstromer**  
CEO  
*With GN since 2023*



**Søren Jelert**  
CFO  
*With GN since 2023*



**Ann Fogelgren**  
Chief Information Officer  
*With GN since 2020*



**Calum MacDougall**  
President Enterprise  
Division\*  
*With GN since 2015*



**Christoph Schmid**  
Chief R&D Officer  
*With GN since 2021*



**Ehtisham Rabbani**  
President Gaming  
& Consumer Division  
*With GN since 2022*



**Pierre Berkmann**  
Chief People Officer  
*With GN since 2016*



**Scott Davis**  
President Hearing Division  
*With GN since 2019*



**Stefan Bergfors**  
Chief Operations Officer  
*With GN since 2017*



**Trine Finnemann**  
Chief Strategy and  
Transformation Officer  
*With GN since 2019*

\*Interim



**Expanding ReSound OMNIA and Beltone Achieve families**



**Pioneering next era of hearing with ReSound Nexia and Beltone Serene**

## Key **Hearing** highlights

- 2023: 13% organic revenue growth and gaining market share
  - Strong success with ReSound OMNIA and now launching ReSound Nexia with further improvements
  - ReSound Nexia small form factor, and first with Bluetooth LE and Auracast
  - Generally strengthened our value proposition with performance, quality and fewer returns
- 2024: planning for 8-12% organic revenue growth in a market we estimate to grow with 4-6%



**New innovation-leading professional speaker-phones; the Speak2 series for hybrid working**



**New premium additions to the very successful Evolve2 headset family, built for ultra-flexible hybrid working**



**New AI-powered PanaCast 50 and PanaCast 50 Room System, revolutionizing hybrid video conferencing**

# Key **Enterprise** highlights

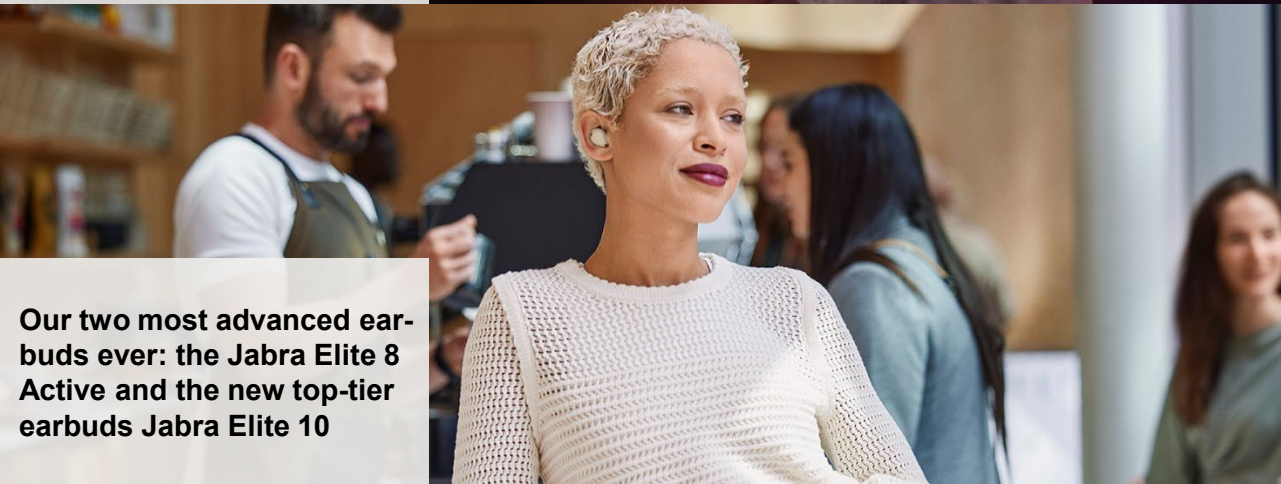
- 2023: defended market position and market share in challenging market
  - Launched Jabra Speak2 and new Jabra Evolve2 headsets for hybrid work
  - Strengthened video portfolio with PanaCast 50 Room system
  - See gradual stabilization of Enterprise market
- 2024: Planning for -3 to 5% organic revenue growth, dependent on market recovery



**Arctis Nova Pro: first gaming headset to gain the leading sustainability certification**



**New Alias microphones, delivering ultimate streaming experience for gamers**



**Our two most advanced earbuds ever: the Jabra Elite 8 Active and the new top-tier earbuds Jabra Elite 10**

## Key **Gaming & Consumer** highlights

- 2023: SteelSeries gained share and grew 16% in a market gradually recovering
  - Launched Alias streaming microphone and new headsets
  - Continue to benefit from strong software offering
  - In Consumer we launched premium earbuds Jabra Elite 8 Active and Jabra Elite 10
- 2024: planning for 2-10% organic revenue growth in a market we estimate to grow slightly



## Today's agenda



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3. Resolution of discharge to the Board and Executive Management
4. Decision on application of profits or covering of losses
5. Presentation of and advisory vote regarding the Remuneration Report
6. Approval of remuneration to the Board for 2024
7. Election of members to the Board
8. Election of a state-authorized public accountant
9. Proposals from the Board
10. Proposals from shareholders
11. Any other business

# Agenda items 1-4

**1. The Board of Directors' report on the company's activities in 2023**

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 2023 is approved. The Annual Report 2023 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 39 of the Annual Report 2023 containing the proposal on distribution of the annual profits, according to which no dividends are paid out in respect of the financial year 2023

## Agenda item 5

### Presentation of and advisory vote regarding the Remuneration Report

The company has prepared a Remuneration Report covering the financial year 2023, 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 as well as the Danish Recommendations on Corporate Governance published by the Committee on Corporate Governance. The Remuneration Report covers remuneration due or awarded during the financial year 2023 to the company's Board of Directors and Executive Management and is presented to the Annual General Meeting for an advisory vote.

The Board of Directors notes that in the preparation of the 2023 Remuneration Report, it has been a focus point to further enhance transparency and, after consultation with several key investors during the year, to directly address shareholder and proxy advisor feedback provided to the 2022 Remuneration Report. Further information on the steps taken to improve transparency and to address shareholder and proxy advisor feedback may be found on page 6 of the 2023 Remuneration Report.

The Board of Directors proposes that the Annual General Meeting approves the company's 2023 Remuneration Report in the advisory vote.

## Agenda item 6 (1/2)

### Approval of remuneration to the Board of Directors for the current financial year

As per company announcement no. 26 of September 4, 2023, the GN Group is transitioning into a “one-company” set-up, simplifying the GN Group’s governance structure to drive further market success and shareholder value creation as a fully integrated innovation powerhouse. This includes a transition into one management structure with one Group CEO, one Group CFO and GN Store Nord A/S’ Board of Directors overseeing the Group and its three business units.

As a consequence thereof, going forward, Board Members elected by the Annual General Meeting of GN Store Nord A/S will only serve as Board Members of GN Store Nord A/S, and not also as Board Members of each of GN Hearing A/S and GN Audio A/S, and will therefore be granted remuneration in their capacity as members of the Board of Directors of GN Store Nord A/S only. Going forward, the Board of Directors in GN Hearing A/S and GN Audio A/S will consist of the GN Group’s senior management in line with other operational subsidiaries in the GN Group.

Following the change to a “one-company” set-up, the workload for each shareholder elected Board Member will remain the same, and therefore it is the intention that the new set-up shall not cause any substantial change in the total amount of remuneration paid to each Board Member. Accordingly, the Board of Directors proposes that the total remuneration approved by the Annual General Meeting for the financial year 2024 is maintained at the same level as the financial year 2023, but with the adjustment that fees previously paid to members of the Board of Directors of each of GN Hearing A/S and GN Audio A/S are consolidated into one Board fee to be paid to members of the Board of Directors of GN Store Nord A/S as follows:

## Agenda item 6 (2/2)

### Approval of remuneration to the Board of Directors for the current financial year

The base fee for serving on the Board of Directors of GN Store Nord A/S is set at DKK 545,000, with 2 times the base fee to the Deputy Chair and 3 times the base fee to the Chair.

The base fee for serving on the Audit Committee remains at DKK 185,000, with 2 times the base fee to the Chair of the committee.

The base fee for serving on each of the Remuneration Committee and the Strategy Committee, respectively, shall be decreased from DKK 185,000 to DKK 137,500, with 2 times the base fee to the Chair of the respective committee.

The base fee for serving on the Nomination Committee shall be increased from DKK 90,000 to DKK 137,500, with 2 times the base fee to the Chair 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 (outward and return) to (a) meeting(s) held on the same continent as the Board Member resides, and
- EUR 6,000 per journey (outward and return) to (a) meeting(s) held on a continent other than the continent on which the Board Member resides.

The fixed travel allowance amounts remain unchanged from the financial year 2023.

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

## Agenda item 7 (1/2)

### Election of members to the Board of Directors

**a. Decision on the number of members of the Board of Directors to be elected.**

Pursuant to article 15.1 of the company's Articles of Association, the company is managed by a Board of Directors of five to nine Board Members elected by the general meeting. In addition, the Board of Directors consists of any members elected by the employees in accordance with the Danish Companies Act.

The Board of Directors proposes that six members of the Board of Directors are elected by this Annual General Meeting.

## Agenda item 7 (2/2)

### Election of members to the Board of Directors

#### **b. 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.

Accordingly, each of Jukka Pekka Pertola, Klaus Holse, H el ene Barnekow and Anette Weber are up for re-election.

The Board of Directors proposes re-election of: Jukka Pekka Pertola, Klaus Holse, H el ene Barnekow and Anette Weber.

In addition, the Board of Directors proposes election of Kim Vejlb y Hansen and J rger Bundgaard Hansen as new members of the Board of Directors. (The new Board Members were presented earlier in the presentation by GN's Chair). Further information on Kim Vejlb y Hansen and J rger Bundgaard Hansen and their directorships and management positions can be found in Appendix 1 to the notice to convene.

All candidates proposed for re-election and election, respectively, are all considered independent as defined in the Danish Recommendations on Corporate Governance published by the Committee on Corporate Governance.

Information on directorships and management positions of each candidate proposed for re-election to the Board of Directors can be found in Appendix 2 to the notice to convene. Further information may be found on [www.gn.com](http://www.gn.com) and in the Annual Report 2023.

## Agenda item 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 respect of statutory financial and sustainability reporting.

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.

## Agenda item 9a

Proposal from the Board of Directors to renew the standard authorization to the Board of Directors to increase the share capital with pre-emptive rights (article 5.1 in the Articles of Association).

The standard authorization to issue shares in article 5.1 of the company's Articles of Association expired on March 13, 2023. Hence, the Board of Directors proposes for the Annual General Meeting to renew the standard authorization to the Board of Directors to increase the share capital with preemptive rights for the existing shareholders for a five-year period until March 13, 2029. The proposed authorization can be exercised in one or more rounds with a total nominal value of up to DKK 301,825,430 (corresponding to 50% of the share capital) by way of cash contribution. The purpose of the proposal is to provide the Board of Directors with greater flexibility in obtaining equity financing to facilitate the future development of the company.

In connection with the above, it is proposed that article 5.1 in the company's Articles of Association be replaced with the following wording:

*“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 301,825,430 by way of cash contribution. The authorization is valid until March 13, 2029.”*

If adopted, the authorization will be subject to the terms set out in articles 5.3 of the Articles of Association (5.4 after adoption of agenda item 9.b) and article 5.4 of the Articles of Association (5.5 after adoption of agenda item 9.b).

## Agenda item 9b

### 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 was fully exercised by the Board of Directors on 24 May 2023. Hence, the Board of Directors proposes for the Annual General Meeting to renew the standard authorization to the Board of Directors to increase the share capital without preemptive rights for the existing shareholders for a five-year period until 13 March 2029. The proposed authorization can be exercised in one or more rounds with a total nominal value of up to DKK 60,365,086 (corresponding to 10% of the share capital) by way of cash contribution or contribution of other assets than cash. The purpose of the proposal is to provide the Board of Directors with greater flexibility, including by ensuring that shares can be issued against contribution of assets other than cash, in obtaining equity financing to facilitate the future development of the company.

In addition, the Board of Directors proposes to include an aggregate cap by a maximum nominal value of DKK 301,825,430 (corresponding to 50% of the share capital) for capital increases issued pursuant to articles 5.1 and 5.2.

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

*“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 60,365,086 by way of cash contribution or contribution of assets other than cash. The new shares shall be subscribed for at market price. The authorization is valid until March 13, 2029.”*

It is proposed that a new article 5.3 in the company's Articles of Association be adopted with the following wording:

*“The authorizations given to the board of directors under Article 5.1 and 5.2 can in the aggregate be exercised to increase the share capital by a maximum nominal amount of DKK 301,825,430.”*

If adopted, the authorization will be subject to the terms set out in article 5.3 of the Articles of Association (5.4 after adoption of this agenda item 9.b) and article 5.4 of the Articles of Association (5.5 after adoption of this agenda item 9.b).

## Agenda item 9c

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

The company currently has a holding of around 5.3 million treasury shares, corresponding to approximately 3.5% of the share capital.

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 10% of the share capital of the company.

## Agenda item 9d

### Proposal from the Board of Directors to approve updated 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 proposed updates to the Remuneration Policy is to ensure that GN's Remuneration Policy effectively enables the company to continuously attract, retain, and motivate the right talent for its Executive Management. The main changes in the revised Remuneration Policy may be summarized as follows:

- Long-term incentive ("LTI"), transition from share options to Performance Share Units (PSUs): To better support performance, retention, and alignment of interest with the company's shareholders in the longer run, the updated Remuneration Policy shifts the LTI instrument from share options to PSUs, with the initial grant of PSUs planned to occur in the spring of 2025 with a transition grant of share options in 2024.
- LTI, change of performance mechanism: In response to challenges with the current peer-group-based performance mechanism and in line with market practices for similar companies, the updated Remuneration Policy introduces a mechanism whereby LTI performance is measured relative to selected Key Performance Indicators (KPIs) aligned to GN's strategy over the three-year vesting period. This will apply to the share options for 2024 and future PSUs.
- LTI, shareholding guideline: The updated Remuneration Policy introduces shareholding guidelines for members of the Executive Management.
- Indemnification: The wording of the indemnification arrangement for the Board of Directors and Executive Management is proposed amended to reflect the proposal under agenda item 9.e.3.
- Other: Further to the above, a number of non-material updates have been made in the Remuneration Policy.

The proposed updated Remuneration Policy was attached to the notice to convene as Appendix 3, noting that the revised Clause 10 on indemnity arrangement is subject to approval under agenda item 9.e.3 below.

## Agenda items 9e, 9.e.1, 9.e.2 and 9.e.3

### Indemnification of the Board of Directors and Executive Management.

In a statement of 13 April 2023, the Danish Business Authority has expressed certain new guiding principles for indemnification schemes. To ensure alignment with the new guidance from the Danish Business Authority, the Board of Directors proposes that the current indemnification scheme as described in the Remuneration Policy, page 9, be amended in light of the new guidance, including implementation of a four-year time limitation, and that such scheme be reapproved by the Annual General Meeting.

Moreover, the Board of Directors proposes that the indemnification scheme be amended to also cover certain situations, subject to the conditions as further specified under agenda item 9.e.1., where there is no coverage under GN's D&O insurance. The amended indemnity scheme is to be administered and implemented by the Board of Directors, acting in accordance with the Remuneration Policy and applicable laws and as further specified under agenda item 9.e.1.

- 9.e.1 Indemnification of the Board of Directors and Executive Management
- 9.e.2 Amendment of the Articles of Association
- 9.e.3 Amendment of Remuneration Policy to incorporate updated provision on indemnification of the Board of Directors and Executive Management

Complete proposals for agenda item 9.e.1 to 9.e.3 can be found in the notice to convene.

# Agenda items 10-11

10. Proposals from shareholders

11. Any other business

# Bringing People Closer

