



Letter to shareholders

Dear shareholders,

Sonova achieved solid growth for the 2024/25 financial year. Successful product launches and further elevation of our commercial performance drove a substantial acceleration in sales and profitability through the course of the year. Although adverse currency exchange-rate developments held back reported growth in Swiss francs, we made further progress on our strategy: advancing our product portfolio, expanding market access, and delivering continuous improvement in our operational and commercial execution. We expect to build further on this momentum as we enter the 2025/26 financial year.

This year featured breakthrough advances delivered by the innovation culture on which Sonova's business thrives, further enhancing the hearing experience for our consumers. A disciplined approach to research and development, both in-house and in collaborations, has supported our long history of industry firsts, including groundbreaking improvements in sound quality, speech understanding, and connectivity. We have again clearly demonstrated the value of this approach with the launch of two new platforms under our core Phonak brand.

Phonak Infinio, powered by the new ERA connectivity chip and launched in August 2024, provides significant improvements over its predecessor Lumity in sound quality and connection stability, delivering high user satisfaction and reduced listening effort. Phonak Audéo Sphere™ Infinio adds real-time artificial intelligence processing to separate speech from noise in all directions instantly, significantly outperforming competitors in real-world listening scenarios. It is powered by our new proprietary DEEPSONIC™ deep neural network chip, the result of more than six years of development and significant R&D investments. These new platforms have been overwhelmingly positively received. They are driving growth in our Hearing Instruments business and have enhanced our Audiological Care business through increased consumer appreciation of our premium products' value, particularly in the second half-year.

"It is highly satisfying to see that our significant innovation in hearing aids provides, yet again, very tangible benefits to consumers, helping them to live life to the fullest."

Arnd Kaldowski

This positive momentum reinforces our conviction that our strategy is an effective generator of profitable growth. You can find additional details in the [Strategy and businesses section](#) of this report.

Our [feature story](#) for this year provides insight into Sonova's innovation culture, detailing how it leads to cutting-edge solutions that deliver fundamental consumer benefits and sustain our leadership position in the hearing-care industry.

Hearing Instruments segment

Sales in the Hearing Instruments segment increased by 7.5% in local currencies, primarily driven by organic growth. Accelerating growth in the second half of the year was supported by the successful launch of the new Infinio and Sphere Infinio platforms in August, which received positive feedback from customers and consumers and drove growth in both the Hearing Instruments and Audiological Care businesses. The Consumer Hearing business posted strong growth in the second half, helped by an improving overall market.

The main highlights in the Hearing Instruments business included the launch of the Phonak Infinio and Sphere Infinio hearing aid platforms in August 2024. We invested substantially in our most ambitious product launch to date, including a flagship event at the Sphere in Las Vegas that attracted over 1,000 hearing care professionals. Following the launch, we expanded the Phonak product range based on the new platforms to encompass additional price points and form factors, all contributing to market share gains. Meanwhile our Unitron brand broadened the offerings of its Vivante platform with its smallest and lightest behind-the-ear (BTE) model and a 'super power' device for consumers requiring greater amplification. Unitron also launched Ativo, a product designed to provide high performance at an accessible price.

Our Audiological Care business overcame some initial challenges to accelerate growth and expand market share in the second half of the financial year. Growth in the first half had been restrained by a modest pipeline of prospective customers at the year's start, combined with lower-than-expected demand, particularly in Europe. We therefore implemented a series of measures to drive growth and profitability, concentrating on improving the level and mix of lead-generation channels and executing structural improvements to streamline operations. The business also leveraged the innovative hearing aid solutions launched under our Phonak brand to stimulate consumer demand. These initiatives resulted in significantly increased growth in the second half-year.

The Consumer Hearing business achieved strong growth during the second half-year, benefiting from the return of the global consumer audio market to growth after a challenging period, as well as a favorable comparison base. The business has achieved further progress on its strategic priorities, concentrating its effort in the premium market categories where the Sennheiser name and market-leading audiophile heritage have the most resonance. At the same time, Consumer Hearing is improving profitability by increasing customer reach in key markets and channels while optimizing product-related costs.

Cochlear Implants segment

Strong sales of new systems, reflecting an increased market share, drove a 9.5% rise in sales in local currencies for the Cochlear Implants segment. Upgrade sales declined as, after the 2021 introduction of the Marvel sound processors, many recipients have already taken up this latest technology. Performance in the US has been a highlight, driven by elevated commercial execution and improvements in lead generation. The Phonak + AB Cochlear Implant Network, in particular, assists with identifying hearing aid users whose hearing loss has progressed to a point where a cochlear implant is the optimal solution. Sales growth was also supported by the Remote Programming feature introduced in the previous financial year: enabled by Phonak's unique Made For All™ universal Bluetooth® connectivity, it allows cochlear implant recipients to attend remote consultations and benefit from real-time adjustments with their audiologists via smartphone.

Financial performance

Group consolidated sales for the 2024/25 financial year were CHF 3,865.4 million, up 7.6% in local currencies. The continued significant strengthening of the Swiss franc reduced reported sales by CHF 37.7 million, resulting in sales growth of 6.6% in Swiss francs. Growth was supported by accelerating performance in the Hearing Instruments, Audiological Care, and Consumer Hearing businesses during the second half of the financial year, while the Cochlear Implants business achieved a solid performance throughout the year.

Reported operating profit before acquisition-related amortization (EBITA) reached CHF 749.8 million, an increase of 5.9% in local currencies or 3.1% in Swiss francs. Adjusted for restructuring, transaction, integration, and certain legal costs, EBITA reached CHF 807.8 million, up 7.4% in local currencies and 4.7% in Swiss francs. The adjustments primarily reflect the extensive restructuring measures undertaken to enhance productivity and improve our cost structure, thereby putting us in a stronger position for the upcoming financial year. The resulting margin was 20.9%, compared to 21.3% in the 2023/24 financial year, and mainly reflects the strong currency headwind. Adjusted earnings per share (EPS) reached CHF 10.81 (2023/24: CHF 10.06), up 10.6% in local currencies or 7.4% in Swiss francs.

Dividend proposal

The Board of Directors is pleased to propose to the Annual General Shareholders' Meeting (AGM) in June 2025 a dividend of CHF 4.40 per share. This represents a slight increase over the previous year and an adjusted payout ratio of approximately 41%, which is in line with our Total Shareholder Return (TSR) strategy. Sonova confirms its TSR strategy, targeting moderate leverage while maintaining a healthy balance sheet.

Environmental, social, and governance (ESG)

Sonova maintains its long-standing commitment to good environmental, social, and governance (ESG) practice: IntACT, our ESG strategy, is firmly embedded in our overall Sonova Group strategy. In the 2024/25 financial year, we made further progress towards our ESG targets, including a 24.5% reduction in scope 1-3 CO₂ emissions compared to the 2019/20 financial year. In line with our efforts to expand access to hearing care, units sold in low- and middle-income countries increased by 67% over the 2018/19 financial year.

The share of women in senior management increased compared to the previous financial year from 28.3% to 30.5%, and in middle management from 39.9% to 41.6%.

Sonova maintains strong ratings from external ESG agencies. Sustainalytics ranked us first in the medical devices industry, while TIME Magazine's "World's Most Sustainable Companies" named us as top in healthcare and 18th overall. Sonova was included in the Dow Jones Sustainability Index for the eleventh consecutive year, and received an AAA ESG rating from MSCI.

You will find further and more detailed information in our [ESG Report](#).

Changes to the Board of Directors and to the Management Board

As previously communicated, the Board of Directors will propose changes to its membership at the upcoming AGM, in line with its established long-term succession planning. After many years of dedicated service, current Chair Robert Spoerry, Stacy Enxing Seng, and Lukas Braunschweiler will not stand for re-election; Robert Spoerry and Lukas Braunschweiler are approaching the age limit stipulated in the Organizational Regulations of Sonova Holding AG. The Board has nominated Gilbert Achermann, who was elected as a member of the Board at the 2024 AGM, for election as Chair and Laura Stoltenberg for election as a new member of the Board at the upcoming AGM. After a transition period in the 2024/25 financial year, the Board will reduce its membership from 10 to 8 members. Further details can be found in the AGM invitation. As announced in previous communications, Elodie Carr-Cingari, who brings extensive financial leadership experience, will join the Management Board as CFO starting July 2025.

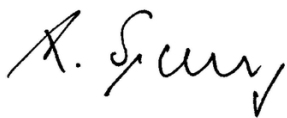
Our thanks

We sincerely thank our employees for their unwavering commitment to enhancing the hearing experience for ever more consumers: this is the firm foundation of Sonova's strong performance in a notable year. We are also grateful to the consumers who ask us to accompany them on their hearing journey, and the professionals who support them. And our renewed thanks go to our shareholders for their continued trust in our strategy for sustainable, profitable growth.

Outlook

Building on our solid momentum, increased market share, positive market reception for our new products, and the continued execution of our strategy, we are entering the new financial year from a position of strength. The outlook is based on the current sentiment and growth trends in the hearing care market, as well as the tariffs currently in place. It reflects the recent decline in consumer confidence, particularly in the USA, along with the associated moderate market slowdown observed in recent months. This outlook assumes no significant additional tariffs or other major economic disruptions beyond those already known at the time of this report's publication.

For the full 2025/26 financial year, Sonova expects consolidated sales to increase by 5% – 9%, and EBITA – normalized for special items but including restructuring costs – to grow in a range of 14% – 18% when measured at constant exchange rates.



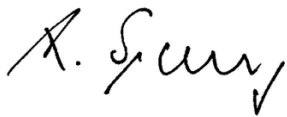
Robert Spoerry
Chair of the Board of Directors



Arnd Kaldowski
CEO

A personal note from the Chair

As previously communicated, I will be retiring from Sonova at the upcoming AGM due to reaching the age limit. It has been an honor and privilege to serve this remarkable company for such a long time, including 14 years as its Chair, and I give warmest thanks to colleagues and shareholders for the trust they have placed in me during our journey together. Sonova is a great company with a clear lead in the market, and I am happy to leave in the knowledge that it is well positioned for the future.



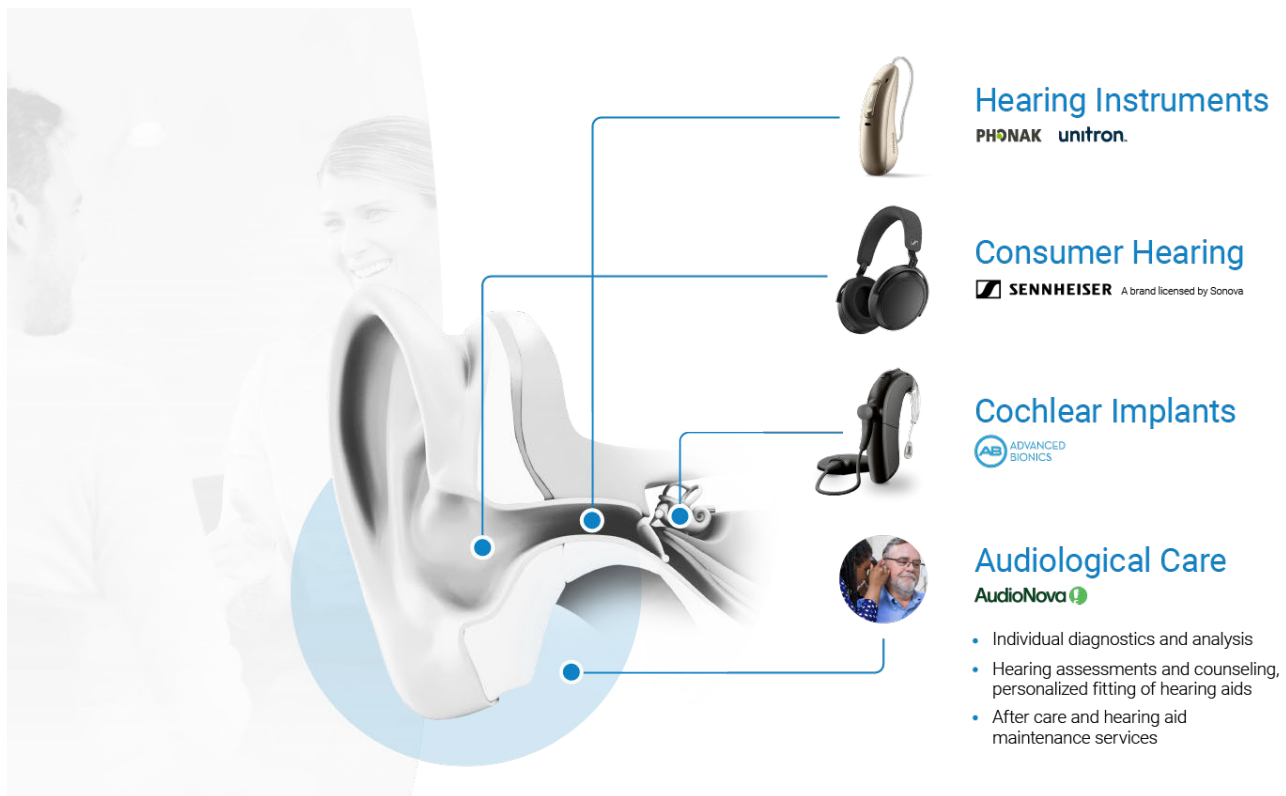
Robert Spoerry
Chair of the Board of Directors

"As my time at Sonova ends, I am convinced that the company is strongly positioned for a successful and sustainably profitable future."

Robert Spoerry

Our product and service offering

Sonova is a global leader in innovative hearing care solutions: from personal audio devices and wireless communication systems to audiological care services, hearing aids, and cochlear implants. Our product brands – Phonak, Unitron, Sennheiser (under license), and Advanced Bionics – create compelling new products to offer the optimal solution for an ever growing consumer base through our globally diversified sales and distribution channels, including our well established global audiological care business.



Phonak

Elevating Sound Quality with the New Infinio Portfolio

Phonak continues to enhance the hearing experience with the Infinio portfolio. Powered by the advanced ERA chip, the Infinio platform offers significant enhancements, including a 93% user preference from the first fit, a 45% reduction in listening effort¹⁾, and a 61% improvement in speech understanding when combined with Roger ON²⁾.

With industry-leading connectivity, the Infinio portfolio ensures seamless hands-free calls and streaming across extended distances, all while being engineered for durability to withstand everyday challenges. Phonak remains dedicated to transforming the hearing experience, empowering users to connect with the world around them.

Building on the Infinio platform, the Audéo Sphere Infinio is the world's first hearing aid powered by a dedicated real-time AI chip for speech separation from noise. By addressing the critical challenge of speech understanding in noisy environments, the Audéo Sphere Infinio delivers exceptional speech clarity from any direction, achieving a 10dB improvement in Signal-to-Noise Ratio (SNR) compared to leading competitors¹⁾, allowing users to engage in conversations effortlessly, regardless of background noise.



¹⁾ Additional information available at: <https://www.phonak.com/en-int/professionals/audiology-hub/evidence-library>

²⁾ Thibodeau L. M. (2020). Benefits in Speech Recognition in Noise with Remote Wireless Microphones in Group Settings. Journal of the American Academy of Audiology, 31(6), 404–411.

Unitron

Celebrating 60 years of innovation

This year Unitron proudly celebrated 60 years of innovation and dedication to helping people hear better and delivering decades of delightful experiences.

The successful Vivante™ platform was expanded with two new styles: the Stride™ V-M, the smallest and lightest Behind-The-Ear (BTE) hearing aid in the lineup, and the Stride V-SP, designed for those needing a powerful option with extended battery life. Both models utilize standard batteries, thus eliminating the need to recharge. The Remote Plus app enhances the experience by providing access to many exclusive Experience Tech Tools, including the enhanced Coach, which offers tips and reminders through convenient notifications that stay available in the app for easy, anytime access.

Additionally, Unitron introduced the Ativo hearing aids, expanding the portfolio with a competitive option in the basic segment. Available in four non-rechargeable models, Ativo supports hands-free calls and media streaming from Bluetooth® devices¹⁾.



¹⁾ The Bluetooth® word mark is a registered trademark owned by the Bluetooth SIG, Inc. and any use of such marks by Sonova AG is under license.

AudioNova

Attracting, empowering, and retaining the best talent

The Audiological Care Academy provides a broad range of education opportunities for hearing care professionals (HCPs) across 20 markets through its diverse and comprehensive training programs. It is an integral part of the value proposition of the Audiological Care business to current and prospective HCPs.

The global shortage of audiology professionals is a pressing industry challenge, one that is further amplified by the growing demand for hearing care worldwide. Attracting new talent to audiology, recruiting and certifying HCPs, and fostering continuous learning have never been more critical or more challenging.

In 2024, Sonova's Audiological Care Academy with its global network of trainers and academies enrolled nearly 1,000 trainee HCPs worldwide across Sonova, including many from low- and middle-income countries. By investing in education and collaboration, we continue to elevate hearing care standards and empower professionals to make a meaningful impact in their communities.

Growth doesn't stop upon certification and continuous education remains a core focus of the Audiological Care Academy offerings. In 2024 alone, the Audiological Care Academy trained nearly 5,000 HCPs globally on the latest innovations, including smart hearing aids and the applications of Artificial Intelligence in hearing care. Furthermore, upskilling in critical areas such as cognition and its connection to hearing loss, as well as tinnitus management, remains a key component of the curriculum. Thanks to this knowledge, HCPs can provide holistic hearing care and deliver exceptional outcomes.



Sennheiser

Sennheiser MOMENTUM 4 Wireless goes from strength to strength

MOMENTUM 4 Wireless was created with a bold vision: to lead the market with audiophile-inspired sound quality while excelling in every other area that defines a premium listening experience.

Launched in August 2022, the Sennheiser¹⁾ MOMENTUM 4 headphones have proved to be a great success with over 1 million units sold and still going strong. Sales volumes of the headphone have continued to increase in the 2024/25 financial year with new color versions, special editions, and software updates keeping the headphones fresh in the eyes of the consumer.

With 60 hours battery life, premium comfort, active noise cancelation, and outstanding sound, MOMENTUM 4 also won the 'Forbes Vetted' award for 'Best Travel Headphones Overall'. This was further supported by the launch of a co-branded Lufthansa special edition that is provided to passengers of the airline's new Allegris First Class Suites that launched in November 2024.

MOMENTUM 4 not only represents Sennheiser's commitment to audio excellence but also its dedication to making high-quality sound accessible and enjoyable for all.



¹⁾ Sennheiser is a registered trademark of Sennheiser electronic GmbH & Co. KG and is used under license by Sonova

Advanced Bionics

Empowering digital hearing health

Advanced Bionics (AB) continues its mission to improve lives by developing technologies and services that help people with significant hearing loss achieve their full potential, with the launch of the AB ListenFit app and the Advanced DigiCare collection of digital tools and resources.

The innovative AB ListenFit app helps users track their hearing progress, providing personalized insights on their hearing journey. Tests like the Phoneme and Matrix Sentence Tests allow users to monitor their hearing progress anytime, anywhere.

AB ListenFit is part of AB’s Advanced DigiCare portfolio, designed for patients, professionals, and caregivers. Included in these tools are the AB Remote Support app, which allows audiologists to adjust cochlear implants remotely, and platforms such as HearingSuccess and Hearing Journey™, which facilitate hearing training and foster community engagement. These resources offer a flexible, personalized approach to the hearing journey.

By providing tools such as Remote Programming and auditory training, everyone can better understand their hearing health and improve their well-being. The AB ListenFit app is another step in AB’s commitment to making hearing care more accessible, efficient, and personalized.



* AB ListenFit is compatible with Marvel CI and/or Phonak Link M Hearing Aid. AB ListenFit is intended for educational use by adults and children aged 13 and older, and younger children with caregiver assistance. It is not a substitute for professional medical advice, diagnosis, or treatment recommendations. Please consult with your healthcare provider for any medical concerns about managing your cochlear implant(s).

** Test availability may vary by region.



Strategy and businesses

We elevate our consumers' experience through groundbreaking innovation that powers better hearing performance and consumer experience across our industry and deepens customer relationships around the world.

Sharing joyful moments with family, friends, and colleagues; enjoying the best of music, drama, and storytelling; experiencing the changing moods of nature – often quiet, but always meaningful. Good hearing isn't just a gift, it's a necessity for a full, rich life. Over more than 75 years, we at Sonova have worked with one simple goal in mind: to bring the delight of hearing to ever more people and empower them to live a life without limitation. Our quest to reach this goal has repeatedly taken us to the frontier of innovation in a broad range of technologies, scientific disciplines, and commercial activities – but our ultimate measure of success remains, “do we transform the consumer's hearing experience?” This year, we are proud to announce yet another innovation that meets this high standard.

[The Sonova Group](#)

The Sonova Group is a leading global provider of hearing care solutions. Its businesses are deeply connected, sharing innovation, customer access, talent, and market expertise across their various activities. They collaborate in R&D, manufacturing, marketing, sales, and customer support to ensure sustained, fruitful relationships with consumers, business partners, and hearing care professionals. The Group's innovation process develops new breakthrough capabilities for ever-better hearing experience, while rapidly extending the benefits of new technologies right across the industry's broadest solutions portfolio.

Sonova operates through four businesses with their own well-respected brands. Each serves a specific segment of the broader industry through the channels best suited to its customer base, but they also work closely together where those bases overlap, or where the consumer would benefit from a wider range of solutions.



The Hearing Instruments business stands at the core of Sonova's identity as a champion of better hearing. Operating through the globally-known Phonak and Unitron brands, it drives innovation in hearing aids and wireless communications devices. Combining strong audiological expertise with specialist skills in electroacoustics, chip design, wireless technology, software development, and precision manufacturing, its disciplined innovation process regularly sets new milestones in hearing performance, which are then reflected in the offerings of all four businesses.

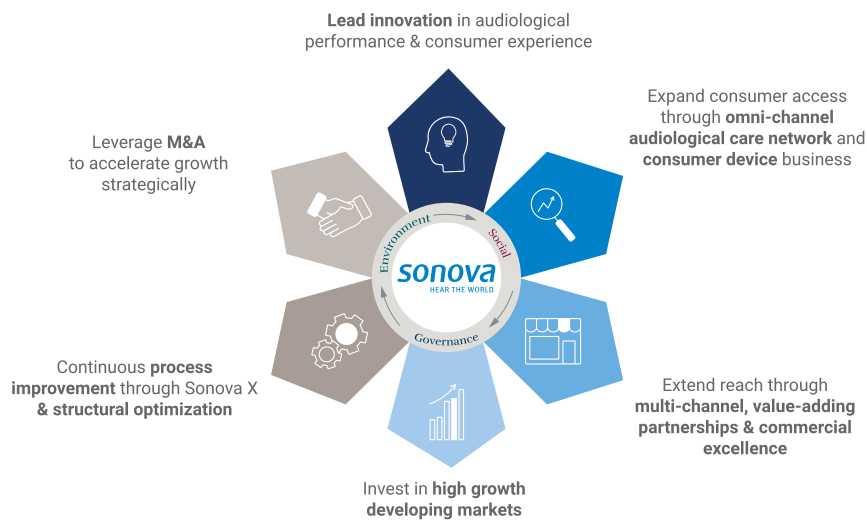
The Audiological Care business, operating under the AudioNova and other renowned national brands, leverages the full range of Sonova products with expert professional hearing care, delivered in-store and through other channels with audiological expertise, efficiency, and personal attention.

Consumer Hearing offers a range of premium wireless headphones, earbuds, and soundbars under the Sennheiser brand (under license), providing a deep immersive experience for consumers who love great sound, along with early-entry hearing devices that seamlessly address the first stages of hearing loss.

Cochlear Implants, operating under the Advanced Bionics brand, provides complete hearing solutions for those whose hearing loss is too advanced for hearing aids. Its solutions bring Sonova's audiological and technical innovations to a new group of consumers, helping to transform their hearing experience.

A strategy that delivers

Sonova's strategy is closely aligned with our mission – and it has proven to be effective. Innovation leadership is the driver for every strategic cycle. Each successive innovation is brought to market by expanding consumer access, extending value-adding partnerships, and investing in high-potential developing markets. At the same time, we continuously identify and implement opportunities for process improvement, structural optimization across the businesses and functions, and commercial excellence. Where appropriate, organic development is supplemented by strategic M&A activity.



This year, the strategic cycle has gained powerful impetus from the launches of the Phonak Infinio and Sphere Infinio platforms, the fruits of more than six years of intensive technical development. Infinio delivers significant sound quality and connectivity enhancements over its predecessor, Lumity. Sphere Infinio adds groundbreaking technology: a proprietary new chip that combines real-time processing with artificial intelligence to instantly separate speech from noise in any direction, providing substantial hearing benefits for consumers. These launches, representing the largest marketing effort in our history, have significantly elevated our innovation leadership in the eyes of customers across the globe and created further growth opportunities for our Audiological Care business. The unique value proposition of Advanced Bionics cochlear implants combined with Phonak sound processors has opened the door to new business, and the Sennheiser brand, with its strong presence in the audiophile market, has established further commercial partnerships. Sonova X, our business system and mindset for continuous process improvement, has grown in six years from a new idea for Sonova to an integral part of day-to-day work in all our businesses, delivering significant improvements in quality, sales conversion, productivity, and – most importantly – customer satisfaction.

The next step in a rich history of breakthrough innovations

Our Sphere Infinio platform, with its DEEPSONIC Deep Neural Network chip, supports an unprecedented leap forward in tackling the central challenge to delivering good hearing: making speech more comprehensible in noisy environments. Its technical performance (signal-to-noise ratio) is markedly higher than that of the best solutions previously available – and this is just at the start of tapping into the technology's potential. From the first moment of experiencing it, consumers and their audiologists have been overwhelmingly positive in their response.

How is such revolutionary innovation achieved? By building on our tradition of innovation. Sonova's history is regularly marked by industry firsts: multi-microphone beam steering, digital processing, wireless communication, universal connectivity, rechargeability, and now real-time AI sound processing. Over many decades, we have been willing to commit to high-risk, long-term development projects when we were convinced that they would transform consumer experience. We constantly reinforce our in-house audiological and technological expertise through strong partnerships and interaction with the academic, industry, and start-up communities. Our "open innovation" culture accelerates time-to-market by leveraging all our core competences, while embracing the diversity provided by partnership and acquired talents – all in the service of a clearly-defined shared goal. Six years ago, the goal was "significantly improved speech-in-noise performance," a goal that we knew would require entirely new enabling technology. Now that goal has been more than achieved – and on schedule.

ESG: sustainable business success

Our environmental, social, and governmental (ESG) strategy, IntACT, continues to drive substantial progress toward meeting Sonova's targets in a broad range of material topics.

These include increasing access to hearing care around the world: this year we achieved a 67% increase in units sold in low- and middle-income countries (LMIC) compared to the 2018/19 financial year, combined with 555 graduations, up 50% compared to the 2023/24 financial year, from our Swiss International Hearing Academy (SIHA) training program for hearing care professionals in these countries.

Our diversity and inclusion (D&I) initiatives have further increased the share of women in senior management from 28.3% to 30.5% and middle management from 39.9% to 41.6% over the previous financial year.

We are achieving significant reductions in our environmental footprint, including a 24.5% reduction in our Scope 1-3 CO₂ emissions compared to the 2019/20 financial year on a comparable basis. We have also lowered our energy consumption per full-time employee (FTE) by 13% compared to 2022/23.

Sonova's ratings from external ESG agencies and indices remain consistently high: we are included in the Dow Jones Sustainability Index for the eleventh consecutive year, ranking shared first out of 275 companies in the health care equipment and supplies sector. MSCI has again awarded us their highest-possible AAA ESG rating, and Sustainalytics listed us in first place out of more than 200 assessed companies in the medical devices industry. Sonova also ranked #1 in healthcare and #18 overall in TIME Magazine's "World's Most Sustainable Companies."

You can find further detailed information in our [ESG report](#).



A culture of innovation

At Sonova, we lead the way in hearing care, driven by our vision to create a world where everyone can enjoy the delight of hearing and live life without limitations. We proudly introduced Audéo Sphere Infinio, a clear demonstration of our commitment to innovative hearing care solutions. As the first company to integrate real-time AI into hearing aids, we are leading the way in advancing the industry. This journey also reflects our team's capabilities and passion for making a meaningful difference in people's lives. We believe that together, we can transform lives and empower communities every day.

At the forefront of hearing technology

For decades, Sonova has been at the forefront of technological advancements in hearing care. With every new technology – directional microphones, Bluetooth, rechargeable devices, AI for personalized fittings – we have delivered high quality and customer-focused options. Launching Phonak Audéo Sphere Infinio in August 2024, using real-time AI for the first time, was another proud milestone for us at Sonova.

Innovating with purpose: Sonova’s journey

Explore Sonova’s timeline of innovation that has revolutionized the hearing care industry. From the launch of the first behind-the-ear hearing aid in 1978 to the introduction of the DEEPSONIC™ real-time AI chip in 2024, our journey underscores our commitment to continuously improve the hearing experience for people in need. Each milestone, including the Marvel¹⁾ hearing aids with Bluetooth connectivity and the Neptune™²⁾ sound processor for swimmers, shows the need to keep listening and turn their needs into impactful solutions that improve lives.



*Auracast™ technology enables users to share Bluetooth audio streams with multiple devices simultaneously, allowing for both private and public listening experiences. This innovative feature enhances social interactions by making it easy to enjoy audio content together without disturbing others.

Audéo Sphere Infinio uses real-time AI to address one of the most pressing needs of people with hearing loss: understanding speech in noisy situations. Background noise in restaurants, on the street, or during gatherings with family and friends can make it hard to hear what others are saying, which may limit involvement and enjoyment. Using extra effort to be part of the conversation is tiring too, all of which leads some people with hearing loss to avoid noisy environments altogether.

Despite improvements in hearing technology, noisy environments have continued to be a challenge for people who wear hearing aids – until now. Running on an AI sound processing chip, DEEPSONIC™, Audéo Sphere Infinio provides unprecedented speech clarity from any direction³⁾. “Based on the feedback we get from our customers, this is a big step forward for anyone struggling in noisy environments. Innovating where it matters most, makes us proud and highlights Sonova’s dedication to providing the best possible sound quality and user experience,” says CEO Arnd Kaldowski.

It begins with people

The philosophy that drives innovation at Sonova is so deeply held that it is written on the walls of our headquarters in Stäfa. “At Sonova we say ‘Ohni Lüüt gaht nüüt’ (‘Nothing works without people’) and this concept is really fundamental in this company,” says Andi Vonlanthen, who served as Senior Vice President for Hearing Instruments Research & Development at Sonova for more than 40 years. “Innovation is all about people. You need a vision of where you want to go and then you give people the responsibility and trust them to achieve it.”

A visionary journey in hearing technology



As a leader in wireless technology, Andi's work on the Marvel product line has redefined connectivity, allowing users to seamlessly connect with their devices. His persistent commitment to innovation and a customer-first approach has best positioned Sonova to meet future challenges and continue making a meaningful impact in hearing solutions. At Sonova, we firmly believe that Andi's legacy will resonate for years to come, inspiring our people and guiding our future R&D initiatives.

In the dynamic world of hearing technology, Andi Vonlanthen stands out as a true innovator. For 40 years at Sonova ⁴⁾, he drove groundbreaking advancements, fostering an open innovation culture that led to the creation and successful market launch of the Infinio Sphere – a revolutionary real-time AI platform addressing the most challenging problem for people with hearing loss: understanding speech in background noise. His remarkable contributions also include the personal integrated communication system (Pics), Audio Zoom, and Claro products, all designed to improve user experience and connection.

Andi connects the open layout of the workplace at Sonova, which is designed to encourage interaction, to the company's enduring success. "It's about creating an environment where people can work together and innovate without hurdles or hierarchies," he says.

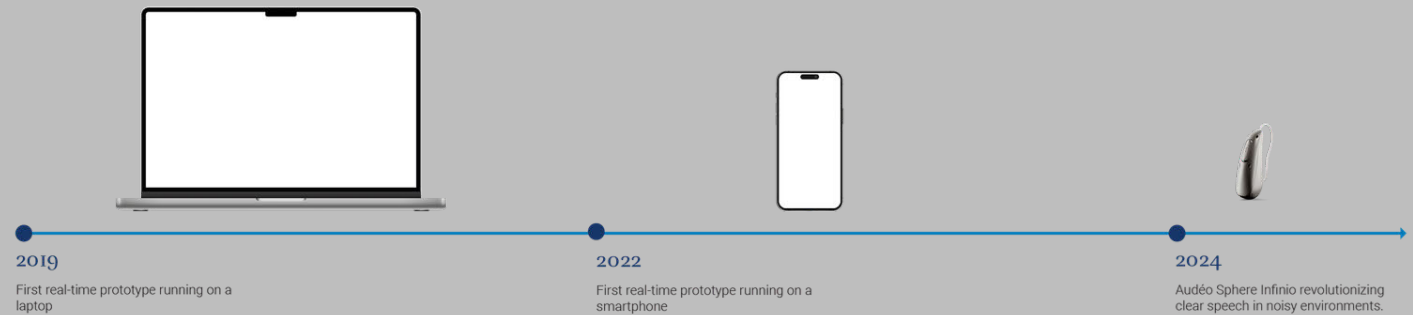
Volker Kuehnelt, who works in Sonova's technology development and integration team, believes that people need time and space to "think, explore, try out". This is an equally important aspect of the innovation culture at Sonova. This is often how incremental improvements to products are found, alongside big leaps forward like Audéo Sphere Infinio. The adjustment to the default software settings of a hearing aid in response to fitting data is also an example of our innovation. "We learn and we iterate," explains Volker.

Listening to the customer

Unmet needs, open minds, and belief there is a solution – this is always how innovation begins at Sonova. Product manager Shin-Shin Hobi is closely involved in the development of new hearing instruments. She observes: "We don't build a product just because we can. We do it because we know there's a need for it from listening to our consumers."

Our determination to solve speech understanding in noisy environments led us to develop a specific deep neural network for this purpose, a type of real-time AI model inspired by the way the human brain works. This deep neural network achieved astonishing results in speech enhancement on a laptop. But could that performance be replicated in a hearing aid?

From powerful processing to match-sized performance



Everyone involved in the project recognised this was a high-risk venture. “We thought we had a good shot at making this into a product, but there were many unknowns because the hearing aid is such a complex device,” says Paul Mayer-Rachner, one of Sonova’s Technical Directors.

Working at the very edge of possible

Andi Vonlanthen knows all about the persistence and resilience required when pushing into new territory. “I can tell you, innovation hurts. It’s a lot of work and it’s not something you can do overnight,” he says. Chip designers, software engineers, data scientists and audiological specialists were part of the team that worked relentlessly to fit real-time AI into a hearing aid and integrate it with the other functions. Delivering processing power without compromising battery life for the user was one of the many technical problems to overcome. “We were working at the edge of what is possible,” recalls Volker Kuehnel.



Left: Team experimenting with Sonova’s DNN technology. Middle: The advanced DEEPSONIC™ chip. Right: Team testing the Audéo Sphere Infinio

Developing any new product is a long and uncertain journey, so it is only natural to have moments of doubt along the way, especially when working with an emerging technology like real-time AI. “It took me some time to believe we can really do this,” says Sebastian Stenzel, an AI software architect on the project. Audiologist Stefan Raufer describes the first time he heard the denoising effect in a live environment, when the software was demonstrated in the busy cafeteria at Stäfa during the peak of the lunch service. “That was my ‘wow’ moment, when I realized we have invented a technology that can change the lives of so many people,” he says. “This was really exciting!”

Sonova's investment in this technology helped cross the threshold from demo to prototype to viable commercial product. The project required dedicated hardware and software development resources, additional computing power to train the real-time AI, new testing equipment to get precise performance data, and extra clinical trials to back up marketing claims. Fethi Cherigui, from Hearing Instruments Research & Development, appreciates having a management team that understands what it takes to bring innovation to fruition. "Sonova's willingness to invest in innovation is a real competitive advantage," he says.

Hearing the difference

Hearing loss affects approximately 430 million people globally⁵⁾. Addressing this issue is crucial, as untreated hearing loss can lead to reduced quality of life, as well as to reduced socio-emotional and cognitive well-being⁶⁾.

"Our product brings a true benefit for people in need - because it helps them to communicate and stay socially active, especially in challenging listening situations," says Maren Stropahl, Director Holistic Hearing Care for R&D Audiology and Health Innovation. "Customers tell us they feel more at ease and confident in social settings, which highlights the real-world impact of our innovations."



Left: Aaron, an Audéo Sphere Infinio user. Middle: Tiffany, a hearing care professional. Right: Maren, who focuses on holistic hearing care.

Hearing care professional Tiffany Wilson, a Licensed Hearing Instrument Specialist at AudioNova US, part of Sonova's Audiological Care business, confirms that being able to engage in conversation without the frustration of background noise makes a significant difference in the lives of her customers⁷⁾⁸⁾. "Being able to hear their grandchild in the back of the car, or their spouse in a busy restaurant, this is what really matters to people. Audéo Sphere Infinio gives our customers the ability to understand and keep up regardless of the type or level of noise in the environment," says Tiffany. "It makes me proud to be able to support them in their time of need!"

Reduced listening effort is another benefit for Audéo Sphere Infinio users⁹⁾. For professional soccer player Rylee Foster, easier listening means she has more energy for training and performance. Rylee says: "I no longer have hearing burnout. After a long training day, I would be exhausted. I can now have conversations without feeling overwhelmed."

Rylee's remarkable comeback



Rylee Foster's journey is a remarkable tale of resilience and authenticity. After a near-fatal car accident three years ago, this Canadian goalkeeper defied the odds to return to the pitch and pursue her dream of a law degree. While she is hearing-impaired, she has not experienced the severe hearing loss that affects her mother and sister. Inspired by her mother's determination to succeed in a people-oriented career, Rylee credits her grit to her upbringing, the challenges she has faced, and her beloved city.

Now playing for Durham Women FC in England's FA Championship, Rylee has also made her mark internationally, winning the Golden Glove in the U17 CONCACAF Championship. With the Infinio Sphere, she has experienced a significant improvement in her hearing, allowing her to connect more easily with teammates and coaches. "For the first time, I can easily understand speech," she shares, highlighting how this technology has transformed her interactions.

Rylee's story is not just about overcoming challenges; it's about living a full life with hearing loss and inspiring others to embrace their own journeys with courage and authenticity.

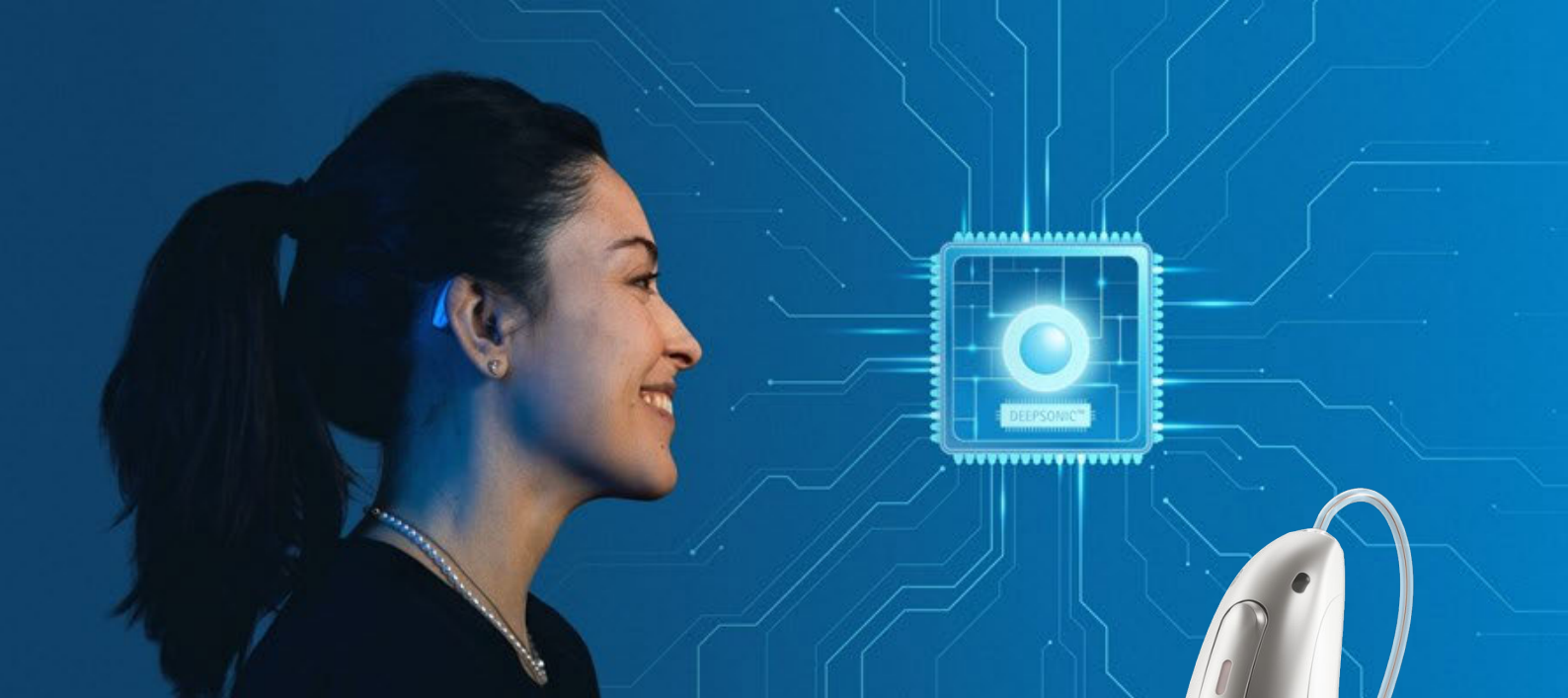
Phonak ambassador Aaron Small has a busy schedule too as he trains for his next shot at Olympic glory. He welcomes feeling less fatigued thanks to the sound quality of Audéo Sphere Infinio¹⁰. "I've noticed my social battery has been given an upgrade," says Aaron "Voices stand out more and I don't struggle with picking them out from a loud room."

Making our best even better

While the launch of a product is a something to celebrate, it is not an end but the beginning of a new innovation cycle. The second generation of Audéo Sphere Infinio is already in the pipeline, with improvements that show our commitment to making the best even better for our customers. And the lessons learned and investments made in bringing Audéo Sphere Infinio to market have opened up new possibilities for future innovation. CEO Arnd Kaldowski says: "We are just getting started with using real-time AI to improve hearing performance. This is a whole new innovation vector for Sonova, and I'm excited for what lies ahead."

Watch this video to experience [the future of hearing](#) care with Phonak.

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- ¹⁾ Phonak Marvel: revolutionary hearing aids offering exceptional sound, Bluetooth streaming, rechargeability, and remote support. Revolutionary Phonak Marvel hearing aids: the ultimate combination of exceptional sound quality and universal Bluetooth® connectivity | Sonova International, visited in April 2025
 - ²⁾ Neptune™ Sound Processor: a versatile cochlear implant system designed for seamless audio connectivity and water activities. Neptune™ Processor | Advanced Bionics, visited in April 2025
 - ³⁾ Raufer, S., Kohlhauer, P., Jehle, F., Kühnel, V., Preuss, M., Hobi, S. (2024). Spheric Speech Clarity proven to outperform three key competitors for clear speech in noise. Phonak Field Study News retrieved from <https://www.phonak.com/evidence>
 - ⁴⁾ Andi Vonlanthen retired from Sonova on March 31, 2025
 - ⁵⁾ World Health Organization. Deafness and hearing loss, published 26 February 2025 at: <https://www.who.int/news-room/fact-sheets/detail/deafness-and-hearing-loss>. Last accessed: April 2025
 - ⁶⁾ Vercammen, C., Ferguson, M., Kramer, S.E., Meis, M., Singh, G., Timmer, B., Gagné, J.-P., Goy, H., Hickson, L., Holube, I., Launer, S., Lemke, U., Naylor, G., Picou, E., Scherpiet, S., Weinstein, B., & Pelosi, A. (2020). Well-Hearing is Well-Being: A Phonak Position Statement. Hearing Review, 27, 18 – 22
 - ⁷⁾ Thibodeau, L. M. (2020). Benefits in Speech Recognition in Noise with Remote Wireless Microphones in Group Settings. Journal of the American Academy of Audiology, 31(6), 404-411
 - ⁸⁾ Appleton-Huber, J., et al. (2024). Speech Enhancer reduces listening effort of speech from adjacent room. Phonak Field Study News retrieved from <https://www.phonak.com/evidence>
 - ⁹⁾ Habicht, J. & Schuepbach-Wolf, M. (2024). Speech Enhancer reduces subjective listening effort of speech by up to 45%. Phonak Field Study News retrieved from <https://www.phonak.com/evidence>
 - ¹⁰⁾ Latzel, M, Heeren, J and Lesimple, C. (2024) "Speech Enhancer reduces listening effort and fatigue."phonak Field Study News retrieved from <https://www.phonak.com/evidence>



STRATEGY AND BUSINESSES

Hearing Instruments business

Our culture of innovation regularly delivers breakthrough advances, bringing the delight of hearing to ever more consumers.

Sonova's Hearing Instruments business operates through our Phonak, Unitron, and other local and private label brands. We are a market leader in developing, manufacturing, and selling hearing aids and wireless communication products through a multitude of channels, including independent audiologists and Ear, Nose and Throat (ENT) clinics, large hearing care chains, and government health agencies. We are proud of our track record of innovation, regularly delivering step-change improvements in our consumers' hearing experience through our rigorous focus on the essentials of hearing performance and ease of use.

Our market-leadership strategy calls for excellence in each aspect of our business: in continuous innovation, in extending the breadth of our solutions portfolio, in enriching the experience of our business partners and the consumers they serve, and in improving our processes and expanding market access.

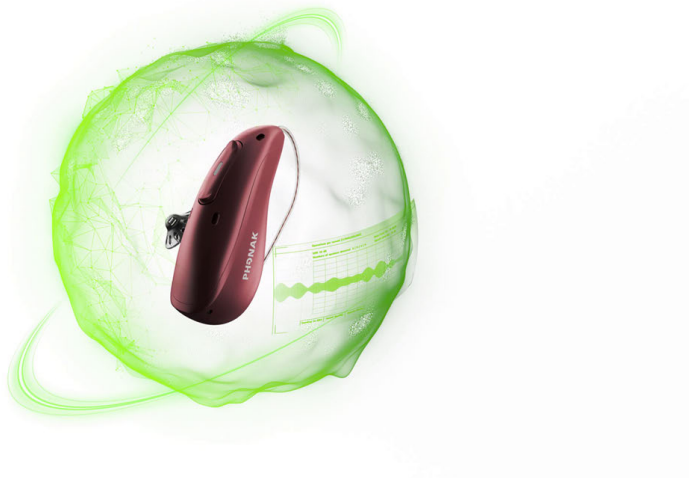
Innovation is a journey marked by repeated technological breakthroughs

Over many years, Sonova's Hearing Instruments business has time and time again elevated consumer experience through a cadence of industry firsts: multi-microphone directionality, automatic sound classification, adaptive directional beamforming, rechargeable lithium-ion battery power, and universal Bluetooth® connectivity. Each of these breakthroughs has been further refined and extended through our continuous cycle of technology platform advances. There are always improvements to be made in the key aspects of hearing experience: sound quality, speech understanding in noise, connectivity, reliability, and personalization. We therefore take a structured multi-disciplinary approach to product development: collaborating with clinical, technology and research organizations, investing in in-house innovation capabilities, building competence in proprietary technologies, and driving a culture that links innovation with learning from the market.



Launched in August 2024, the Phonak Infinio family of hearing aids, powered by the new ERA chip, achieves remarkable improvements in sound quality and connectivity. These include first-fit satisfaction – 93% of users prefer Infinio at first fit over a key competitor – 45% reduction in listening effort, 21% less fatigue, and up to six times the previous Bluetooth® transmission power, for more stable connections with uninterrupted handsfree calls and streaming over significantly greater distances. All this comes in a durable water-resistant format, Swiss-engineered to withstand everyday challenges, with fitting and programming options that allow audiologists and consumers to personalize the hearing experience.

Infinio alone represents a major step forward in hearing performance and ease of use – but it is not the whole story. Understanding speech in noise has always been the challenge that consumers most want their hearing aids to tackle, and successive sound-processing advances have certainly improved the experience of listening to conversation in noisy environments. Now, however, there is a completely new solution that delivers unprecedented performance: Phonak Sphere™ Infinio, powered by our proprietary DEEPSONIC™ deep neural network chip, an industry-first innovation that works together with ERA in a dual-chip system. The result of six years' development and trained on 22 million sound samples, DEEPSONIC has 4.5 million neural connections that perform 7.7 billion operations each second, allowing real-time artificial intelligence to separate speech from the babble in the background – no matter which direction it is coming from. Where even our own industry-leading classic noise-cancelling technology delivered around 6.4 decibels improvement in signal-to-noise ratio, Sphere Infinio achieves up to 10.2 decibels, making consumers 2 – 3 times more likely to understand every word, from any direction, compared with leading competitors¹⁾.



The market's response to Infinio has been strongly positive: 98% of hearing care professionals (HCPs) at the launch event said that they thought the new platforms would "change the lives" of their patients. The new products have gained significant market share and established traction with major-market customers who had not ordered the previous platform. We also saw an upward impact on product mix, demonstrating that consumers recognize the clear step change in hearing experience that these innovations provide.

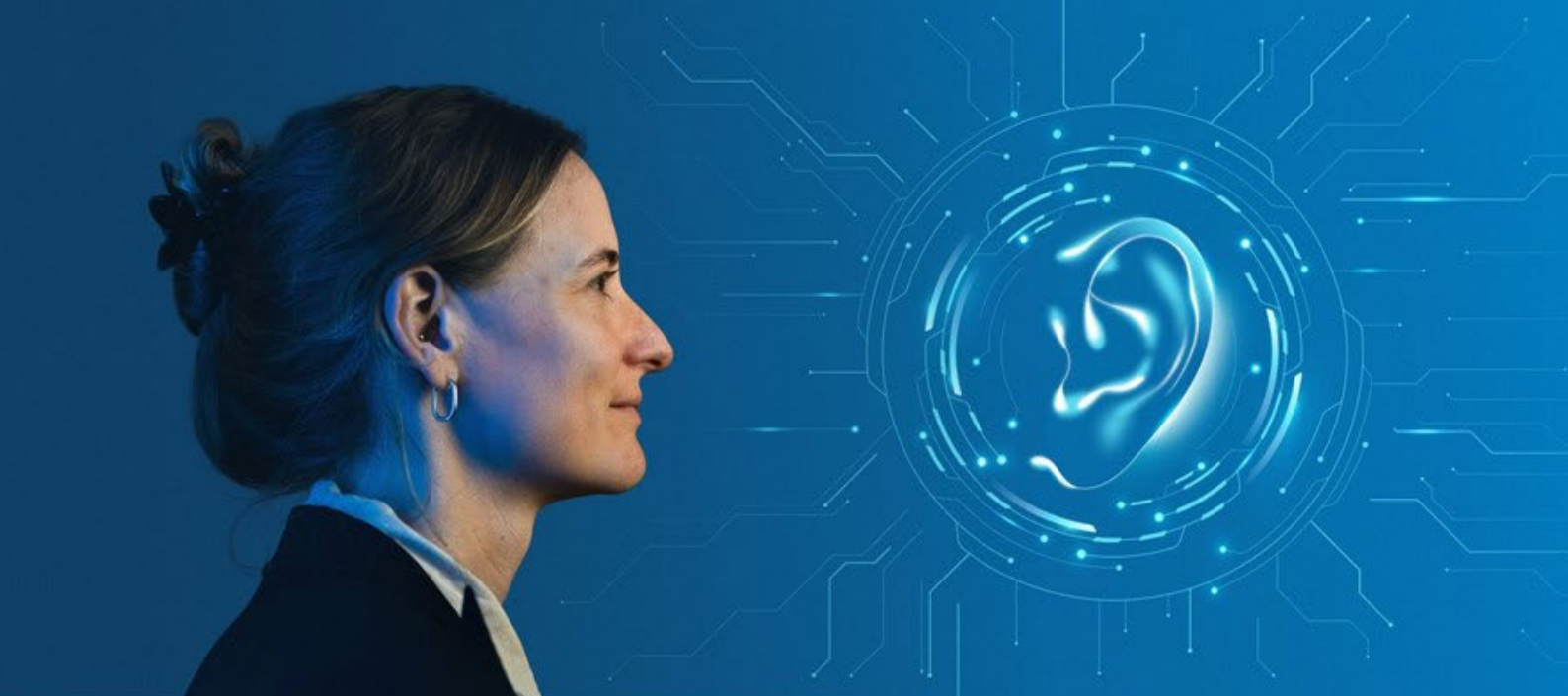
The sound quality, connectivity, and personalization advances introduced with Infinio all contain the potential for further performance improvements and consumer benefits. The DEEPSONIC chip continues to be trained in new listening situations to further improve performance and efficiency in upcoming product releases - the innovation process never stands still.

Commercial excellence sustains the strongest launch in our history

The Phonak Infinio portfolio was introduced to a thousand customers at a launch event in the Sphere venue in Las Vegas. More than twenty industry journalists with a combined reach of over 100 million followers were given an exclusive introduction to the technology; their response was overwhelmingly favorable. Compared with previous launches, we achieved much higher reach and social media engagement, and greatly increased the volume of website traffic. Infinio and Sphere are big advances, and we wanted to make sure that the stories were heard. Breakthrough innovation deserves breakthrough communication.

The launch program also went beyond communication to include training and education for HCPs. We launched the new platforms in more than 70 countries, training HCPs in more than 10,000 clinics around the globe. The training and the sound demos allowed them to experience firsthand the groundbreaking innovation and how Infinio and Sphere Infinio will transform the lives of their clients – as we say, hearing is believing. The result is that consumers have been coming to HCPs to ask specifically about the unique capabilities of our two new platforms.

¹⁾ Additional information available at: <https://www.phonak.com/en-int/professionals/audiology-hub/evidence-library>



STRATEGY AND BUSINESSES

Audiological Care business



We provide expert, personalized, and technologically advanced audiological care, easily accessible through multiple channels of engagement, bringing Sonova solutions to a growing consumer base.

The Audiological Care business, operating through the AudioNova brand and other strong national brands, offers best-in-class hearing care through a network of around 3,600 points of sale in 20 key markets, employing more than 7,000 dedicated hearing care professionals (HCPs). Our goal is to engage and excite consumers about how our solutions can help them enjoy the delight of hearing and live their lives without limitations. We achieve this goal by focusing closely on each consumer's experience of interacting with us, from the very first moment of contact. We establish relationships as the consumer chooses – digitally or in-store. We provide attentive, personalized, and expert care through engaged and highly-skilled professionals. And we aim for a consistent, inspiring experience of visiting our stores, where consumers and their loved ones are encouraged to deepen their understanding of hearing loss and the solutions we provide.

Our strategy puts the consumer firmly in first place. More satisfied consumers mean increased market share and sustained profitable growth. Consumers are satisfied by the consistent experience of excellent personalized care. Excellent care relies on engaged, highly-trained employees along with a versatile, targeted approach to attract and satisfy new consumers. All this is supported by continuous improvement of our processes and the consumer's experience while allowing our audiologists to spend more time on audiology and consumer interaction. At the same time, we continuously optimize our local and global support structure, matching our offering to local consumer needs and growing our physical presence to align with high-potential markets.

Taking audiology to the next level

Central to our brand, and to all we do, is what we call “pinnacle audiology.” This means providing an experience of care that is outstanding in all its aspects: outstanding in the precision of hearing assessment and the technology that supports it. Outstanding in the sympathetic attention and willingness to explain of the hearing care professional, in the opportunities to work through specific concerns, involve friends or family in decisions, and try out our hearing solutions in realistic listening environments. And outstanding in our flexibility, enabling us to provide excellent care in whatever way the consumer wishes: in person, on the phone, online, or through our suite of apps.

Delivering pinnacle audiology demands a great deal from our hearing care professionals. We are therefore deeply aware of our responsibility to provide the tools they need to excel in their profession. It starts with excellent training; we have set up award-winning programs and university partnerships leading to HCP certification in the US, China, Germany, the UK, France, and Brazil; these graduate around 500 new HCPs every year, and we plan to grow this number further going forward. Our Hearing Care Academy brings to life our vision of creating a global network of academies to connect, educate, and train HCPs to meet the growing demand for the high quality, holistic care that differentiates us in the market. HCPs are able to access personalized learning when they need it, engage in best-practice exchange, and have direct access to internal and external experts. For those HCPs who are doing outstanding work in the field, they will have opportunities to be recognized as experts and support their peers around the world – and to pursue further career opportunities across all of Sonova’s businesses.

In a marketplace where purchasers are often hesitant to take the first step, attracting the first-time consumer is a vital challenge. Our dedicated in-house lead-generation team connects us with new, younger consumers, generating a higher conversion rate and average purchase value – all at a lower cost – than would be possible using an outside agency. But there are also valuable services we provide on this journey, to help establish and strengthen that first contact.

For example: tinnitus is a condition often associated with a significant hearing loss. Our SilentCloud™ app is a medically-regulated tool for self-paced tinnitus management that offers therapies, education, and counseling by audiological care experts. At the same time, it opens a way to start a one-to-one conversation about hearing, and to mobilize the data to support and inform each consumer’s future hearing care. Ear, nose, and throat specialists and other hearing care professionals can see how our medical solutions add value, and therefore feel comfortable in recommending us. These professional referrals are a very important step in beginning a trusted relationship with the consumer. And when the referred consumer has been fitted with a hearing aid, our MyAudioNova app, known to some as “the audiologist in your pocket,” continues the easy-to-use, user-controlled, information-rich, and personal contact that marks all our software offerings.

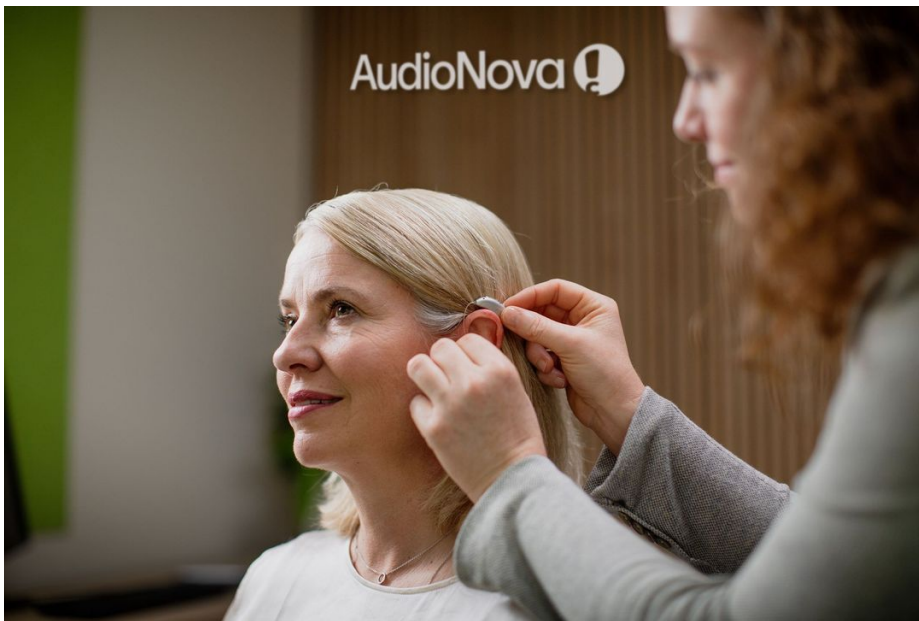
Deepening ties with the consumer

We base our business on our consumers’ “hearing journey.” As their life circumstances change, their hearing needs change, and it is our role to accompany, advise, and assist on that journey with ever-improving solutions. This role demands great flexibility, as consumers’ needs are never exactly the same. Our lead generation – the start of the journey – therefore makes use of a mix of media, both traditional and digital, to ensure that we contact the full spectrum of potential consumers, wherever they decide to start their personal hearing journey. We continue to expand our network, both through acquisitions and greenfield openings, based on strategic considerations and in-depth analysis. We apply to stores across our network the lessons learned in our flagship World of Hearing stores – now operating in 14 markets and five continents –by, for example, including “experience rooms” where consumers can hear how different hearing aids perform in a variety of virtual situations, such as a concert or noisy restaurant, and where friends and family can hear simulations of what their loved one’s hearing loss is actually like. Each of these steps helps to reinforce our connections with the consumers we serve as we continue to expand our network.

We also learn lessons from consumers themselves. We have started the process to measure consumer satisfaction and excitement consistently across all our 20 key markets and down to the individual store level, allowing clear actionable analysis of the effect of our initiatives on consumer sentiment and helping to ensure that everything we do makes a real, positive contribution to the consumer's experience. We already know that satisfied existing consumers are most likely to be excited about further innovation – and therefore to continue with us as their partner on their hearing journey.

Supporting our global brand proposition

With a business model centered on pinnacle audiology and committed to satisfied consumers, engaged employees, and sustainable, profitable growth, Audiological Care's brand values are the key to distinguish us from our competition and help us to stake a clear claim to audiological leadership in each market. In markets where we have no strongly established national brand, we are consolidating our presence under the AudioNova brand: for instance, all our stores in the US and in Japan are currently being rebranded as AudioNova.



But whatever the name above the door, all our stores will have a recognizably uniform appearance, layout, technology, and working practices, supporting our clearly differentiated brand proposition. This uniformity gives us a strong platform for continuous improvement, based on the Sonova X business system and mindset, in productivity, store performance, and consumer lifecycle management. It allows us to learn from local excellence and swiftly apply it across the global network.

We continuously support the delivery of personalized, expert audiological care with initiatives to improve commercial execution and optimize structural efficiency. This year, we have launched an 18-month program that will secure cost savings, protect critical capabilities, and expand profitability by streamlining global and local headquarters functions, optimizing the store network and its capacity levels, and reviewing the structural adjustment of non-core business models. The goal is straightforward: to ensure that our resources and talents are applied most profitably to the activities that matter most to the consumer.



STRATEGY AND BUSINESSES

Consumer Hearing business

We deliver premium sound experience to consumers worldwide.

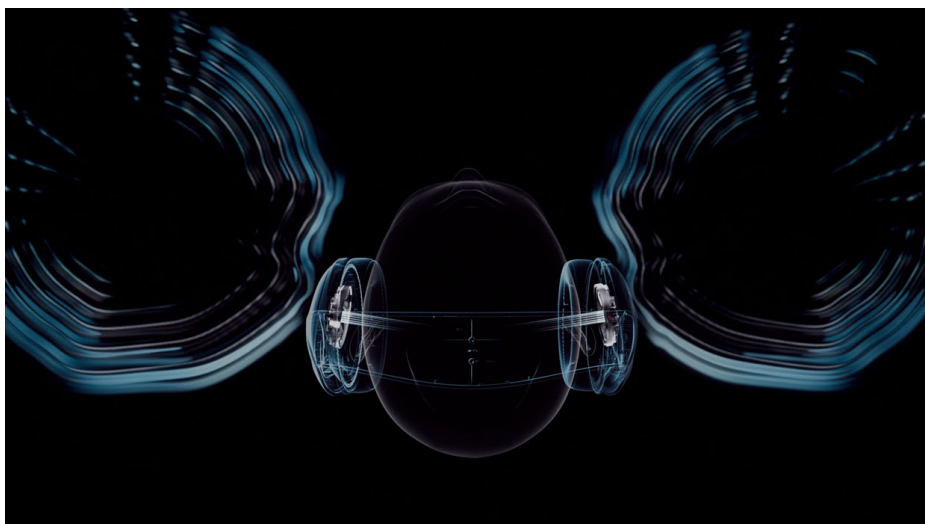
Sonova's Consumer Hearing business, operating under the licensed Sennheiser brand, fulfils the consumer's desire for the best hearing and audio experience possible with premium headphones, audiophile products, early-entry hearing solutions, and soundbars, each providing exceptional sound quality for a specific consumer setting. Beyond delighting the premium audio consumer, our role in the Sonova Group includes sharing our expertise in high-end sound technology, establishing and sustaining a presence in key markets and channels, and connecting with a discerning consumer population at an early stage in their hearing journey.

After a challenging macroeconomic phase, the overall global consumer audio market returned to growth in mid-2024, supplementing the growth in segments where we already had a strong product portfolio, such as audiophile and premium over-the-ear headphones. Our strategy therefore focuses on taking advantage of this improving environment to ensure sustainable profitable growth, playing to our strengths and making investments to reinforce our position in high-value market segments. The key elements of this strategy are: advancing our premium portfolio for highest impact, expanding customer reach in key markets and new channel partnerships, efficiently reaching and converting consumers digitally, elevating customer service touchpoints, and optimizing product-related costs. We have initiatives under way in all five strategic areas.

Advancing our premium portfolio for maximum impact

Our portfolio includes highly-acclaimed, multiple award-winning products, such as our MOMENTUM 4 wireless headphones, MOMENTUM True Wireless 4 earbuds, and the new HD620S audiophile headphones providing open, airy sound in an isolating closed-back chassis. We extract the maximum impact from this portfolio by concentrating effort in the categories where the Sennheiser name and market-leading audiophile heritage have the most resonance – at the premium end of the market.





As a result, we are increasing market share, seeing new consumers buying our flagship products for the first time. We consolidate this growth by extending the market visibility of our portfolio, adding new exclusive colors and brand partnerships, including this year's co-branding arrangement with Lufthansa, providing our MOMENTUM 4 headphones to first-class passengers and for sale in airports and online. Our premium portfolio also includes our highly acclaimed All-Day Clear OTC hearing device which continues to build a presence among both general and hearing-specific retailers in the US, as well as in our own webshop.

Expanding customer reach in key markets

Our key markets are the US, China, and Germany, where we benefit from good customer loyalty and a willingness to pay for exceptional sound quality. These are the markets that most reward increased engagement, so we are extending and diversifying our approach to ensure that we realize the full potential that they represent. In China, this involves expanding our distribution capabilities from Tier 1 and Tier 2 cities where we have a strong presence, to the Tier 3 and 4 cities where there is further market share to be gained. In North America, we work with our existing customers to extend our in-store portfolio, and are investing into business development capabilities that unlock new customers and channels. Consumers who seek premium audio solutions care about sound, and love to hear and see before they buy; we are therefore progressively expanding our physical presence within the large retailers.

Understanding the digital consumer

Webshop sales are only part of our digital engagement with consumers. Before they buy, most go online for information, recommendations, reviews, tips, and brand profiles. We therefore draw on in-house capabilities to rigorously analyze our consumer data and use it to shape our performance marketing. This supports our own digital sales effort, and also puts us in a strong position with large retail partners, who rely on the insights we generate to place our products optimally. Our digital and in-store marketing strengths are therefore mutually supporting.

Providing service that lives up to the brand

Sennheiser's brand value is all about providing an outstanding experience of sound. The experience of dealing with us has to be similarly outstanding. Whether theirs is a technical question or purchasing issue, consumers rely on prompt, accessible, effective service. Moreover, they need to feel listened to, even when they are not communicating directly to us. We are therefore launching a best-in-class self-directed online service experience that allows consumers to get the answers they need quickly and in their own time. Our service commitment also means interacting closely with key online communities and social media channels, so that we can take onboard and respond to comments and views in a timely and effective way.

Optimizing processes to increase margins

Applying the Sonova X business system and mindset has proven its value for the Consumer Hearing business. An “accelerator room” approach to increase impact cross-functionally through operational improvements, with a physical space where process owners can effectively review and drive progress on all elements of the project, has cut the time-to-completion for key initiatives. “Daily management,” which continuously tracks leading and lagging indicators to inform demand forecasts and quality assessments, has enabled an agile and targeted response to facilitating improvements. We are also further optimizing our approach to product manufacturing and lifecycle management, particularly in the refurbishment or scrapping of returned products (an unavoidable occurrence in the consumer goods industry), which will save significant cost and reduce environmental impact. All these initiatives have immediate positive impact on gross margins, which have risen this year and show potential for further growth.



STRATEGY AND BUSINESSES

Cochlear Implants business

We bring the power of Sonova innovation to people with the most significant hearing loss.

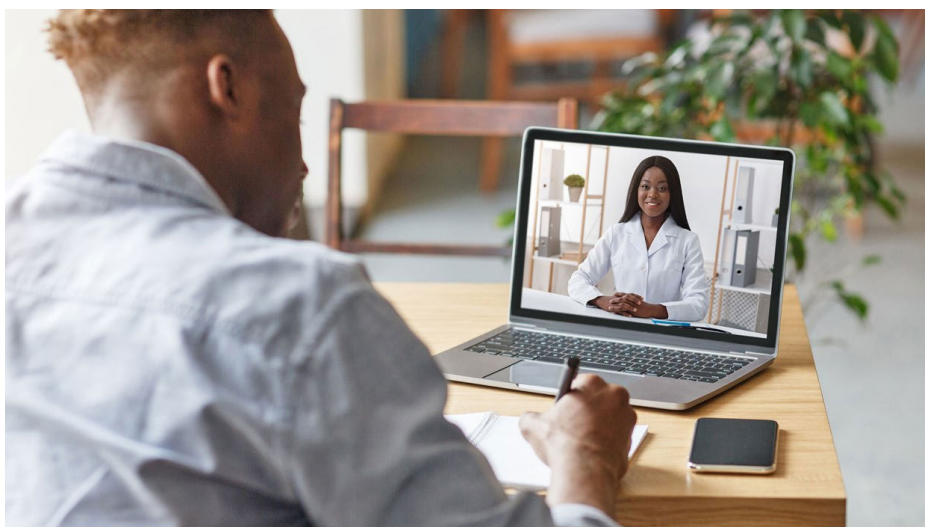
Sonova's Cochlear Implants business operates under the Advanced Bionics brand, with more than 30 years of expertise in developing cutting-edge technology to help children and adults with severe hearing loss to hear again, or for the first time. An integral part of Sonova since 2009, Advanced Bionics is present in over 50 countries across the globe, employs over 1,000 dedicated professionals, and has helped more than 100,000 recipients. Close collaboration between Advanced Bionics and other Sonova businesses means that the Group can offer a comprehensive range of solutions for every kind of hearing loss, and that all consumers can gain from the latest advances in sound processing, speech enhancement, connectivity, and digital solutions.

The worldwide cochlear implant market is growing at around 8% per year and has significant growth potential, with a large difference between the number of people who could benefit from the technology and those who use it today. Our strategy to bridge that gap is based on accelerating our innovation, maintaining strong focus on enhancing the experience of the people who choose our solutions and the professionals who serve them, connecting with potential candidates for our solutions, elevating commercial excellence through process improvements, and strengthening the foundations of our business.

Innovation that empowers

A cochlear implant treats the most severe forms of hearing loss by bypassing the middle ear and stimulating the hearing nerve directly with an electrical signal. Sounds in the environment are converted into this signal by a sound processor worn behind the ear. Our close R&D partnership with Sonova's Hearing Instruments team means that, while competitors' devices link together, Advanced Bionics cochlear implants and Advanced Bionics processors with their integrated Phonak technology work as one. They were literally made for each other. It is a powerful combination, supporting a range of capabilities that together form the most complete solution in the industry: with the best audiological performance in difficult environments, unique Made For All™ connectivity with virtually any Bluetooth®-enabled device, the only true bi-modal solution for recipients with a hearing aid in the other ear, the most reliable implant on the market – now with the added power of Remote Programming.

Introduced last year, Remote Programming allows recipients to get full in-depth remote consultations and real-time processor adjustments from their audiologist using just their smartphone: a first in the cochlear implant market. Studies show that remote consultations using this service are fully equivalent to in-person consultation for accuracy, quality of communication, and ease of use.¹⁾ The uptake has been strong, enthusiastic, and continuous, and we have both upgraded the service and introduced it into new markets. The advantages for recipients – or, with pediatric recipients, for their parents – include saving the time and expense of long journeys to a specialist clinic, and being able to make in-use adjustments to suit their personal listening environments. For audiologists, the advantages are being able to enhance the patients' experience, to streamline the workflow in their clinics, and to be able to serve more patients without diluting the care and attention they give to each one.



We are now extending the remote programming capability with a self-assessment application, and we have further remote digital solutions in the pipeline. The goal is empowerment: giving recipients – who are increasingly digital-savvy and accustomed to controlling their technology – the autonomy to optimize their hearing experience, and giving audiologists the tools they need to attract, engage, and more efficiently serve a growing market.

Gaining share in a global market

In late 2024, Advanced Bionics was selected as a key participant in the Volume Based Procurement program for cochlear implants established by the government of China: a recognition of the technical performance, reliability, and value represented by our implant systems. The selection, which will begin implementation in mid-2025, will further contribute to our sales growth in China, and opens up avenues for further expansion in this important high growth developing market.

In general, Advanced Bionics has recently been expanding its market share worldwide in new systems sales. This is good news in itself, and it is also an indicator of further growth into the future. It is important to note that, while an implant is only purchased once, a processor is regularly upgraded as further cycles of innovation bring new capabilities to the market, representing repeated future revenue opportunities for Advanced Bionics. As members of the Sonova family, Advanced Bionics' recipients are excited to see the breakthrough advances that Phonak is bringing out in its hearing aids, as these are an indication of future sound processor capabilities, and our supportive online communities keep them informed of new developments.

On the sales side, as with our established collaborations with Sonova's Audiological Care teams, the Phonak + AB Cochlear Implant Network in the United States works with hearing care professionals to identify Phonak hearing aid users whose hearing loss has progressed to a point where a cochlear implant is the optimal solution. In its second year, the network has achieved impressive success, having served almost 600 individuals. A similar initiative in Germany, now being extended throughout Europe, has been running for over a decade with great success. Meanwhile, Advanced Bionics' focus on consumer lead generation has driven remarkable year-over-year growth. In North America, consumer lead generation efforts have led to 27% growth in B2C revenue over the prior year, accounting for a total of more than 1,700 implant systems year to date.

Sonova X supports profitable growth

Process improvement is a continuous exercise: this financial year, we held 30 kaizen workshops under our Sonova X business system and mindset to identify opportunities to increase efficiency, boost growth, and increase margins. The result is a set of initiatives to optimize our plant network, accelerate value improvement, reduce costs, sustain quality, and establish uniform product lifecycle management. Our manufacturing facility in Mexicali, Mexico is now up and running, and we anticipate an increasing proportion of production to be based there. On the commercial side, we are aiming to ensure that where we gain market share, we are also securing margin improvements.

Herrada Andreoli J., Delano P., Morris A., Stott C., Martinho de Carvalho A., Carvajal Diaz R., Agrawal S. Remote Programming Outcomes with CI Recipients in Chile. Poster presented at: American Auditory Society Scientific and Technology Meeting; February 2024; Scottsdale, AZ, USA

Corporate governance

Good governance supports responsible corporate behavior, transparency, and sustainable business practices.

Sonova's mission is to have a positive effect on our consumers' lives. This closely aligns with our aspiration to have a positive impact on society as a whole by running our business in a sustainable, responsible manner. "We take accountability" is one of our core values: Continuously improving our Environmental, Social, and Governance (ESG) performance is embedded throughout our business, and we strive to optimize these factors with the same level of dedication as we do our financial objectives. We see good corporate governance as an essential pillar of our ESG strategy, ensuring that the company is managed in the long-term interests of its key stakeholders. The details of what constitutes good corporate governance continue to evolve, and the Board of Directors, the CEO, and the Group Management Board constantly monitor developments to ensure that our commitments keep pace with expectations.

At Sonova, we uphold a strong foundation of corporate governance that adheres to established standards and practices. The company meets its legal duties under the Swiss Code of Obligations, the SIX Swiss Exchange Directive on Information relating to Corporate Governance, and the standards defined in the Swiss Code of Best Practice for Corporate Governance. This report describes the principles of corporate governance for the Sonova Group and provides background information on the Group's executive officers and bodies as of March 31, 2025. All relevant documents can be accessed at the corporate governance section of the Sonova website www.sonova.com/en/regulations-principles. For clarity and transparency, the [compensation report](#) is presented as a separate chapter of the Annual Report.

Group structure

Operational group structure

The Sonova Group is headquartered in Stäfa, Switzerland, and is active in over 100 countries. Sonova has subsidiaries in over 30 countries and a network of independent distributors serving additional markets. Details of its business segments can be found in [Note 2.2](#) to the consolidated financial statements.

Listed companies

Sonova Holding AG is listed on the SIX Swiss Exchange. Of all the companies in the Sonova Group, only the ultimate parent company of the consolidated Sonova Group, Sonova Holding AG, is listed on any stock exchange.

Key data for the shares of Sonova Holding AG as of March 31, 2025:

	2025	2024	2023
Market capitalization in CHF million	15,294	15,569	16,428
In % of equity	570%	625%	736%
Share price in CHF	256.50	261.10	268.60

Registered office	8712 Stäfa, Switzerland
Listed on	SIX Swiss Exchange
Security number	1254978
ISIN	CH0012549785
Ticker symbol	SOON
Par value	CHF 0.05

Non-listed companies

[Note 7.6](#) to the consolidated financial statements provides a list of the significant companies of the Sonova Group as of March 31, 2025. Companies are only listed if, during the financial year, at least one of the following criteria is met: (i) turnover exceeding 1% of the Sonova Group's turnover; (ii) more than CHF 100 million in assets; (iii) more than 200 full time employees; or (iv) greater than CHF 50 million of equity.

Shareholders

Registered shareholders

As of March 31, 2025, the shareholdings of registered shareholders were distributed as follows:

Number of shares	Registered shareholders	Registered shareholders
	31.3.2025	31.3.2024
1 – 100	15,476	15,594
101 – 1,000	9,007	9,419
1,001 – 10,000	1,143	1,251
10,001 – 100,000	193	200
100,001 – 1,000,000	23	26
> 1,000,000	5	4
Total registered shareholders	25,847	26,494

Significant shareholders

According to notifications received from Sonova Holding AG shareholders under the Swiss Financial Market Infrastructure Act, the following shareholders held more than 3% of Sonova Holding AG's registered share capital as of March 31, 2025:

	2025 ¹⁾	2025 ²⁾	2024 ¹⁾	2024 ²⁾
	No. of shares	In %	No. of shares	In %
Beda Diethelm and Annamaria Diethelm-Pandiani ³⁾	6,712,878	11.26	6,712,878	11.26
Family of Hans-Ulrich Rihs ^{3) . 4)}	3,683,649	6.18	3,683,649	6.18
BlackRock, Inc.	3,334,293	5.10	3,334,293	5.10
UBS Fund Management (Switzerland) AG	3,263,184	5.48	1,825,453	3.06
T. Rowe Price Associates, Inc.	3,025,893	5.08		<3
The Capital Group Companies, Inc. ⁵⁾	1,990,498	3.34		<3
MFS Investment Management ⁶⁾	1,847,415	3.02	1,847,415	3.02

¹⁾ Or at the last reported date if shareholdings are not registered in the share register.

²⁾ On the basis of the shares of Sonova Holding AG registered in the commercial register at the last reported date which may differ.

³⁾ Beda Diethelm and Hans-Ulrich Rihs were already shareholders before the Initial Public Offering in November 1994. There are no shareholders' agreements among these individuals and they can trade freely.

⁴⁾ Hans-Ulrich Rihs, Gabriela Rihs and Stefan Rihs as a group jointly control 3,683,649 registered shares (corresponding to 6.18% of total Sonova share capital) pursuant to the last disclosure notice. These shares were previously controlled by Hans-Ulrich Rihs as a single shareholder.

⁵⁾ The Capital Group Companies, Inc. are held by the following direct or indirect holders: Capital Research and Management Company, Los Angeles, US; Capital International Sarl, Geneva, CH; Capital International Limited, London, GB; and Capital International, Inc., Los Angeles, US.

⁶⁾ MFS Investment Management, formerly known as Massachusetts Financial Services, is held by Sun Life Financial Inc. which is traded on the TSX, NYSE and PSE (ticker symbol SLF).

For information on shareholders of Sonova Holding AG who have reported shareholdings of over 3% or a reduction of shareholdings below 3% in the 2024/25 financial year, please refer to the website of the [Disclosure Office of the SIX Swiss Exchange](#).

Cross-shareholdings

Sonova Holding AG has no cross-shareholdings with other companies.

Articles of Association

For more details as provided below, please refer to the [Articles of Association](#).

Capital structure

Share capital

As of March 31, 2025, the ordinary share capital of Sonova Holding AG was CHF 2,981,340.45 fully paid up and divided into 59,626,809 registered shares with a par value of CHF 0.05 each.

Sonova Holding AG has issued neither participation certificates nor profit-sharing certificates.

With the exception of the treasury shares held by the company itself, each share entitles to one vote at the Annual General Shareholders' Meeting. All shares have equal dividend rights. As of March 31, 2025, the company held 18,825 treasury shares (13,587 in the previous year).

More information on the share capital can be found in Art. 3 of the [Articles of Association](#).

Conditional share capital and capital range

Conditional share capital

The conditional share capital may be increased by a maximum amount of CHF 266,106.65 by issuing 5,322,133 registered shares with a par value of CHF 0.05 per share which equates to 8.92% of the existing share capital. Out of this conditional share capital, an amount of CHF 101,050.65 (equaling 2,021,013 registered shares) may be used for distribution to key employees of the Sonova Group through an equity participation program, under the exclusion of the subscription rights of shareholders. In addition, an amount of CHF 165,056 (equaling 3,301,120 registered shares) may be used for exercising option and conversion rights granted in connection with bonds or similar debt instruments issued by the company. The subscription rights of shareholders are excluded. The advance subscription rights of shareholders may be excluded if such bonds are issued to finance the acquisition of companies, parts of companies, or shareholdings.

More information on the conditional share capital can be found in Art. 4 of the [Articles of Association](#).

Capital range

Sonova Holding AG has a capital range of 10% of the share capital from CHF 2,683,206.45 (lower limit) to CHF 3,279,474.45 (upper limit). The Board of Directors shall be authorized within the capital range to increase (by issuing up to 5,962,680 registered shares, each with a nominal value of CHF 0.05) or to reduce the share capital (by cancelling up to 5,962,680 registered shares, each with a nominal value of CHF 0.05) once or several times in amounts or to acquire or dispose of shares directly or indirectly at any time until June 12, 2028 or until an earlier expiry of the capital range. The capital increase or decrease may also be effectuated by increasing or reducing the nominal value of the existing registered shares. In certain events, as defined in Art. 5 of the [Articles of Association](#), the Board of Directors is authorized to exclude or restrict the subscription rights of existing shareholders and allocate such rights to third parties, the company, or any of its group companies.

The Board of Directors did not make use of this authorization in the 2024/25 financial year.

More information on the capital range can be found in Art. 5 of the [Articles of Association](#).

Limitations on exercising the conditional share capital and/or the capital range

If the conditional capital and/or the capital range is exercised and subscription or advance subscription rights are excluded or restricted, the total of the capital increase shall not exceed an amount of CHF 298,134 by issuing 5,962,680 registered shares, which correspond to 9.99% of the currently issued share capital.

More information on the limitations of exercising the conditional share capital and/or the capital range can be found in Art. 6 of the [Articles of Association](#).

Options

In the 2024/25 financial year, a total of 99,502 options and Stock Appreciation Rights (SARs) were granted as part of the Sonova Executive Equity Award Plan (EEAP). In the 2023/24 financial year, the number of options and SARs granted totaled 118,673. As of March 31, 2025, there were 773,724 options, performance options and SARs outstanding (compared with 904,085 in the previous year). Each of the options entitles the holder to purchase one registered share in Sonova Holding AG with a par value of CHF 0.05 at the respective exercise price and upon meeting certain performance criteria, while the SAR entitles to receive a cash settlement equal to the option value. The EEAP is described in greater detail in the [compensation report](#) and in [Note 7.4](#) to the consolidated financial statements.

Convertible bonds

Sonova Holding AG has not issued any convertible bonds.

Changes in capital

As of March 31, 2025, and the preceding three financial years, the share capital of Sonova Holding AG comprised the following (CHF amounts in this schedule are rounded up to whole numbers):

	2025	2024	2023	2022	2021
Ordinary capital (in CHF)	2,981,340 ¹⁾	2,981,340 ¹⁾	3,057,986 ³⁾	3,158,608 ⁵⁾	3,219,907 ⁷⁾
Total shares	59,626,809	59,626,809	61,159,719	63,172,157	64,398,137
Difference in ordinary capital compared to the prior financial year (in CHF)	(76,645)	(76,645)	(100,622)	(61,299)	n.a.
Capital range (in CHF)					
lower limit	2,683,206	2,683,206			
upper limit	3,279,474	3,279,474	n.a.	n.a.	n.a.
equals cancellation / issuing of up to shares	5,962,680	5,962,680	n.a.	n.a.	n.a.
Authorized share capital (in CHF)	n.a. ²⁾	n.a. ²⁾	305,799 ⁴⁾	321,991 ⁶⁾	321,991 ⁶⁾
Authorized shares	n.a. ²⁾	n.a. ²⁾	6,115,971 ⁴⁾	6,439,813 ⁶⁾	6,439,813 ⁶⁾
Conditional capital (in CHF)	266,108	266,108	266,108	266,108	266,108
equals issuing of up to shares	5,322,133	5,322,133	5,322,133	5,322,133	5,322,133

¹⁾ The 2023 AGM approved a reduction of the share capital by CHF 76,645.50 through the cancellation of 1,532,910 registered shares. This capital reduction was the result of the share buyback program of 2022-2025, announced on April 14, 2022, under which the company repurchased 1,532,910 registered shares between April 19, 2022, and March 31, 2023.

²⁾ The introduction of the capital range was resolved by the 2023 AGM and replaced the authorized capital (for details see the section capital range above).

³⁾ The 2022 AGM approved a reduction of the share capital by CHF 100,621.90 through the cancellation of 2,012,438 registered shares. This capital reduction was the result of the share buyback program announced on May 18, 2021, under which the company repurchased 2,012,438 registered shares between June 4, 2021, and March 28, 2022.

⁴⁾ The 2022 AGM approved the creation of authorized capital of CHF 305,798.55 allowing for the issuance of up to 6,115,971 registered shares until June 15, 2024.

⁵⁾ The 2021 AGM approved a reduction of the share capital by CHF 61,299.00 through the cancellation of 1,225,980 registered shares. This capital reduction was the result of the share buyback program announced on August 31, 2018, under which the company repurchased a total of 1,843,090 registered shares between April 1, 2019, and March 31, 2021.

⁶⁾ The 2020 AGM approved the creation of authorized capital of CHF 321,990.65 allowing for the issuance of up to 6,439,813 registered shares until June 11, 2022.

⁷⁾ The 2019 AGM approved a reduction of the share capital by CHF 46,637.50 through the cancellation of 932,750 registered shares. This capital reduction was the result of the share buyback announced on August 31, 2018, under which the company repurchased 932,750 registered shares between April 1, 2018, and March 31, 2019.

Share buyback program 2022 – 2025

On April 14, 2022, Sonova announced a [share buyback program](#) for the purpose of a capital reduction that started on April 19, 2022. The program allows to buy back shares worth up to CHF 1.5 billion and ended on April 18, 2025. No shares were bought back in the 2024/25 financial year.

Limitations on transferability and nominee registrations

Limitations on transferability for each share category

To be recognized as a shareholder with full voting rights, the acquirer of shares must submit a written application for registration in the share register. The company may refuse registration in the share register if applicants do not explicitly declare that they have acquired and will hold the shares in their own name and for their own account. The company may further refuse entry of the acquirer as a shareholder or usufructuary with a voting right to the extent that the shares held would exceed 5% of the overall number of shares shown in the Commercial Register (Art. 8 para. 6 of the [Articles of Association](#)). Linked parties are considered as one person. This registration restriction does not apply to the founding shareholders. The Board of Directors may grant exceptions where there is justified cause, in which case no special quorum is required.

More information on the limitations on transferability and registrations can be found in Art. 8 of the [Articles of Association](#).

Exceptions granted in the year under review

No exceptions were granted by the Board of Directors during the reporting period.

Admissibility of nominee registrations

The Board of Directors can issue regulations specifying the conditions under which trustees/nominees are recognized as shareholders with voting rights (Art. 8 para. 5 of the [Articles of Association](#)).

Procedure and conditions for cancelling statutory privileges and limitations on transferability

A resolution of the General Shareholders' Meeting approved by a relative majority of the votes cast is sufficient for cancellation or relaxation of the provisions for restricting the transferability of shares (Art. 15 para. 5 of the [Articles of Association](#)).

Board of Directors

Introduction

The Board of Directors of Sonova Holding AG sets the overall direction and supervision of the management (see Art. 716a para. 1 of the Swiss Code of Obligations). Its working methods are reflected in the [Organizational Regulations](#) and the Board Committee Charters (available for the [Audit Committee](#) and the [Nomination and Compensation Committee](#)).

As determined in Art. 1 of the [Organizational Regulations](#), the Board of Directors plans the succession of its members and defines the criteria for selecting candidates so that the composition is well-balanced in terms of size, professional skills, international experience, and diversity. Sonova ensures that newly elected members receive an appropriate introduction and orientation and that the members of the Board of Directors receive continuing training with respect to their responsibilities.

Board of Directors independence

Members of the Board of Directors are considered to be independent, according to Section 15 of the [Swiss Code of Best Practice for Corporate Governance](#) and Art. 6 lit. c of the [Organizational Regulations](#), if they personally or in association with related persons have not been a member of the Management Board during the last three years, have not served as lead auditor of external auditor during the last two years, and have no or only comparatively minor business relations with the company. According to these rules, all members of Sonova's Board of Directors are considered to be independent.

Board of Directors fees

Fees for members of the Board of Directors are structured to be consistent with the principle of independence; members therefore only receive fixed fees paid in the form of a cash retainer and non-discounted shares with a blocking period of five years and four months (Chair of the Board of Directors) or four years and four months (all other members of the Board of Directors). The allocation of shares strengthens alignment with shareholders' interests. In addition, members of the Board of Directors receive committee retainers for their services on Sonova's committees. Members of the Board of Directors do not receive performance-related compensation, severance payments, or benefits (please see the relevant chapters in the [compensation report](#) for more information).

Executive management positions

No member of the Board of Directors holds an executive management position with Sonova Holding AG or any of its subsidiaries and has not done so in the past three years.

Business connections of members of the Board of Directors with Sonova Holding AG or its subsidiaries

In the 2024/25 financial year, there were no business connections between individual members of the Board of Directors, including companies or organizations represented by them, and Sonova Holding AG or its subsidiaries.

Other activities and vested interests

Except as disclosed in the biographies of the members of the Board of Directors, no member of the Board of Directors holds any position in a governing or supervisory body of any important private or public sector organization, institution, or foundation; none holds any permanent management or consultancy position with an important interest group, or any public or political office.

Mandates outside Sonova Holding AG

No member of the Board of Directors may hold more than four mandates in listed companies and no more than five mandates in other companies and organizations. Mandates shall mean mandates in comparable functions at other enterprises as well as in (trading) associations, organizations, foundations and similar legal entities with an economic purpose.

The following mandates are not subject to these limitations:

- Mandates in companies which are controlled by Sonova or in companies which control Sonova; and
- Mandates held at the request of Sonova or companies controlled by Sonova, whereby no member of the Board of Directors may hold more than ten such mandates.

For further details see Art. 30 of the [Articles of Association](#), and the [compensation report](#) for outside mandates to be disclosed under the Swiss Code of Obligations.

Board of Directors competence and evaluation

The Nomination and Compensation Committee and the Board of Directors evaluate current and prospective members according to a skills and experience competency matrix to ensure that an appropriate mix of relevant skills and experience is represented in the Board of Directors. The matrix includes criteria relating to executive management expertise, board experience, relevant industry know-how, strategic thinking (including M&A), international/regional experience, technology/product development experience (hardware and software), digital expertise, IT expertise, Supply Chain Management expertise, financial expertise, sales/marketing expertise, retail and service expertise, HR expertise, and ESG expertise. When following the matrix criteria in the nomination and evaluation processes, the Nomination and Compensation Committee and the Board of Directors are committed to considering characteristics including but not limited to, gender, age, nationalities or country of origin, ethnicity, cultural background, ways of believing and mindsets, in order to establish balance in terms of diversity and inclusion

The Nomination and Compensation Committee and the Board of Directors make use of this information to identify potential gaps, and to help create profiles for new director searches.

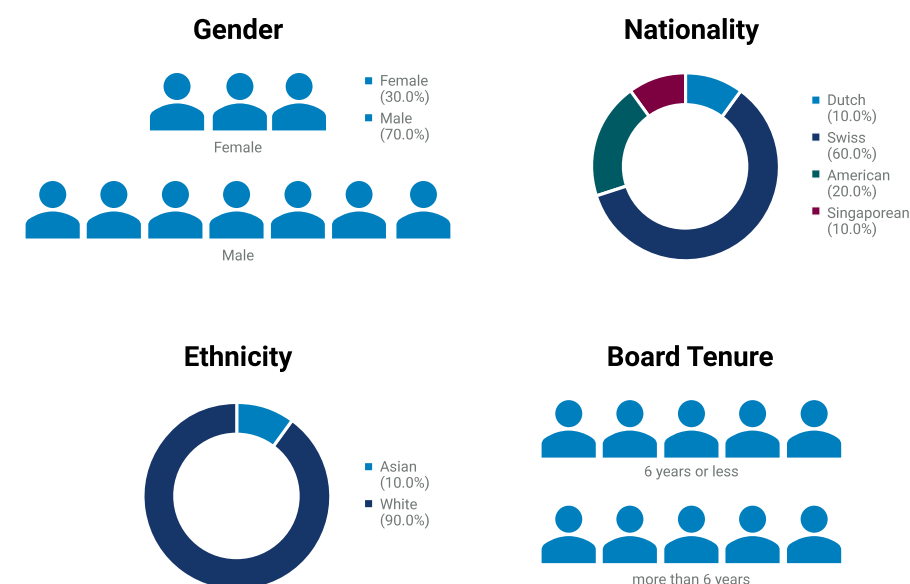
The Board of Directors also conducts an annual self-assessment to:

- Ensure and enhance its comprehensive understanding of the business and the company;
- Evaluate the work of the Board of Directors, its committees, the individual members of the Board of Directors, and the Chair;
- Make the best use of the human capital represented on the Board of Directors; and
- Optimize efficiency, effectiveness of working methods, and cooperation among members of the Board of Directors and members of the Management Board.

The Chair of the Board of Directors initiates the annual Board of Directors self-assessment by distributing an evaluation questionnaire, previously approved by the Board of Directors. The Chair of the Board of Directors is responsible for collecting the assessments and for initiating the review of the consolidated results by the Nomination and Compensation Committee and subsequently the full Board of Directors.

Composition of the Board of Directors

As of March 31, 2025, the composition of the Board of Directors is as follows:



	Robert F. Sperry	Stacy Enxing Seng	Gilbert Achermann	Gregory Behar	Lynn Dorsey Bleil	Lukas Braunschweiler	Roland Diggelmann	Julie Tay	Ronald van der Vis	Adrian Widmer
Age	69	60	61	55	61	68	57	58	57	56
Tenure (years)	22	11	1	4	9	7	4	3	16	5
Gender										
Female		x			x			x		
Male	x		x	x		x	x		x	x
Race/Ethnicity										
White	x	x	x	x	x	x	x		x	x
Non-White								x		
Committee Member										
Audit				x	x				x	x
Nomination & Compensation		x				x	x	x		
Independent	x	x	x	x	x	x	x	x	x	x

Elections, terms of office, and biographies

Election procedure and limits on the terms of office

Art. 16 para. 1 of the [Articles of Association](#) of Sonova Holding AG states that the Board of Directors must consist of a minimum of five and a maximum of ten members. The members of the Board of Directors are elected by the shareholders at the General Shareholders' Meeting (Art. 10 no. 2 of the [Articles of Association](#)).

Re-elections for successive terms are possible. Members of the Board of Directors shall retire automatically at the first General Shareholders' Meeting following their seventieth birthday. In justified individual cases, the Board of Directors may make an exemption. For further details see Art. 6 of the [Organizational Regulations](#).

First election and remaining term of office

The following table shows the date of the first election for each member of the Board of Directors. The [Articles of Association](#) require that the term of office of a member of the Board of Directors ends after the completion of the next Annual General Shareholders' Meeting. As a consequence, each such member will have to be re-elected annually at the Annual General Shareholders' Meeting. All members of the Board of Directors were re-elected by the 2024 Annual General Shareholders' Meeting, except Gilbert Achermann, who was initially elected at that meeting.

Name	Position	First elected
Robert F. Spoerry	Chair	2003
Stacy Enxing Seng	Vice Chair	2014
Gilbert Achermann	Member	2024
Gregory Behar	Member	2021
Lynn Dorsey Bleil	Member	2016
Lukas Braunschweiler	Member	2018
Roland Diggelmann	Member	2021
Julie Tay	Member	2022
Ronald van der Vis	Member	2009
Adrian Widmer	Member	2020

Robert F. Spoerry

(born 1955, Swiss citizen) has been Chair of the Board of Directors of Sonova Holding AG since March 30, 2011, and a non-executive member of the Board of Directors since 2003.

Robert F. Spoerry is also the non-executive Chair of the Board of Directors of Mettler Toledo International Inc., a leading global manufacturer and marketer of precision instruments and related services for use in laboratory, manufacturing, and food retailing applications. He joined Mettler Toledo in 1983 and was CEO from 1993 to 2007. He led the buyout of Mettler-Toledo from Ciba-Geigy in 1996, and the company's subsequent Initial Public Offering on the New York Stock Exchange (NYSE) in 1997. From 1998 until May 2024, he was Chair of the Board of Directors of Mettler-Toledo International Inc.

His long-standing experience in the technology sector, his deep knowledge of Sonova and his strong technical background with innovation-driven companies provides a substantial benefit to the Group and its shareholders. Robert F. Spoerry devotes a substantial amount of his time to his service as Chair of the Board of Directors.

Robert F. Spoerry graduated in mechanical engineering from the Swiss Federal Institute of Technology (ETH) in Zurich, Switzerland, and holds an MBA from the University of Chicago, USA.



Outside mandates

Listed companies:

- Member of the Board of Directors of Bystronic Holding AG (former Conzetta Holding AG)

Other mandates:

- n.a.

Stacy Enxing Seng

(born 1964, US citizen) has been a non-executive member of the Board of Directors since 2014 and serves on the Nomination and Compensation Committee. She became Vice Chair of the Board of Directors at the 2021 AGM.

She previously served as President of Covidien's Vascular Therapies division. Stacy Enxing Seng joined Covidien as president of its vascular therapies division in July 2010 through its acquisition of ev3 where she was a founding member and executive officer responsible for leading ev3's Peripheral Vascular Division from inception. She has also held various positions at Boston Scientific, SCIMED Life Systems Inc., Baxter Healthcare, and American Hospital Supply.

With her broad experience in the medical technology sector and her strong track record in growing startups and leading multinational companies, she brings further important perspectives to the Group. Her expertise in working with regulatory agencies around the globe brings valuable insight to the Board of Directors.

Stacy Enxing Seng received an MBA from Harvard University and has a Bachelor of Arts in Public Policy from Michigan State University, USA.



Outside mandates

Listed companies:

- Member of the Board of Directors of LivaNova Inc.

Other mandates:

- Chair of the Board of Directors of Cala Health
- Executive Chair of the Board of Directors of Contego Inc.
- Member of the Board of Directors of Corza Inc.
- Member of the Board of Directors of Imperative Care
- Operating Partner of Lightstone Ventures

Gilbert Achermann

(born 1964, Swiss citizen) has been a non-executive member of the Board of Directors since 2024.

Gilbert Achermann served as Chair of the Board of Directors of the Straumann Group from 2010 until 2024. Before that, he was Straumann Group's CFO and later CEO totaling up to more than 12 years, during which time he played a central role in building the company into a global leader in the dental industry. In 2020, he became a member, and in 2022 the Chair of the Board of Directors of Ypsomed Group. Since 2022 Gilbert Achermann is a member of the Board of Directors of Unilabs, and since 2023 its Chair. Since 2022 he is also a member of the Board of Directors of Greentech, a start-up company.



Since 2018 he serves on the Board of IMD in Lausanne and has been elected Vice Chair as of 2026. Since 2020, Gilbert Achermann is also a member and since 2024 Vice President of the Management Board of the Swiss Medtech Association. From 2012 until 2024, he served on the Board of Directors of Julius Baer Group.

With his extensive international business and executive experience, along with a profound understanding of the MedTech industry paired with his long-standing tenure as Chair of the Board of Directors at various companies, he provides valuable insights to the Board of Directors.

Gilbert Achermann holds a degree in Business Administration from the University of Applied Science in St. Gallen and completed the Executive MBA program at the IMD in Lausanne, Switzerland.

Outside mandates

Listed companies:

- Chair of the Board of Directors of Ypsomed Group

Other mandates:

- Chair of the Board of Directors of Unilabs Group
- Member of the Board of Greentech
- Designated Vice Chair of the Supervisory Board of IMD Lausanne
- Vice Chair of the SwissMedtech Association

Gregory Behar

Gregory Behar (born 1969, Swiss citizen) has been a non-executive member of the Board of Directors since 2021.

Since January 2024 he is the CEO of Recipharm AB, a leading Contract Development and Manufacturing Organization (CDMO) in the pharmaceutical industry. From 2014 until December 31, 2023, he served as CEO of Nestlé Health Science, a global leader in the science of nutrition, and became a member of the Nestlé Executive Board in 2017. From 2011 to 2014, he was President & CEO of Boehringer Ingelheim Pharmaceuticals Inc. (USA). Prior to that, he held various leadership positions with Boehringer Ingelheim GmbH (Germany), Novartis AG, and Nestlé SA.

With his broad international business and executive experience in the healthcare industry as well as his strong track record in leading successful global businesses, Gregory Behar brings valuable insight to the Board of Directors.

Gregory Behar earned an MBA from INSEAD, France, a Master of Science in mechanical engineering and manufacturing from EPFL Lausanne, Switzerland, and a Bachelor of Science in mechanical engineering from the University of California in Los Angeles, USA.



Outside mandates

Listed companies:

- n.a.

Other mandates:

- CEO of Recipharm AB
- Member of the Board of Directors of Amazentis SA
- Member of the Board of Directors of New Biologix (mandate held at the direction of Recipharm AB as part of his role as its CEO and thus, shall not be considered as an additional outside mandate)

Lynn Dorsey Bleil

(born 1963, US citizen) has been a non-executive member of the Board of Directors since 2016 and serves as a member of the Audit Committee.

She retired as Senior Partner (Director) from McKinsey & Company in the US in 2013 after more than 25 years of advising senior management and boards of leading healthcare companies on corporate and business unit strategy, mergers and acquisitions, and public policy across all segments of the healthcare value chain. She was also a member of the Board of Directors of Auspex Pharmaceuticals until its sale to Teva in March 2015, of DST Systems until its sale to SS&C in April 2018, and of Stericycle Inc. until its sale to Waste Management in November 2024.

With her extensive experience in advising North American healthcare companies across the entire value chain and through her various board mandates in this sector, she brings very valuable strategic perspectives to the Group and contributes her broad know-how as a Board member.

Lynn Dorsey Bleil holds a Bachelor's degree in Chemical Engineering from Princeton University and a Master's degree in Business Administration from the Stanford University Graduate School of Business, USA.



Outside mandates

Listed companies:

- Member of the Board of Directors of Alcon Inc..
- Member of the Board of Directors of Amicus Therapeutics Inc.

Other mandates:

- Chair of the Intermountain Healthcare Wasatch Back Hospitals Community Board (a non-profit organization)

Lukas Braunschweiler

(born 1956, Swiss citizen) was the CEO of the Sonova Group from November 2011 until March 31, 2018 and has been a non-executive member of the Board of Directors since 2018 and serves as member of the Nomination and Compensation Committee.

Before joining the company, Lukas Braunschweiler was CEO of the Swiss technology group RUAG from 2009 until 2011. From 2002 to 2009, as President and CEO, he headed the Dionex Corporation. The California-based company, active in the life sciences industry, was listed on the Nasdaq stock exchange. Previously, from 1995 to 2002, he held various group executive positions in Switzerland and the US for Mettler Toledo, a precision instruments manufacturer.

Lukas Braunschweiler brings broad CEO experience from a variety of tech-oriented companies and industries in an international environment. Having served as CEO of Sonova from 2011 to 2018, he has not only a comprehensive knowledge of Sonova as a company and its business but also a broad experience in the global hearing aid industry.

Lukas Braunschweiler received a Master of Science in analytical chemistry (1982) and was awarded a Ph.D. in physical chemistry (1985) from the Swiss Federal Institute of Technology (ETH) in Zurich, Switzerland.



Outside mandates

Listed companies:

- Chair of the Board of Directors of Tecan Group AG

Other mandates:

- n.a.

Roland Diggelmann

(born 1967, Swiss citizen) has been a non-executive member of the Board of Directors since 2021 and serves as a member and Chair on the Nomination and Compensation Committee.

From 2019 until March 31, 2022, he has been CEO of Smith & Nephew plc, a UK-based leading global medical technology company active in orthopedics, sports medicine, and advanced wound management. From 2008 to 2012 he was managing director for the Asia/Pacific region and from 2012 until 2018 CEO of Roche Diagnostics. He previously held senior management positions in sales and marketing as well as strategic planning at Zimmer Holdings and Sulzer Medica (later known as Centerpulse).

With more than 20 years of executive experience in the medical device and life sciences industry across many parts of the world and as CEO, Roland Diggelmann provides valuable input to the implementation of Sonova's strategy.

Roland Diggelmann studied Business Administration at the University of Bern, Switzerland.



Outside mandates

Listed companies:

- Chair of the Board of Directors of Mettler Toledo International Inc.

Other mandates:

- Member of the Board of Directors Berlin Heals AG
- Member of the Board of Directors of HeartForce AG
- Member of the Board of Directors Navignostics AG
- Member of the Board of Directors Osler Diagnostics Ltd.

Julie Tay

(born 1966, Singapore citizen) has been a non-executive member of the Board of Directors since 2022 and serves as a member on the Nomination and Compensation Committee.

She served as Senior Vice President and Managing Director, Asia Pacific in Align Technology Inc from 2013 to 2022. She was also a member of the global Executive Management Committee. Align Technology is a leading global medical device company that designs, manufactures, and sells the Invisalign system of clear aligners, iTero intraoral scanners, and exocad CAD/CAM software for digital orthodontics and restorative dentistry.

Before that she held various management positions at Bayer Healthcare, JohnsonDiversey, and Johnson & Johnson Medical. With her broad executive experience in the medical device industry and her executive experience, Julie Tay brings valuable insight to the Board of Directors.

Julie Tay holds a BA from the National University of Singapore and an MBA in International Marketing from the Curtin University of Technology, Australia.



Outside mandates

Listed companies:

- Member of the Board of Directors of EBOS Group Ltd.

Other mandates:

- n.a.

Ronald van der Vis

(born 1967, Dutch citizen) has been a non-executive member of the Board of Directors since 2009 and serves as a member of the Audit Committee, which he chaired from 2019 to 2021.

Ronald van der Vis served as Group CEO of Esprit Holdings Limited, a global fashion and lifestyle company listed on the Hong Kong Stock Exchange, from 2009 until November 2012. Prior to this, since 1998, he held various general management positions at GrandVision NV, the world's leading optical retailer. He was Group CEO at GrandVision NV from 2004 to 2009.

With his extensive international expertise in the retail sector and his broad M&A, corporate finance and strategic experience, Ronald van der Vis provides valuable input to the Group's vertically integrated business strategy.

Ronald van der Vis graduated from the Nyenrode Business University in the Netherlands and received his Master's degree in business administration from the Alliance Manchester Business School in the UK. He has gained significant financial expertise both through his education and through his business experience as CEO and private equity partner.



Outside mandates

Listed companies:

- n.a.

Other mandates:

- Operating Partner, Co-Investor and Industry Advisor
- Chair of the Supervisory Board of European Dental Group
- Chair of the Supervisory Board of Equipe Zorgbedrijven
- Chair of the Supervisory Board of United Veterinary Care
- Member of the Supervisory Board of HEMA BV

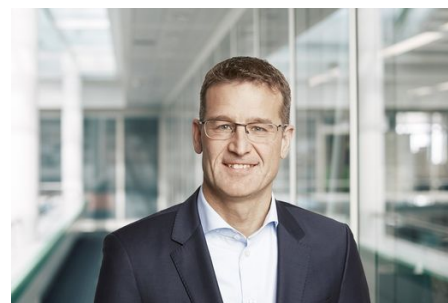
Adrian Widmer

(born 1968, Swiss citizen) has been a non-executive member of the Board of Directors since 2020 and serves as a member and Chair on the Audit Committee.

Since 2014 he is Group CFO of Sika AG, a global specialty chemical company based in Switzerland. He previously served as Head Group Controlling and M&A at Sika from 2007 to 2014. Prior to joining Sika, he held various management positions at BASF, Degussa and Textron Inc. in the areas of finance and controlling, business development and general management.

With his broad management background, his experience in M&A and business development, and particularly his financial expertise as active CFO, Adrian Widmer is well qualified to serve on and lead the Audit Committee as a financial expert and is an ideal sparring partner for Sonova's CFO.

Adrian Widmer holds a Master of Science degree in Business and Economics from the University of Zurich, Switzerland and completed the Advanced Management Program of INSEAD Fontainebleau in France.



Outside mandates

Listed companies:

- Group CFO of Sika AG

Other mandates:

- n.a.

Internal organizational structure

Allocation of tasks within the Board of Directors

As specified in Art. 17 para. 1 of the [Articles of Association](#), the Board of Directors constitutes itself, except for the Chair and the members of the Nomination and Compensation Committee, who must be elected by the shareholders. If the office of the Chair or a member of the Nomination and Compensation Committee is vacant, pursuant to Art. 16 para. 4 of the [Articles of Association](#), the Board of Directors appoints a replacement from among its members for the remaining term of office. The duties of the Chair are set out in Art. 16 of the [Organizational Regulations](#), and the duties of the Vice-Chair are set out in Art. 18 of the [Organizational Regulations](#).

In accordance with Art. 13 para. a of the [Organizational Regulations](#), which supplements the Articles of Association, the Board of Directors appoints an Audit Committee.

Tasks and areas of responsibility of Board of Directors' committees

The duties and authorities of the committees are defined in the [Articles of Association](#), the [Organizational Regulations](#), and the Board Committee Charters (available for the [Audit Committee](#) and the [Nomination and Compensation Committee](#)).

The committees usually meet before the Board of Directors' meetings, report regularly on activities and make proposals to the Board of Directors based on their findings. The overall responsibility for duties delegated to the committees remains with the Board of Directors.

Audit Committee

The members of the Audit Committee are Adrian Widmer (Chair), Gregory Behar, Lynn Dorsey Bleil and Ronald van der Vis.

The duties of the Audit Committee include reviewing the performance and effectiveness of external and internal audits on behalf of the entire Board of Directors; evaluating the company's financial control systems, financial structure, and risk management control mechanisms; and verifying the interim and annual accounts and financial statements of the Sonova Group. The Audit Committee is also kept regularly informed on the company's compliance program. Further details can be found in the [Audit Committee Charter](#).

The Audit Committee meets as often as required but no fewer than four times per year. During the reporting period, the Audit Committee met four times. The Chair of the Board of Directors was invited to, and attended, every Audit Committee meeting as a guest.

Nomination and Compensation Committee

The members of the Nomination and Compensation Committee are Roland Diggelmann (Chair), Lukas Braunschweiler, Stacy Enxing Seng, and Julie Tay.

The Nomination and Compensation Committee supports the mission of the Board of Directors to attract, retain, and motivate people with outstanding professional and human capabilities at the Board of Directors and top management levels. In the selection and nomination processes, the committee considers independence, expertise, experience, and skills (including those related to economic, environmental and social aspects) needed for the respective corporate body's tasks, seeking where possible to establish balance in diversity terms including but not limited to: gender, age, nationalities or country of origin, ethnicity, competencies, experiences, ways of believing and mindsets. The Nomination and Compensation Committee also supports the Board of Directors in preparing the [compensation report](#), establishing and reviewing the company's compensation principles, guidelines, and performance metrics, and preparing proposals to the Annual General Shareholders' Meeting on the compensation of the Board of Directors and Management Board. The committee may also submit proposals and recommendations to the Board of Directors on other compensation-related issues. Further details can be found in the [Nomination and Compensation Committee Charter](#).

The Nomination and Compensation Committee meets as often as required but no fewer than four times per year. During the reporting period, the committee met four times and held two additional conference calls on relevant subject matters. The Chair of the Board of Directors was invited to, and attended, every Nomination and Compensation Committee meeting as a guest.

Working methods of the Board of Directors and its committees

During the reporting period, the Board of Directors held five regular meetings and one additional conference call on relevant subject matters. The table below shows the individual members' attendance at Board of Directors and committee meetings, as well as the average length of the meetings:

	BoD meet- ings ¹⁾	BoD add. calls ²⁾	AC meet- ings ³⁾	AC add. calls ⁴⁾	NCC meet- ings ⁵⁾	NCC add. calls ⁶⁾
No. of meetings in 2024/25	5	1	4	1	5	1
Robert F. Spoerry	5	1	4 ⁷⁾		5 ⁷⁾	1 ⁷⁾
Stacy Enxing Seng	5	1			5	1
Gilbert Achermann	5 ⁸⁾	1				
Gregory Behar	5	1	4	1		
Lynn Dorsey Bleil	5	1	4	1		
Lukas Braunschweiler	5	1			5	1
Roland Diggelmann	5	1	4		5	1
Julie Tay	5	1			5	1
Ronald van der Vis	5	1	4	1		
Adrian Widmer	5	1	4	1		
Average meeting length	8.5 h	1 h	3 h	1 h	2 h	1 h

¹⁾ Regular Board of Directors meetings in person.

²⁾ Additional calls of the Board of Directors.

³⁾ Regular meetings of the Audit Committee (AC) in person.

⁴⁾ Additional calls of the Audit Committee (AC).

⁵⁾ Regular meetings of the Nomination and Compensation Committee (NCC) in person.

⁶⁾ Additional calls of the Nomination and Compensation Committee (NCC).

⁷⁾ As a guest.

⁸⁾ Participated in two meetings as a guest before being elected at the 2024 AGM.

Urgent business matters were discussed in various telephone conferences. In addition to formal meetings at which minutes were taken, members of the Board of Directors or the committees also frequently met informally for other topics and discussions that required additional time. These included but were not limited to, preparations for formal meetings, interviews, nomination of key individuals, and reviewing M&A projects.

The agenda for a meeting of the Board of Directors or of a Board committee is set by its respective Chair. Any member of the Board of Directors or a committee may request a meeting or ask that an item be put on the agenda. Members of the Board of Directors and the committees are provided in advance of meetings with all relevant documents that enable them to prepare for the discussion of the agenda items during the meeting. The Board of Directors and its committees constitute a quorum if at least half of the members are present. The Board of Directors and its committees approve resolutions by a majority of members present at the meeting. In the event of an equal number of votes, the Chair has the casting vote.

The Board of Directors works closely with the Management Board. In general, the meetings of the Board of Directors and its committees are also attended by the CEO and the CFO and, depending on the agenda, other members of the Management Board. The Board of Directors and the committees meet in an executive session after every Board and committee meeting, respectively. The Board of Directors consults external experts in connection with specific tasks when necessary.

During the 2024/25 financial year, the five regular meetings of the Board of Directors were attended by the CEO and other members of the Management Board to review, amongst other topics, performance against plan, key initiatives, and strategic matters. If necessary, the Board of Directors also consults with other internal experts (such as the Group General Counsel) or external advisors.

All four meetings of the Audit Committee were attended by the Chair as a guest. The CEO, the CFO, and the Head of Internal Audit and Risk participated in all four meetings of the Audit Committee. Representatives of the auditors participated in one out of these four meetings.

All five meetings of the Nomination and Compensation Committee were attended by the Chair as a guest and were held in the presence of the CEO and the Group Vice President Corporate Human Resources.

Definition of areas of responsibility

The Board of Directors of Sonova Holding AG is responsible for the overall direction of the company, except in matters reserved by law to the Annual General Shareholders' Meeting. The Board of Directors decides on all matters that have not been reserved for or conferred upon another governing body of the company by law, by the [Articles of Association](#), or by the company's [Organizational Regulations](#). The division of responsibility between the Board of Directors and the Management Board is set out in detail in the company's [Organizational Regulations](#).

Information and control instruments vis-à-vis the Management Board

The Management Board reports regularly to the Board of Directors and its committees. At each Board of Directors' meeting, the Management Board informs the Board of Directors on the status of current business matters and financial results, and presents relevant strategic initiatives as well as major business transactions such as M&A. Each year a Board of Directors' meeting is reserved for the presentation and discussion of the company's strategy and long-term financial plan. The Board of Directors is provided with monthly consolidated sales reports containing data on revenue, average selling prices, and units for each major product, subsidiary, and market. The Board of Directors also receives, on a monthly basis, the financial report with the full profit and loss statement, the balance sheet, and the cash flow statement, as well as the CEO's report on business performance, the competitive situation, updates on various initiatives, and an outlook. Telephone conferences are held as required between the members of the Board and the CEO or

CFO. Furthermore, each member of the Board of Directors may request information on all matters concerning the company.

Internal audit, risk, and compliance

The mandates of the Internal Audit and Risk Management functions, along with their reporting lines and scope of activities, are defined in the Internal Audit & Risk Charter approved by the Audit Committee and the Board of Directors. Internal Audit carries out compliance and operational audits and assists the business units in attaining their goals by providing assurance from an independent evaluation of the effectiveness of internal control processes. The Management is responsible for the control of business risks and for compliance with laws and regulations. The Audit Committee approves the annual work plans of Internal Audit and ensures that the relevant Group companies are adequately reviewed according to their risk scoring. The Audit Committee also reviews and discusses the reports on completed audits submitted by Internal Audit. Internal Audit, together with Business Controlling, monitors the implementation by Group companies of any measures necessary to address findings from previous audits, and regularly reports progress to the Audit Committee. The Head of Internal Audit & Risk reports to the Chair of the Audit Committee. In addition, the Chair of the Board of Directors is invited to the Audit Committee as a guest and is thus kept fully informed, but has no voting rights.

The Group has implemented an efficient and comprehensive system to identify and assess strategic, operational, financial, legal, cyber, and compliance risks related to the Group's business activities. Risk management and mitigation proposals are prepared by the Management Board, reviewed by the Audit Committee and subsequently approved by the entire Board of Directors. The risk management function categorizes risks by severity and probability and supports the Management Board in determining the measures necessary to address or mitigate them. Our risk management approach is aligned with international standards, such as the Committee of Sponsoring Organizations (COSO) internal control framework.

The Board of Directors approves the risk assessment and provides guidance from a strategic point of view. To continuously monitor key risks and their mitigation, Risk Management prepares risk status reports which are presented to the Audit Committee on an ad hoc basis.

Risk Management also assumes responsibility for the Internal Control System (ICS) for financial reporting risks. The Board of Directors receives annual updates on the Group companies' compliance with the ICS guidelines.

The Group compliance program supports Sonova's core values of ethical behavior and unquestionable integrity. The program is administered by the Head Group Compliance & Data Privacy and ultimately overseen by the Group General Counsel. Among other activities, the program administers the ethics hotline, and other reporting channels and ensures that reports are adequately addressed; structures the policy framework for ethical business conduct and trains the businesses on it; counsels and advises on proposed business approaches; and supports the businesses in their vetting of business partners. Quarterly compliance reports are provided to the Audit Committee and an annual compliance report is addressed to the Board of Directors. The Group General Counsel has an activity-specific or "dotted-line" reporting relationship to the Chair of the Audit Committee with respect to compliance responsibilities.

Environmental, Social and Governance Management (ESG)

Sonova's environmental, social and governance (ESG) strategy is integrated into its overall strategy and is an essential part of Sonova's way of doing business. "We take accountability" is one of our core values: ESG improvement indicators are therefore embedded throughout our business, and we strive to optimize them with the same intensity as we do our financial ones, making significant efforts and setting ambitious targets.

Sonova has established an ESG Council, which oversees and further develops the Group's ESG strategy, including commitments and targets, and monitors progress on key performance indicators and initiatives. The ESG Council meets at least on a quarterly basis and consists of the Group CEO, selected members of the Management Board, the Group General Counsel, and the

Corporate Sustainability team. Progress on ESG targets is also regularly reviewed by the full Management Board and ESG targets are an element of each Management Board member's variable compensation. The Audit Committee regularly reviews the data collection and reporting consolidation of ESG targets, while the Nomination and Compensation Committee reviews the achievement of ESG targets as part of determining the variable compensation. The Board of Directors approves the ESG strategy, initiatives, and targets, and regularly receives progress updates from the Management Board (see the comprehensive [ESG Report](#)).

Some of the key ESG topics at Sonova include climate change, access to hearing care, product quality, -reliability, and -safety, talent management, data privacy, and digital ethics. Among other reports, a comprehensive D&I report including initiatives and specific targets is prepared by the CEO and Corporate Human Resource Management and reviewed annually by the entire Board of Directors.

Responsible behavior also includes full compliance with tax laws and regulations at all times. [Sonova's tax principles](#) provide high level information on procedures and internal guidelines for tax compliance throughout the Sonova Group.

Good governance is supported by a regular dialogue on ESG topics with proxy advisors, investors, and rating agencies, and by Sonova's continuously active risk management and our compliance functions.

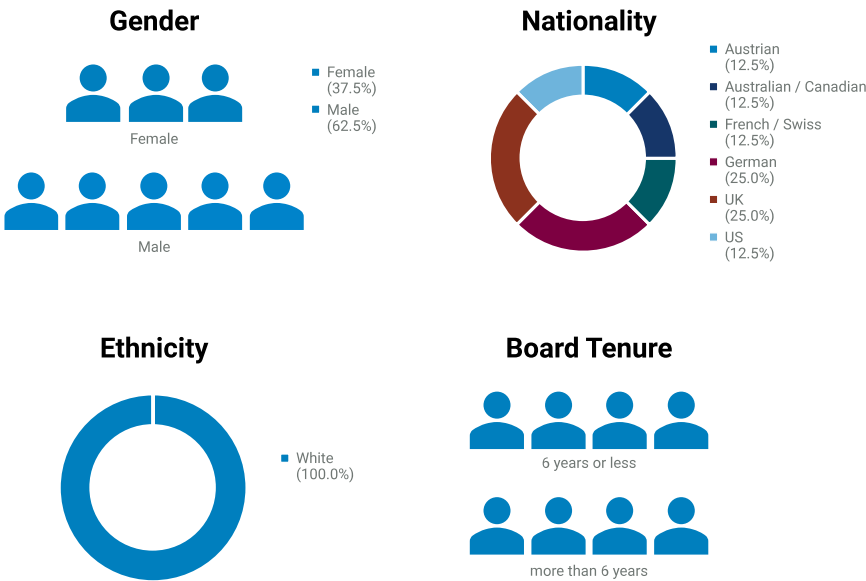
Management Board

The Management Board is responsible for the business and affairs of the company and the preparation, implementation, and monitoring of Sonova’s strategy, the management of the members’ respective Group functions, and the preparation, implementation, and delivery of the annual plan and budget. The Management Board also prepares for and executes decisions made by the Board of Directors. In accordance with the [Organizational Regulations](#) of Sonova Holding AG, the Management Board is chaired by the CEO and comprises at least the CFO, plus such additional members as appropriately reflect the company’s structure and activities. The members of the Management Board are proposed by the CEO and are appointed by the Board of Directors based on the recommendation of the Nomination and Compensation Committee (NCC).

The yearly evaluation of the CEO is based on the input of each member of the Board of Directors addressed to the Chair. The consolidated input is reviewed first by the NCC and subsequently finalized by the entire Board of Directors. Finally, the results are reviewed and discussed between the Chair and the CEO.

Composition of the Management Board

As of March 31, 2025, the composition of the Management Board is as follows:*



*Graphics already include the new CFO, Elodie Carr-Cingari, who will start with the company in May 2025 and will be appointed to the Management Board as of July 2025.

Arnd Kaldowski

Chief Executive Officer

(born 1967, German citizen) joined the Sonova Group in October 2017 as Chief Operating Officer and became CEO as of April 1, 2018.

He joined Sonova from Danaher Corporation, where he served in various leadership capacities since 2008, as Group Executive of the Diagnostics Platform and President Beckman Coulter Diagnostics from 2013 until 2017. Arnd Kaldowski led significant sales growth, innovation and productivity initiatives. He also brings significant experience and a successful track record in M&A, commercial excellence, and new product introduction, which he gained during his career at Danaher and as SVP Point-of-Care Solutions at Siemens Medical, following his previous assignments as Investment Director of Atila Ventures and as a Manager with the Boston Consulting Group.

Arnd Kaldowski holds a Master of Science in Physics from the Technical University Darmstadt, Germany, and an MBA from INSEAD in Fontainebleau, France.



Outside mandates

Listed companies:

- n.a.

Other mandates:

- President of European Hearing Instrument Manufacturers Association (EHIMA) (mandate held at the direction of Sonova as part of his role as its CEO and thus, shall not be considered as an additional outside mandate)

Ludger Althoff

Group Vice President Operations

(born 1964, German citizen) joined the Sonova Group in January 2019 as Vice President (VP) Operations and became Group Vice President Operations as of April 1, 2019.

Before joining Sonova, he was Senior VP Quality and Operations at ABB Power Grids from 2016 until 2018 where he held functional responsibility for all factories and engineering centers of the business. Before that, he held various key operation leadership positions within the Danaher Corporation from 2001 until 2016, including the role of VP Global Operations of Danaher's Dental Group and the role of VP Global Operations of Leica Microsystems. Ludger Althoff brings with him over 25 years of international management experience in operations, global sourcing and logistics as well as continuous improvement.

Ludger Althoff completed his education at the City of Mönchengladbach Technical School and was certified Quality Manager (EOQ) by the European Organization for Quality.



Outside mandates

Listed companies:

- n.a.

Other mandates:

- n.a.

Lilika Beck

Group Vice President Consumer Hearing

(born 1979, Australian and Canadian citizen) joined the Sonova Group in 2009 and held several leadership roles within Hearing Instruments and Audiological Care, before being appointed Group Vice President Consumer Hearing in June 2024.

Her experience in Hearing Instruments includes the leadership of the Unitron brand as Vice President Global Marketing and as Unitron Country Director Australia. Between 2019 and 2024, she was Managing Director of Connect Hearing Canada in Sonova's Audiological Care business. Under her leadership, Connect Hearing grew into a market-leading brand, with high client satisfaction and employee engagement scores. Lilika has a strong track record in delivering impactful product launches, she has rapidly expanded the clinic network through M&A and deployed a company-owned subscription model for hearing aids.

Lilika Beck holds a Master's degree in International Business from the Macquarie University, Australia.

As publicly announced on May 7, 2024, Lilika succeeded Martin Grieder; further details on him can be found in [last year's Annual Report](#).



Outside mandates

Listed companies:

- n.a.

Other mandates:

- n.a.

Katya Kruglova

Group Vice President Human Resources & Communications

(born 1971, British citizen) joined the Sonova Group in March 2023 and was appointed Group Vice President Human Resources & Communications in May 2023.

She has more than 25 years of global HR experience in large-scale organizations and various industries, including medical devices, life sciences and financial services. She joined Sonova Group from GE Healthcare, a global medical technology company, where she led a global HR team located in more than 30 countries as VP Human Resources from 2017 until 2023. She also played a key role in the spin-off of GE Healthcare into a publicly listed company in 2022. Prior to that, from 1998 until 2017, Katya Kruglova held HR positions with growing responsibilities in various General Electric entities, including GE Healthcare Life Sciences and GE Capital.

Katya Kruglova has a Master's degree in English/Spanish Linguistics and Psychology from the State Linguistic University in Moscow, Russia.



Outside mandates

Listed companies:

- n.a.

Other mandates:

- n.a.

Oliver Lux

Group Vice President Audiological Care

(born 1976, Austrian citizen) joined the Sonova Group in 2010 and held various general management roles in Audiological Care, before being appointed as Group Vice President Audiological Care in June 2024.

During Oliver Lux's longstanding experience in Audiological Care, he has held managing director roles in various markets, including Austria, Hungary, the US, and most recently Managing Director of Germany. He also held global corporate roles, such as VP of Strategy & Transformation and Commercial Excellence, has helped to strategically expand the global presence of the Audiological Care business and was in charge of business development and M&A to expand sales structures and integrate new stores. He was involved in the launch of "World of Hearing" at a global scale and was also responsible for new markets (e.g. Brazil, China and, Japan).

Before joining Sonova, Oliver was a Principal at Arthur D. Little focusing on consulting Strategy and M&A mandates in Central Europe East (CEE), Europe, Middle East and Africa (EMEA) regions.

Oliver Lux holds a Master's degree in Economics and Trade from the Vienna University of Economics & Business in Austria and has an Executive Diploma in Financial Strategy from Oxford University, Saïd Business School, UK.

As publicly announced on May 7, 2024, Oliver succeeded Christophe Fond; further details on him can be found in [last year's Annual Report](#).



Outside mandates

Listed companies:

- n.a.

Other mandates:

- n.a.

Alistair Simpson

Group Vice President Cochlear Implants and President of Advanced Bionics

(born 1969, UK citizen) was appointed Group Vice President Cochlear Implants as of July 2024.

Alistair Simpson is an experienced business executive with an excellent track record in managing full P&Ls as a General Manager, including leading marketing, sales, and R&D functions. He brings longstanding expertise in operational excellence and highly regulated medical devices, including the successful commercialization of multiple new products in a variety of therapeutic areas. Alistair is well-versed in interacting and building relationships with key physician contacts and looks back to more than 10 years of experience in operating as well as building business systems. Thus, he successfully combines customer-centricity with being a process-driven business leader. Additionally, he has multi-region professional experience and has held various senior leadership positions in companies including Johnson & Johnson, Danaher and LivaNova.

Alistair Simpson holds an MBA from the Joseph M. Katz Graduate School of Business at the University of Pittsburgh, USA, and a Bachelor of Science in Geography from the University of Glasgow, UK.

As publicly announced on May 7, 2024, Alistair succeeded Victoria Carr-Brendel; further details on her can be found in [last year's Annual Report](#).



Outside mandates

Listed companies:

- n.a.

Other mandates:

- n.a.

Robert Woolley

Group Vice President Hearing Instruments

(born 1976, US citizen) joined the Sonova Group in January 2022 and was appointed Group Vice President Hearing Instruments in April 2022.

He previously held the position of Executive Vice President for North America from September 2019 until December 2020 and became Executive Vice President Western Europe in January 2021. Prior to Straumann, Robert worked for Stryker as the Global Vice President and General Manager of Stryker ENT. He has longstanding experience in leadership roles in the medical device and healthcare sector, both in the USA and Switzerland. Robert has a broad range of functional experiences including roles with increasing responsibility in general management, sales and marketing, research, and product- and business development.

Robert Woolley is an engineer by training with a BSc in Mechanical Engineering from Brigham Young University and holds an MBA from Harvard Business School.



Outside mandates

Listed companies:

- n.a.

Other mandates:

- n.a.

Other activities and vested interests

Except as disclosed in the biographies of the members of the Management Board, no member of the Management Board holds any position in a governing or supervisory body of any important private or public sector organization, institution, or foundation; none holds any permanent management or consulting position with an important interest group, or any public or political office.

Mandates outside Sonova Holding AG

No member of the Management Board may hold more than one mandate in a listed company and no more than three mandates in other companies and organizations. Each of these mandates shall be subject to approval by the Board of Directors. Mandates shall mean mandates in comparable functions at other enterprises as well as in (trading) associations, organizations, foundations and similar legal entities with an economic purpose.

The following mandates are not subject to these limitations:

- Mandates in companies which are controlled by Sonova or in companies which control Sonova; and
- Mandates held at the request of Sonova or companies controlled by Sonova, whereby no member of the Management Board may hold more than ten such mandates.

For further details see Art. 30 of the [Articles of Association](#).

Management contracts

The Board of Directors and the Management Board conduct business directly and have not delegated any management tasks to companies outside the Group.

Compensation, shareholdings, and loans

Details of Board and Management compensation are contained in the [Compensation Report](#). In accordance with the Articles of Association, no loans were granted to the members of the Board of Directors or the members of the Management Board.

Shareholders' participation rights

Voting rights and representation restrictions

Voting rights restrictions

When exercising voting rights, no shareholder can combine, with their own and represented shares, more than 10% of the total number of shares as shown in the Commercial Register (Art. 14 para. 2 of the [Articles of Association](#)). Legal entities and partnerships who are combined or associated in terms of capital or votes or by single management or in a similar way, as well as natural persons, legal entities, and partnerships that act jointly or in a coordinated way, shall count as one person. The Board of Directors may enact specific regulations for justified cause. Shareholders who were already entered in the share register at the time of the introduction of the aforementioned provision, as well as purchasers or usufructuaries, shall be excluded from the limitation of voting rights.

Exceptions granted in the year under review

During the reporting period, no exceptions to the above-listed rules were granted.

Statutory rules on participation in the General Shareholders' Meeting

According to Art. 14 para. 4 of the [Articles of Association](#), shareholders entered in the share register with voting rights may have their shares represented by a person with written authorization from them who does not need to be a shareholder, or by the Independent Proxy. All the shares owned by a shareholder can only be represented by one person.

Independent Proxy and electronic voting

Anwaltskanzlei Keller AG, Zurich, was elected as the Independent Proxy by the 2024 AGM for the period until the completion of the 2025 AGM.

Sonova Holding AG offers shareholders the option of using an online platform for granting proxy and providing voting instructions to the Independent Proxy electronically.

The Board of Directors determines the venue of the General Shareholders' Meeting. In case the Board of Directors may determine to hold a virtual or hybrid General Shareholders' Meeting, shareholders who are not present in person may exercise their rights by electronic means (Art. 12a para. 2 of the [Articles of Association](#)).

Statutory quorums

According to Art. 15 of the [Articles of Association](#), resolutions and elections by the Annual General Shareholders' Meeting require the approval of a relative majority of the votes cast, except as otherwise provided by law or the Articles of Association.

Convocation of the General Shareholders' Meeting

The ordinary Annual General Shareholders' Meeting is held within six months following the close of the financial year.

Extraordinary General Shareholders' Meetings may be called as often as necessary, especially if required by law.

General Shareholders' Meetings are convened by the Board of Directors and, if necessary, by the auditors. Shareholders with voting rights, who together represent at least 5% of the share capital or votes, may issue a written demand to the Board of Directors to convene an Extraordinary General Shareholders' Meeting, indicating the matters to be discussed and the corresponding proposals, and, in case of elections, the names of the nominated candidates (Art. 11 of the [Articles of Association](#)).

Inclusion of items on the agenda

According to Art. 12 para. 3 of the [Articles of Association](#), shareholders with voting rights who represent at least 0.5% of the share capital or the votes may demand that an item be included on the agenda with a statement of the motions or that a motion relating to an agenda item be included in the invitation convening the General Shareholders' Meeting. Such requests must be addressed in writing to the Chair of the Board of Directors no later than 60 days before the meeting.

Registration in the share register

For administrative reasons, the share register is closed approximately one week prior to the date of the Annual General Shareholders' Meeting, which is scheduled to be held on June 10, 2025. Admission cards and voting forms are sent to shareholders during this period. The shares can be traded at any time and are not blocked. For detailed information, we refer to the [invitation to the 2025 AGM](#).

Changes of control and defense measures

Duty to make an offer

The [Articles of Association](#) of Sonova Holding AG do not contain provisions for opting out or opting up. The result is that an investor who directly, indirectly, or in concert with third parties acquires shares in the company and, together with the shares he/she/it already possesses, thereby exceeds the 33⅓% threshold of voting rights in the company, is required to submit an offer for all shares outstanding, according to Swiss stock exchange law.

Clauses on changes of control

In case of a change of control and a related termination of employment (double trigger), unvested equity instruments granted under the Sonova Executive Equity Award Plan (EEAP) vest on a pro-rata basis only. The EEAP is described in more detail in the Compensation Report and in [Note 7.4](#) to the consolidated financial statements.

Auditors

Duration of the mandate and term of office of the lead auditor

At the Annual General Meeting on June 11, 2024 Ernst & Young AG, Zürich, was re-elected as auditor for Sonova Holding AG and the Sonova Group for the 2024/25 financial year. Ernst & Young AG, Zürich, was first elected at the Annual General Shareholders' Meeting on June 11, 2020. Martin Mattes has served as lead auditor for the auditing mandate since then.

Fees

The auditors charged the following fees during the 2024/25 and the 2023/24 financial year:

1,000 CHF	Ernst & Young 2024/25	Ernst & Young 2023/24
Audit services	3,122	2,968
Audit-related services	255	259
Other non-audit services	201	187
Total	3,578	3,414

Audit services are defined as the standard audit work performed each year to issue an audit opinion on the parent company and consolidated financial statements of the Sonova Group, as well as opinions on the local statutory financial accounts or statements. Also included is extra work within the audit that can only be provided by the Sonova Group auditor, such as auditing of non-recurring transactions or the implementation of new accounting policies, as well as consents and comfort letters in relation to regulatory filings.

Audit-related services consist of support for the audit, such as providing advice on new accounting rules; this could be provided by sources other than the auditor who signs the audit report.

The values of audit, audit-related, tax, and non-audit services are in line with ratios suggested by commonly applied good practice standards that relate to the independence of auditors. A formal policy issued by the Audit Committee is in place that regulates all non-audit assignments of the auditors.

Informational instruments pertaining to the external audit

The external auditors report their findings semi-annually directly to the Audit Committee of the Board of Directors. In the 2024/25 financial year, the external auditors attended three out of four Audit Committee meetings physically or by telephone conference. The Audit Committee of the Board of Directors reviews the performance, compensation, and independence of the external auditors on a regular basis. The Audit Committee reports its findings to the Board of Directors on a quarterly basis.

Information policy

The Sonova Group pursues an open and active information policy. A governing principle of this policy is to treat all stakeholders alike and to inform them at the same time. It is our aim to inform our shareholders, employees, and business partners in the most direct, open, and transparent way possible about our strategy, our global activities, and the current state of the company.

All publications are made available to all shareholders, the media, and the stock exchange at the same time. All shareholders entered in the share register automatically receive the summary report and an invitation to the Annual General Shareholders' Meeting of Sonova Holding AG. Sonova uses a news service that delivers press releases to interested stakeholders.

The website of the Sonova Group, www.sonova.com, contains information on the company results and the financial calendar as well as current investor presentations. The Investor Relations function includes presentations of annual and interim results, investor presentations, and presentations held at other events.

The official means of publication of Sonova Holding AG is the Swiss Official Gazette of Commerce.

On the www.sonova.com/en/registration-sonova-news-alert website, it is possible to subscribe to news alerts about Sonova via email. Messages are sent in English and German, and it is possible to state theme preferences for the alerts received. All Sonova media releases can be found at www.sonova.com/en/media/news.

More information tools, permanent sources of information, and contact addresses are shown at the [end of this Annual Report](#).

Securities trading policy and black-out periods

The Board of Directors maintains a policy that prohibits the use of confidential information by corporate insiders. It institutes blocking periods to prevent insiders from trading in securities of Sonova Holding AG during sensitive time periods and requires pre-trading clearance for members of the Board of Directors, the Management Board, and selected employees.

This policy defines general trading black-out periods, during which the members of the Board of Directors and the Management Board as well as certain employees of Sonova Group are prohibited from trading in securities of Sonova Holding AG and/or related financial instruments, subject to exemptions provided by Swiss law (e.g., for share buyback programs). The recurring trading black-out periods begin one month prior to the end of any half year or full year reporting period of Sonova and end two full trading days following the respective public release. The exact dates are communicated by email to all persons involved. Sonova may impose additional special trading black-out periods at any time for any reason.

In cases of personal hardship, the CEO and the CFO, acting jointly and following consultation with the Group General Counsel, may allow exceptions to a black-out period upon a reasoned request by the employee concerned. In case options or warrants granted under any employment compensation plan fall within a black-out period, and, if the applicable plan provides for the automatic exercise or sale of such options or warrants during the black-out period, such options or warrants may be automatically exercised or sold during the black-out period by the plan administrator and as provided for in the relevant plan.

Compensation report

At Sonova, employees help people to hear the world, and with it improving their lives. We come to work every day knowing that continuous innovation across all disciplines, our shared engagement as a team, and our responsible approach to all things we do bring the delight of hearing to millions of people. Therefore, we team up. We grow talent. We bring together people of diverse backgrounds to win with the best team in the marketplace. We attract, retain, and develop skilled, dedicated, and ambitious colleagues who continuously improve and grow the company for all our stakeholders.

This compensation report describes Sonova's compensation principles and system, as well as the method of determining the compensation of members of the Board of Directors and the Management Board. It also explains the roles, responsibilities, and governance procedures involved in the design, approval, and implementation of compensation plans. More information on topics such as Board composition, independence, diversity, competence, evaluation, and risk and compliance management, as well as sustainability, can be found in the [corporate governance report](#).

The compensation report provides the context for the shareholder votes on the compensation of the Board of Directors and the Management Board, submitted for approval at the 2025 Annual General Shareholder Meeting (AGM). This report complies with the requirements of the Swiss Code of Obligations (OR), the standard relating to information on corporate governance of the SIX Swiss Exchange, and the principles of the Swiss Code of Best Practice for corporate governance of the Swiss national federation EconomieSuisse.

It has the following structure:

1. Introduction by the Chair of the Nomination and Compensation Committee
2. Enhanced disclosure
3. At a glance
4. Compensation policy and principles
5. Compensation governance
6. Compensation components and system
7. Compensation for the financial year
8. Share ownership information

For ease of reference, abbreviations are also summarized in a glossary at the end of this report.

I. Introduction by the Chair of the Nomination and Compensation Committee

Dear Shareholders,

I am pleased to share with you Sonova's compensation report.

Throughout the year, the Nomination and Compensation Committee (NCC) focused among other topics on succession planning and the composition of both the Board of Directors and the Management Board. Additionally, the committee addressed the compensation of the Board of Directors and the Management Board. This work also involved preparing the compensation report and organizing the say-on-pay vote at the Annual General Meeting (AGM).

Enhanced disclosure

In response to shareholder feedback and last year's votes at the AGM, which fell below our expectations regarding the approval of the compensation report, the NCC, in collaboration with the management and external advisors thoroughly reviewed the disclosure and transparency principles of the compensation disclosure. This review was based on benchmark analyses and direct engagement with major shareholders and proxies. Because the main feedback was predominantly focused on disclosure and not on the compensation systems or levels, we have decided to enhance the ex-post disclosure of targets and respective targets achievement for group targets for the variable cash compensation as well as for the performance options vesting. Furthermore we will adjust the payout curve for relative Total Shareholder Return (rTSR) and introduce clawback and malus provisions in the long-term incentive plan. In this report you will find a dedicated section, highlighting the enhancements in disclosures.

Compensation

Our compensation system is well aligned with our company strategy, business results, and the interests of our shareholders. In 2024, we conducted a comprehensive benchmark review of the compensation levels for the Board of Directors and the Management Board, comparing them against both international and national peer benchmarks. The results indicate that our compensation levels are fully in line with these benchmarks.

ESG

To emphasize our corporate sustainability and sustainable business approach, relevant environmental, social and governance (ESG) targets are reflected in the Variable Cash Compensation (VCC) of the Management Board. These ESG objectives align with our broader ESG strategy, IntACT, as outlined in our ESG Report and cover objectives across the environmental, social and governance pillars.

Talent Management

An important focus for the NCC is on talent management. Identifying and developing talent is crucial for Sonova as we strive for customer care and innovation in the hearing care industry. We invest significant time and resources developing our employees across our businesses and locations.

We believe that a diverse gender representation at the Board of Directors and at the Management Board leads to the best results and is also in the best interest of the Group and its shareholders. In fiscal year 2024/25 three of the ten members of the Sonova Board of Directors were women (30%), as were three¹ of the eight members (37.5%) of the Management Board. The share of women in senior management was 30.5% and 41.6% in middle management.

¹ Including our new CFO, Elodie Carr-Cingari, who will start with the company in May 2025 and will be appointed to the Management Board as of July 2025.

The Board of Directors continues to focus on succession planning, ensuring a diverse and competent board composition. The criteria used are the breadth and depth of competencies, the business and managerial expertise and the team spirit required to govern the company's businesses and the implementation of the strategy.

Board of Directors

As previously communicated, the Board of Directors will propose changes to its membership at the upcoming AGM, in line with its established long-term succession planning. After many years of dedicated service, the current Chair Robert Spoerry, as well as Stacy Enxing Seng, and Lukas Braunschweiler will not stand for re-election; Robert Spoerry and Lukas Braunschweiler are approaching the age limit stipulated in the Organizational Regulations of Sonova Holding AG. The Board has nominated Gilbert Achermann, who was elected as a member of the Board at the 2024 AGM, for election as Chair and Laura Stoltenberg for election as a new member of the Board at the upcoming AGM. After a transition period in the 2024/25 financial year, the Board will reduce its membership from 10 to 8 members.

2025 AGM

At the 2025 AGM, shareholders will be asked to vote on:

1. This 2024/25 compensation report (Advisory vote)
2. The maximum aggregate amount of compensation of the Board of Directors from the 2025 AGM to the 2026 AGM
3. The maximum aggregate amount of compensation of the Management Board for the financial year 2026/27

The total compensation to the members of the Board of Directors for the actual term in office is well within the limit approved at the 2024 AGM. Similarly, the compensation awarded to the members of the Management Board for the reporting year is also within the limits approved at the AGM 2023.

We trust that this year's compensation report provides you with the information required to vote in favor of the Board proposals. We are confident that our compensation system rewards performance in a balanced, sustainable and transparent manner that aligns with shareholders' interests.

Yours sincerely,



Roland Diggelmann
Chair of the NCC

2. Enhanced disclosure

Following the outcome of the AGM vote on the compensation report 2023/24, we established a task force led by the NCC to thoroughly review the feedback received by shareholders and to develop a comprehensive action plan. We have engaged in extensive outreach and have held numerous meetings with our key shareholders and proxy advisors followed by discussions with the NCC and the Management Board. The NCC values the feedback received on the compensation report which predominantly related to disclosure matters rather than the compensation levels or the compensation system. In this regard, the following advancements were made in this year's report:

	Shareholder Concern	Sonova's Response
Disclosure	Clarity on Targets and Achievements	<p>First of all, we simplified the disclosure around the structure of the performance objectives of the short-term cash incentive (VCC) and we provided more details around the categories of individual objectives for the CEO and the Management Board.</p> <p>Secondly, for both the VCC and long-term incentive plans (EEAP), we will disclose the performance targets, achievements and related payout percentages for all Group objectives (Group financial and Group ESG objectives.). This includes the ex-post disclosure of the ROCE targets and achievements for all the tranches that vest in the reporting year under EEAP.</p>
	Disclosure of vesting value of the long-term incentive / realized pay	<p>As mentioned above, the performance targets, achievements and related payout percentages are now disclosed ex-post for all Group objectives, which includes the relative TSR and ROCE targets and achievements under the EEAP for each tranche that vests in the reporting year.</p> <p>As in previous years, the disclosure in the compensation tables is based on the grant value of the EEAP, as per Swiss regulations and market standards.</p>
LTI	Vesting period for performance options	<p>Shareholders expressed that they consider the vesting period of the performance options to be too short, because it is below three years for two of the four tranches. However, the EEAP awards (performance options and PSUs) are subject to a blocking period of five years counted from the grant date, which means that the overall plan duration (vesting + blocking period) is five years.</p> <p>The NCC is convinced that the current plan set-up is well aligned with shareholder's interests.</p>
	Possible payout for below median TSR performance of the PSU	<p>Our remuneration philosophy is to pay for performance and to maintain a reasonable risk profile for our incentive plans. Therefore, a partial payout is possible if the performance exceeds the first quartile of the peer group. Symmetrically, the payout is capped in case of outstanding performance. This mechanism provides for a robust balance. Nevertheless, the NCC decided to align the payout curve for the PSU grant with market practice by increasing the threshold from 20th to 25th percentile and decreasing when the cap is met from 80th to 75th percentile.</p> <p>We will continue to apply the existing rule to cap the vesting at 100% in case of negative TSR regardless of the positioning in the peer group.</p>
	Clawback/malus provisions	<p>The NCC has decided to introduce clawback and malus provisions in the EEAP, starting with the grant in 2025. Those provisions will allow the company to reduce the vesting level of unvested awards (malus) or recover paid EEAP awards (clawback) in case of fraud, violation of law or financial restatement due to material non-compliance with accounting standards. These provisions are comparable to those already existing in the VCC.</p>

3. At a glance

Board of Directors compensation

To ensure their independence in their supervisory function, members of the Board of Directors receive a fixed compensation in form of board retainer in cash and restricted shares and committee fees in cash.

Shares are restricted for a period of 5 years and 4 months (chair) and 4 years and 4 months (members) to strengthen the alignment with shareholder interests.

Annual retainer	Cash (CHF)	Shares (CHF)
Board chair	430,000	370,000
Board member	100,000	160,000
Additional fees	Chair (CHF)	Member (CHF)
Vice-chair	15,000	n.a.
AC/NCC	40,000	20,000

The expected compensation paid for the period from the 2024 AGM until the 2025 AGM of CHF 3,355,000 is within the amount of CHF 3,500,000 approved by shareholders.

The effective compensation paid for the period from the 2023 AGM until the 2024 AGM of CHF 3,100,000 is within the amount of CHF 3,230,000 approved by the shareholders.

Approved versus effective total compensation for the members of the Board of Directors

Total compensation	Approved	Effective
in CHF 1,000		
2024 AGM–2025 AGM	3,500	3,360 ¹⁾
2023 AGM–2024 AGM	3,230	3,100

¹⁾ this compensation period is not completed yet, estimated amount.

Members of the Board of Directors are subject to minimum share ownership requirements of CHF 200,000.

Management Board compensation

The compensation of the Management Board consists of fixed and variable performance-based compensation and is based on the following principles:

- Pay for performance
- Alignment with shareholder interests
- Market competitiveness
- Alignment with Company's values

Management Board	Fixed salary ¹⁾	Short-term cash incentive (VCC)	Long-term equity incentive (EEAP)
		89% of fixed salary (at target)	234% of fixed salary (at target)
CEO	926,100		
MB members	426'000 on average	up to 50% of fixed salary (at target)	up to 107% of fixed salary (at target)

¹⁾ Fixed salary effective June 1, 2024.

The STI payout amounts to 80.9% for the CEO and 72.6% for the other members of the Management Board on average.

The LTI vesting level amounts to:

- 100% for the options awarded in 2024 and 2023, 93.8% for the options awarded in 2021 and 68.3% for the options awarded in 2022
- 50.96% for the PSUs

The compensation awarded for the 2024/25 financial year of CHF 12,300,000 is within the amount of CHF 16,500,000 approved by the shareholders.

Approved versus effective total compensation for the members of the Management Board

Total compensation	Approved	Effective
in CHF 1,000		
2024/25 financial year	16,500	12,300
2023/24 financial year	16,000	12,500

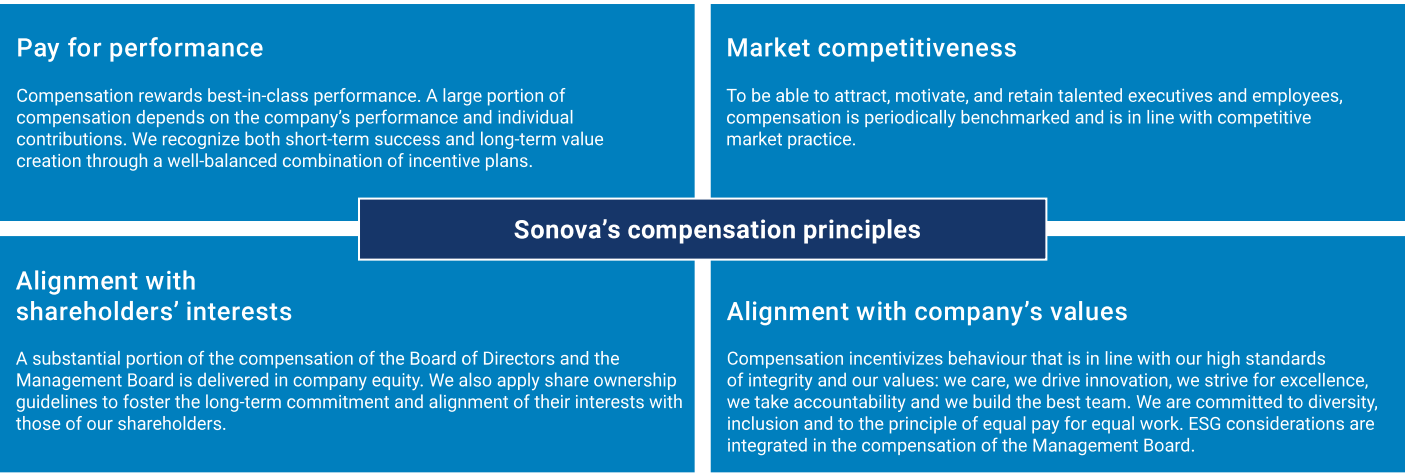
The CEO and members of the Management Board are subject to minimum share ownership requirements of CHF 1,000,000 and CHF 200,000 respectively.

Governance

- Authority for decisions related to the compensation of the Board of Directors and the Management Board is governed by the Articles of Association.
- The prospective maximum aggregate amounts of compensation of the Board of Directors and of the Management Board are subject to binding shareholder votes at the AGM. The compensation report is subject to a consultative shareholder vote at the AGM.

4. Compensation policy and principles

At Sonova, our mission is to improve and grow the company for all our stakeholders drives us to attract and hire the best talent essential for our continued success. We are committed to fostering a culture of excellence, where our competitive compensation systems reflect our dedication to recognizing and rewarding the contributions of our exceptional team members. By bringing together individuals with diverse backgrounds and experiences, we empower our workforce to innovate and excel, ensuring that we remain at the forefront of the medical device industry. Sonova’s competitive compensation systems are based on the following principles:



We are committed to the principle of equal pay for equal work and are taking all necessary steps in our job evaluation and leveling processes to ensure a fair compensation system. We regularly review compensation in terms of relevant local legal and regulatory equal pay requirements as they continue to evolve. Internally, we analyze whether we pay female and male employees equally for the same job or an equally valued role and take corrective actions if necessary.

The compensation of the Board of Directors consists of fixed compensation only, paid partly in cash and partly in restricted shares. The independence of the Board of Directors in its supervisory function is reinforced by the practice that no performance-related compensation is awarded.

The compensation of the Management Board consists of fixed and variable, performance-based, compensation components. The base salary and benefits form the fixed components are determined based on the reference peer group. The performance-based compensation includes a short-term cash incentive and a long-term equity incentive. Performance targets for the VCC and EEAP are defined at the beginning of the performance period and assessed at the end.

To avoid compensation for inappropriate risk taking or short-term profit maximization at the expense of the long-term health of the company, a cap and claw-back provision apply to both the short-term and the long-term variable compensation components.

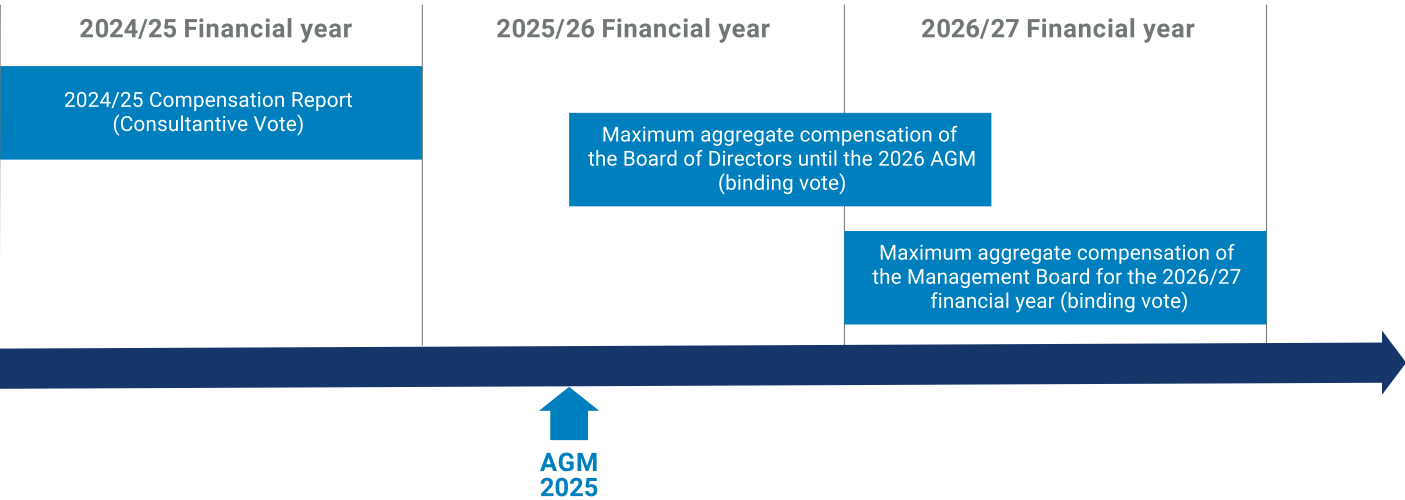
5. Compensation governance

5.1 Governance and shareholder involvement

Authority for decisions related to compensation of the members of the Board of Directors and the Management Board is governed by the Articles of Association.

The prospective maximum aggregate compensation amounts to be awarded to the Board of Directors and the Management Board are subject to a yearly binding shareholder vote at the AGM. The provisions of the Articles of Association foresee that shareholders vote prospectively: on the maximum aggregate compensation for the Board of Directors for the period until the next ordinary AGM, and for the Management Board for the following financial year. In addition, Sonova annually submits the compensation report to a consultative shareholder vote, so that our shareholders have an opportunity to express their opinion on the compensation of the previous financial year.

This year, Sonova has engaged with in depth dialogue with shareholders and proxy advisors and has made significant efforts to improve its compensation disclosure in terms of transparency and level of detail provided about its principles and system of compensation. In 2024/25 we have introduced several improvements to the compensation report in response to the feedback received from our shareholders.



Matters to be voted on at the 2025 Annual General Shareholders' Meeting

The maximum aggregate compensation amount for the Board of Directors comprises fixed compensation components, including a cash retainer and restricted shares as well as committee fees (as applicable).

The maximum aggregate compensation amount for the Management Board (including the CEO) comprises:

Fixed compensation components:

- Fixed base salary, value of benefits and employer's contributions to Sonova's pension plan.

Variable compensation components:

- Short-term cash incentive award (VCC): maximum possible payout under the VCC, should the achievement of all performance objectives reach the cap.
- Long-term equity incentive award (EEAP): fair value of the equity awards at grant (performance options and PSUs).

Due to the maximum possible VCC payout, the maximum aggregate compensation amount submitted to shareholder vote is very likely to be higher than the actual amount of total compensation for the members of the Management Board based on the performance achieved in the financial year. The total compensation amount awarded to the Management Board will be disclosed in the compensation report for the respective financial year, which will be subject to a consultative shareholder vote at the AGM.

We are convinced that the binding prospective votes on the maximum aggregate compensation amounts, combined with a consultative retrospective vote on the compensation report, provide Sonova's shareholders with a far-reaching "say on pay."

Articles of Association

The Articles of Association regarding the compensation of the members of the Board of Directors and the Management Board were revised and approved by the 2014 AGM, and amended and approved to be compliant with the revised OR by the 2023 AGM. The Articles of Association include the following provisions on compensation:

- Powers and duties (Art. 24)
- Approval of compensation by the General Shareholder Meeting (Art. 10 para. 5/Art. 26)
- Additional reserve amount for changes in the Management Board (Art. 27)
- General compensation principles (Art. 28)
- Maximum consideration for non-competition agreement (Art. 29 para.3)
- Prohibition on loans (Art. 31)

The Articles of Association are available in their entirety [here](#).

5.2 Nomination and Compensation Committee

As determined in the Articles of Association, the Organizational Regulations, and the NCC Charter of Sonova Holding AG, the NCC supports the Board of Directors in the fulfillment of its duties and responsibilities in the areas of compensation and in personnel related matters. Its tasks and responsibilities include, among others:

- Periodical review of Sonova's compensation principles
- Periodical benchmark reviews covering the compensation of the members of the Board of Directors (including the Chair of the Board of Directors), the CEO, and the other members of the Management Board
- A yearly review of the individual compensation of the CEO and of the other members of the Management Board, including the VCC and the EEAP
- Review and amendment of the target setting and related performance appraisal of the members of the Management Board (prepared by the CEO) and of the CEO (prepared by the Chair of the Board of Directors)
- Preparation of the compensation report
- Succession planning of the Management Board and the Board of Directors
- Selection and nomination of candidates for the role of the CEO, for nomination to the Management Board as proposed by the CEO, as well as pre-selection of suitable candidates for the Board of Directors
- Periodical review of the employment terms and policies

Decision on	CEO	NCC	Board of Directors	AGM
Compensation principles and system for the Board of Directors and the Management Board		proposes	approves	
Maximum aggregate amount of compensation for the Board of Directors and the Management Board to be submitted to shareholders' vote		proposes	reviews and proposes to AGM	binding vote
Individual compensation, including cash components and shares, to be granted to the members of the Board of Directors ¹⁾		proposes	approves	
Individual compensation, including fixed base salary, variable cash compensation and long-term equity incentives, of the CEO ¹⁾		proposes	approves	
Employment terms of the CEO ¹⁾		proposes	approves	
Individual compensation, including fixed base salary, variable cash compensation and long-term equity incentives, of the Management Board (excluding CEO) ¹⁾	recommends	proposes	approves	
Annual total amount of long-term equity incentives to be granted to all other eligible employees	recommends	proposes	approves	
Compensation report		proposes	approves	consultative vote

¹⁾ Within the framework of the Articles of Association and the maximum aggregate amount of compensation approved by the AGM.

The NCC consists exclusively of independent and non-executive members of the Board of Directors, who are elected individually and annually by the AGM. For the period under review, the NCC consisted of Roland Diggelmann (Chair of the NCC), Lukas Braunschweiler, Stacy Enxing Seng, and Julie Tay.

The NCC meets as often as business requires but at least four times per year. In the 2024/25 financial year, it held four meetings covering, among others, the following pre-defined recurring agenda items:

Item	May	September	November	January
	Beginning of the financial year			
Compensation policy & process	– Approval of MB compensation benchmark peer group	– Update on feedback from key investors and proxy advisors following AGM vote – Information on top executives compensation review process	– Preview of group wide salary review for the following financial year	– Approval of group wide EEAP grant size – Approval of EEAP plan regulations
Management Board (MB) & Board of Directors (BoD) matters	– Approval of payout of VCC for the previous financial year and vesting of EEAP for the previous EEAP cycle	– Review of MB and BoD compensation benchmark	– Preview of target compensation review for the following financial year (incl. EEAP grant)	– Review of target compensation for the following financial year (incl. EEAP grant) – Approval of VCC performance scheme for following financial year – Setting of EEAP performance targets for the next EEAP cycle
Governance	– Approval of corporate governance and compensation report as well as compensation part of the AGM invitation – Proposal of maximum aggregate amount of compensation of MB and BoD to be submitted to AGM vote – Share ownership status review of the MB and BoD – Review and approval of NCC charter	– Review of proxy advisor/shareholder feedback on compensation report – Board evaluation	– Review of first draft of compensation report – Approval of EEAP pool for yearly grant	– Approval of draft compensation report 2024/25 without financials
Nomination			– Succession planning for the MB	

Special ad hoc items such as personnel changes at executive level are covered as and when appropriate.

As a general rule, the Chair of the Board of Directors, the CEO, and the GVP Corporate Human Resource Management & Communications (HRM) participate in the NCC meetings. However, they do not participate during the sections of the meetings where their own performance and/or compensation is discussed.

There is a closed session (without the participation of any executive or guest) after each NCC meeting. The Chair of the NCC reports to the Board of Directors on its activities and recommendations after each meeting. The minutes of the NCC meetings are available to the Board of Directors.

External advisors

The NCC may decide to consult external advisors for specific compensation matters. In the 2024/25 reporting year, Aon was tasked with the performance share unit (PSU) valuation and performance measurement under the EEAP; Algofin performed the option valuation. PwC and Willis Towers Watson provided support in the context of the market review of compensation for the Board of Directors and the Management Board. PwC provided also support in the preparation of the compensation report and CSRD. The above mentioned external advisors have no other mandates within Sonova.

5.3 Process of determining compensation

Compensation structure and components

The compensation structure and components for the Board of Directors and the Management Board are reviewed periodically (at least every three years) to ensure they continue to be aligned with Sonova's strategy as well as with market practice.

Benchmarks

Sonova conducts benchmarking analysis of the levels and structure of total compensation for the members of the Board of Directors and of the Management Board at regular intervals. A benchmark analysis was conducted in 2024/25 for the compensation of the Board of Directors and the Management Board. For the Management Board the analyses were based on two peer groups: a primary peer group of Swiss listed companies and a secondary peer group of international companies that are active in similar fields of activity.

Swiss Listed Companies

Barry Callebaut (SMIM), Bucher Industries (SPI50), Clariant (SMIM), Dormakaba (SPI50), EMS-Chemie (SMIM), Geberit (SMI), Georg Fischer (SMIM), Givaudan (SMI), Lindt + Spruengli (SMIM), Mettler Toledo (NYSE), Schindler (SMIM), SGS (SMIM), SIG Combibloc (SMIM), Sika (SMI), Straumann (SMIM), Sulzer (SPI50), Swatch (SMIM), Tecan (SMIM), VAT Group (SMIM)

International companies

Alcon, Align Technology, Amplifon, Carl Zeiss Meditec, Cochlear, Coloplast, Demant, Dentsply Sirona, Fielmann, Fresenius, GN Store Nord, Hologic, Philips, Smith & Nephew, Teleflex, WS Audiology, Zimmer Biomet

As a general outcome, the compensation structure of the Management Board continues to be more performance oriented (and less fixed) than that of the Swiss peer companies. Otherwise, the compensation levels are generally in line with Swiss market practice.

For the Board of Directors, the benchmarking analysis was based on the same peer group of Swiss listed companies as for the Management Board and confirmed that while the compensation is aligned with market practice overall, the mix of equity based compensation is a bit higher and the restriction period on the shares is longer, both of which are strengthening alignment with shareholder interests.

Performance management

The actual compensation of the members of the Management Board in a financial year depends on the performance of the Group and/or respective business unit, as well as on individual performance, which is assessed through the formal annual performance review process. Financial, business unit, ESG and individual performance objectives are approved at the beginning of the financial year and achievements against those objectives are generally assessed at the end of the financial year, according to Sonova's performance appraisal process.

6. Compensation components and system

6.1 Overview of compensation components

The table below provides an overview of the compensation components for the Board of Directors and the Management Board, with more details on both included later in the report:

	Management Board ¹⁾	Board of Directors ¹⁾
	CEO/CFO/GVPs	BoD
Fixed compensation components		
Fixed base salary	X	
Benefits ²⁾	X	
Expense allowance ³⁾	X	
Cash car allowance ^{3) 4)}	X	
Cash retainer (fixed fee)		X
Restricted shares		X
Committee fee ⁵⁾		X
Pension benefits		
	X	
Variable compensation components (performance related)		
Short-term cash incentive award		
VCC	X	
Long-term equity incentive award ⁶⁾		
EEAP	X	
Social and other benefits		
Other benefits	X	

¹⁾ Mandatory social security contributions (AHV/ALV or for the international MB the local equivalent company costs) are paid by Sonova and disclosed in the compensation report.

²⁾ MB members under a non-Swiss employment contract receive benefits in line with local practice.

³⁾ Only for MB members with a Swiss employment contract.

⁴⁾ Flat rate cash car allowance.

⁵⁾ If applicable.

⁶⁾ Awarded in the form of Performance Options and PSUs.

6.2 Board of Directors compensation system

Role, responsibility and commitment

Sonova needs to be able to attract and retain members of the Board of Directors who are highly experienced and motivated to contribute their specific business expertise and perform a critical role in the strategic oversight of the company

Requirements – the terms of qualifications, skills, and experience – for directors of international listed companies are becoming ever more stringent. Sonova's Board of Directors has the relevant and necessary skill set to ensure proper professional supervision, including international, industry, and subject specific experience.

The compensation structure reflects varying responsibilities, committee memberships, workloads and time commitments, so individual compensation levels are not the same. The Chair of the Board of Directors, for example, devotes a substantial amount of his time to mandated duties, including leading the Board of Directors, coordinating Board and committee meeting agendas and topics with committee chairs, and contributing to and participating in committee meetings as guest.

The Chair of the Board of Directors is also responsible for the continued development and adaptation of Sonova's governance to meet regulatory and corporate requirements, preparing for and conducting the AGM, and overseeing the Annual Report, as well as advising the CEO on key strategic, financial, HR, and operational matters. His role also encompasses third party interactions such as shareholder inquiries and requests about corporate governance and corporate responsibility as well as meetings with proxy advisors. His sound understanding of the company, is a unique and valuable qualification that we believe provides a substantial benefit to Sonova and its shareholders.

More details on the Board of Directors' composition, diversity, competencies, evaluation, risk and compliance management, as well as corporate responsibility, can be found in the corporate governance report.

Compensation structure

It is important that compensation components are structured to create a strong alignment with the interests of our shareholders. In line with best practice, a significant portion of the compensation of the Board of Directors consists of restricted shares; members of the Board of Directors receive no variable or performance-based compensation and are not eligible to participate in the occupational pension plan.

The compensation of members of the Board of Directors is defined in a regulation adopted by the Board of Directors. It consists of fixed compensation: a cash retainer and shares with a restriction period of five years and four months (Chair of the Board of Directors) or four years and four months (all other members). In addition, members of the Board of Directors receive committee fees in cash (if applicable).

Compensation structure 2024 AGM to 2025 AGM

Annual fees in cash in CHF	Chair ¹⁾	Board members excl. Chair
Cash retainer	430,000	100,000
Vice-Chair	n.a.	15,000
Chair of AC/NCC	n.a.	40,000
Member of NCC/AC	n.a.	20,000

¹⁾ Including attendance as guest in the NCC and the AC.

Restricted shares in CHF	Chair	Board members excl. Chair
Market value at grant	370,000	160,000

The annual fees in cash are paid shortly after the end of the respective term of office. The restricted shares are granted in February following the start of the term of office. The compensation of members of the Board of Directors is subject to mandatory employer social security contributions (AHV/ALV). The contributions paid by the Company are disclosed in the compensation report in compliance with Sonova's reporting obligations.

Sonova does not grant contractual severance payments to members of the Board of Directors, nor does Sonova make advance payments or grant loans to them.

Sonova Share Ownership Guidelines

To further align the interests of the Board of Directors with those of our shareholders, the Sonova share ownership guidelines require the members to hold a fixed monetary value in shares.

Members of the Board of Directors are required to maintain a minimum shareholding equivalent to CHF 200,000. They have two months from the first grant of restricted shares to achieve 80% of the required shareholdings, and one year and two months from the same point in time to achieve the full required shareholdings. The requirements of the guidelines can be met through shareholdings in the form of the restricted shares awarded as part of compensation and, if applicable, through share purchases on the open market. Compliance with the shareholding requirement is reviewed annually by the NCC with an effective date March 31.

6.3 Management Board compensation system

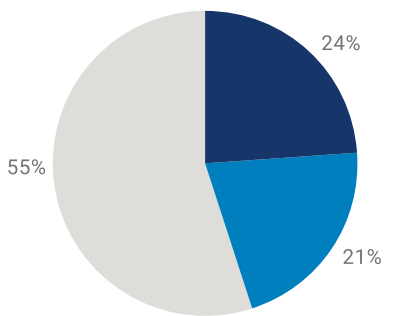
As outlined in the introduction to this compensation report, the compensation system of the Management Board is linked to the company’s strategy and business results, and aligns with the interests of our shareholders, rewarding performance in the context of the business and the market. This compensation system has proven to be effective over several years.

The compensation of the Management Board (including the CEO) is defined in several regulations adopted by the Board of Directors and comprises:

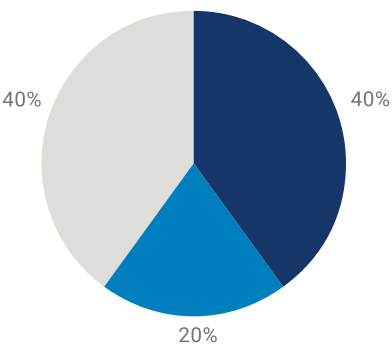
- A fixed base salary;
- A short-term cash incentive award (VCC);
- A long-term equity incentive award (EEAP); and
- Employee benefits, such as pension benefits, flat rate cash car allowance, expense allowance, relocation benefits for certain affected members, as well as social security contributions.

The charts below illustrate the compensation mix excluding employee benefits at target for the CEO, Arnd Kaldowski, and the Management Board in the 2024/25 financial year:

Compensation mix of the CEO, Arnd Kaldowski



Compensation mix of the other members of the Management Board¹⁾



■ Base salary ■ VCC ■ EEAP

■ Base salary ■ VCC ■ EEAP

¹⁾ Average mix

The table below provides an overview of the compensation components of the Management Board, with more details on the following pages. The ratio of the VCC and the EEAP as a percentage of the fixed base salary shown in the table on below can vary slightly year-on-year, depending on which component (if any) is adjusted as a result of the compensation review.

Compensation structure 2024/25 financial year

	Fixed compensation components		Variable compensation components		
	Fixed base salary	Benefits	Short-term cash incentive award (VCC)	Long-term equity incentive award (EEAP)	
Purpose	Ensures a predictable payment, depends on the market value of the role and the profile of the incumbent	Establishes level of security in line with local market practice Mandatory and voluntary benefits plans offered by the employer	Rewards performance against key performance indicators (KPIs) at Group and business unit level as well as the achievement of individual objectives	Rewards long-term value creation and reinforces alignment with shareholder interests	
Vesting Period	n.a.	n.a.	financial year	Options 16–52 months	PSUs 40 months
KPIs	n.a.	n.a.	A – Group Sales, EBITA, FCF, EPS B – Business Unit Sales, EBITA, DWCO C – ESG objectives D – Individual objectives	ROCE	rTSR
Delivery	Cash, regularly	Country specific	Cash	Options	PSUs
Restriction period	n.a.	n.a.	n.a.	Five years from grant date	
Cap	n.a.	n.a.	yes	yes	
CEO Ratio in % of fixed base salary:	n.a.	n.a.	Target of fixed base salary: 89% Range of fixed base salary: 0% – 178%	Target of fixed base salary: 234% Range of fixed base salary: 0% – 322%	
MB (excl. CEO) Ratio in % of fixed base salary:	n.a.	n.a.	Target of fixed base salary: up to 50% Range of fixed base salary: 0% up to 100%	Target of fixed base salary: up to 107% Range of fixed base salary: 0% – 161%	

¹⁾ Within the framework of the Articles of Association and the maximum aggregate amount of compensation approved by the AGM.

Fixed base salary

The fixed base salary ensures a recurrent payment in cash in regular instalments. The salary level is based on the scope and complexity of the position, market norms and benchmarks, and the individual's profile in terms of experience and skills. Salary progression depends primarily on the individual's performance, as well as on market developments and the economic environment.

Short-term cash incentive award (Variable Cash Compensation)

Sonova's VCC aims at aligning a significant part of compensation to budget achievements in a given financial year. The VCC is an integral component of the compensation for members of the Management Board, defined as a percentage of the annual fixed base salary. At target, it amounts to 89% of the fixed base salary for the CEO and up to 50% for the other members of the Management Board.

The Board of Directors normally fixes the target performance level for each key performance indicator (KPI) annually for the following financial year, based on the recommendation of the NCC. The targets are generally set in such a way that on an adjusted basis, substantial improvements from the previous financial year's achievement are required, in line with the company's ambitious mid- and long-term financial plans. Performance targets are a derivative of the strategic plan and are typically based on year on year improvements set above the financial guidance given to the capital market (e.g. internal targets are normally more ambitious than that the financial guidance).

Setting demanding and ambitious targets helps Sonova strive to deliver best-in-class performance and stay ahead of the market. Lower and upper performance thresholds are also set, below which the payout percentage is zero, and above which it is capped at 200%, with the exception of sales at 250% and certain ESG targets at 100%. Payout levels between the threshold, the target, and the maximum are calculated by linear interpolation.

The VCC for the Management Board is based on four categories of performance objectives:

- Group financials
- Business unit financials
- ESG performance (group and individual objectives)
- Individual performance objectives

Group financial objectives are based on the budget; the specific KPIs can include sales, EBITA (Earnings Before Interest, Taxes and Amortization), Free Cash Flow (FCF), and EPS (Earning Per Share). The corresponding Group performance targets for the financial year 2024/25 are disclosed in the table below.

Business unit financial objectives include sales, EBITA, DWCO, and margin of the respective business unit.

In broad terms, the rationale for applying these particular financial Group and business unit performance indicators in determining the VCC is as follows: sales correlate with market success and reflect our growth ambitions, EBITA reflects profits, and margins reflect profitability, Days Working Capital Outstanding (DWCO) and FCF represent operational and capital efficiency, respectively. As for the performance indicators linked to the external market, EPS are important to shareholders and for the determination of the share price. Group and business unit financial performance objectives are generally weighted at 75% of the overall VCC.

In line with our strategy and to reflect Sonova's corporate sustainability and sustainable business approach, business relevant ESG targets are reflected in the VCC of the Management Board. These targets are derived from our ESG strategy IntACT outlined in Sonova's [ESG Report](#), and covers environmental, social and governance targets. ESG performance objectives represent 10% of the overall VCC: in general, 5% are allocated to two Group objectives that are consistent for all Management Board members, and 5% are allocated to one to three individual objectives for each Management Board member.

The individual performance component is based on the achievement of individual objectives defined at the beginning of the financial year between the CEO and individual members of the Management Board – and, for the CEO, between the Board of Directors and the CEO. The total weight of the individual performance objectives for each member of the Management Board is generally 15% of the overall VCC.

For the CEO, individual targets include strategy and organizational development, key R&D projects, new product launches, restructuring and performance management initiatives, M&A and operational excellence. For the other Management Board members, based on their respective role, individual objectives may include key initiatives and project in the areas of innovation, commercial excellence, customer experience, brand positioning, marketing excellence, product launches, M&A activities, operational excellence (supply chain management, procurement process, inventory management), compliance, organization and team development, employee value proposition, succession planning.

Ranges of performance objectives for members of the Management Board

Performance Objective	CEO/CFO	Other members of the MB	Minimum payout (threshold)	Target payout (target)	Maximum payout (cap) ¹⁾
A – Group objectives					
Sales (in LC)	20%	10% – 20%	0%	100%	250%
EBITA (in CHF)	0%	10% – 20%			200%
FCF (in CHF)	20%	10% – 20%			
EPS (in CHF)	35%	0% – 15%			
B – Business objectives ²⁾					
Sales		0% – 20%	0%	100%	250%
Profitability		15% – 20%			200%
DWCO		0% – 5%			
C – ESG objectives					
ESG - Climate Change	2.3% / 3.5%	0% – 2.5%	0%	100%	100% – 200%
ESG - Talent Management	2.3% / 3.5%	0% – 2.5%	0%	100%	100% – 200%
ESG - Individual	5.4% / 5%	5% – 10%	0%	100%	100% – 200%
D – Individual objectives ³⁾					
Initiatives/Projects	15%	15%	0%	100%	200%
		Total	0%	100%	200%

¹⁾ The overall maximum payout is capped at 200%.

²⁾ Not all of the business objectives apply to all members of the Management Board.

³⁾ In exceptional circumstances, up to 35% (e.g. to support key strategic initiatives).

In case of significant unforeseen events that could not be reflected in the target setting process, the Board of Directors may adjust the performance targets and/or measurement based on a pre-defined set of guidelines. These may include M&A activities above a certain threshold, material currency exchange rate impacts, restructuring costs, legal, tax and accounting adjustments, as well as financial expense/income driven.

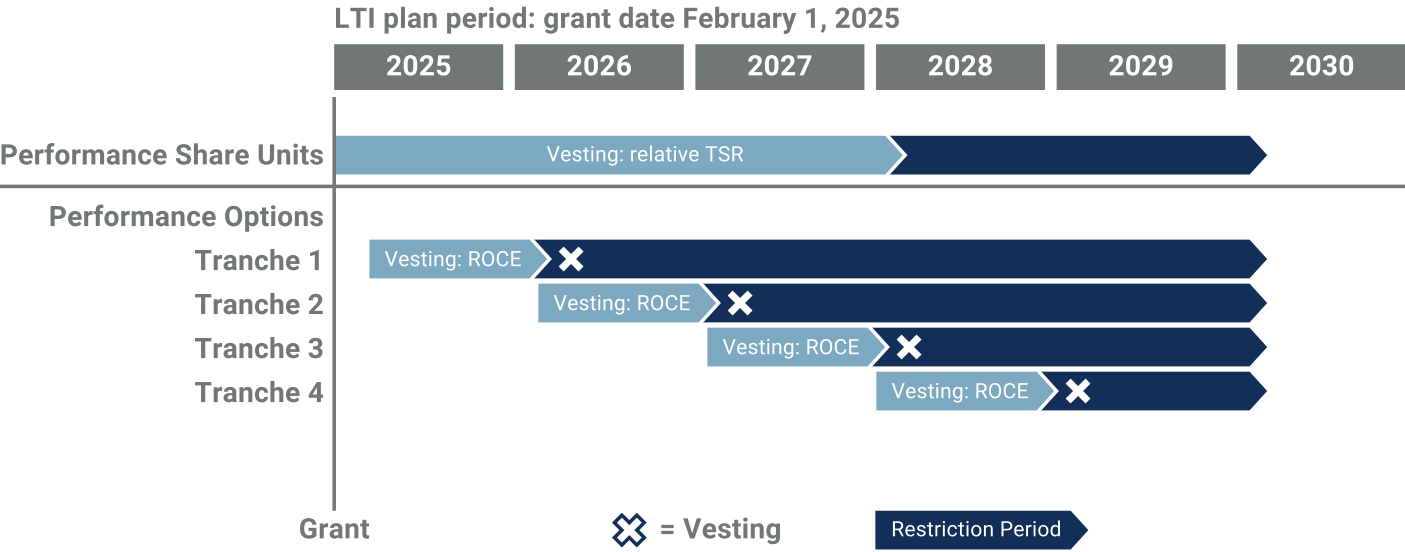
Long-term equity incentive award (EEAP)

The purpose of the EEAP is to ensure long-term value creation for the company, alignment of the interests between shareholders and the members of the Management Board, and the long-term retention of talent at Sonova.

The EEAP is offered annually to the members of the Management Board. The Board of Directors determines the individual grant level to the members of the Management Board based on the recommendation of the CEO, and to the CEO based on the recommendation of the Chair and NCC. Generally, the grant date is on February 1 each year.

Under the EEAP, the CEO receives an equity compensation mix of 62.5% in performance options and 37.5% in PSUs and the other members of the Management Board are awarded 50% in performance options and 50% in PSUs.

Both the performance options and the PSUs are subject to a post vesting restriction period that lasts from the vesting date until the fifth anniversary of the grant date. During this period even after the vesting date, EEAP awards cannot be exercised, sold, pledged, assigned, transferred or otherwise disposed of. This post vesting restriction period strengthens the alignment with shareholder interests.



Performance Options

A portion of the EEAP is allocated in the form of performance options. This reflects the growth-focused strategy and the desire to further strengthen the alignment of the Management Board compensation with our shareholder interests.

Options granted under the EEAP vest in four equal annual instalments over a period of 16 – 52 months, depending on ROCE achievement. The first tranche vests on June 1 of the year following the grant year (16 months after grant date). The exercise price of the options is the closing price of the Sonova share on the Swiss Stock Exchange (SIX Swiss Exchange) at the grant date, and the life of the options is 10 years.

For reference, the average vesting period of the options is 34 months. In this way options align management with shareholder interests, as value creation is only realized in the event of increasing share price (see section 6 for more information on the overall levels of the target achievements as well as other qualitative comments).

The vesting of the option granted in the 2024/25 financial year to members of the Management Board is based on ROCE as performance criteria. This metric reflects multiple financial factors, including both the profitability of the company and the efficiency with which Sonova’s capital is being employed. The Board of Directors generally determines the target level of performance at which the options will vest in full and a minimum performance threshold below which there is no vesting. There is no overachievement possible. The ambition is to continuously improve ROCE over time, in line with strategic planning.

The fair value of the options is calculated at the grant date by a third party using the “Enhanced American Pricing Model.” Additional information is available in Note 7.4 to the consolidated financial statements. Re-pricing of any out-of-the-money options granted under the EEAP is prohibited.

Performance Share Units (PSU)

The other portion of the EEAP is allocated in the form of PSUs.

PSUs are subject to a cliff-vesting after three years and four months, depending on the relative TSR achievement. This external criterion is measured against a peer group of relevant companies and thus incentivizes the Management Board to outperform its peers. As of the grant in 2024/25, Sonova’s rTSR is measured against the SLI1 constituents at the time of grant. Clear rules apply in case of the exclusion of a peer company from the SLI index: In case a company in the comparator group is excluded from the SLI but still actively trading is retained in the comparator group and companies that undergo a merger during the performance period are fully delisted are treated as “inactive” (i.e. are removed from the comparator group). The SLI¹ was selected to compare Sonova’s performance to other Swiss listed companies with a comparable complexity and

geographic footprint, providing a relevant and challenging benchmark for Sonova's value creation. A performance period slightly shorter than the vesting period provides for sufficient time to measure the performance achievement and receive approval of the calculation prior to vesting.

As with the options, and to further foster long-term alignment with shareholder interests, PSU grants from February 2020 onwards are subject to a five-year restriction period from the grant date. During this period, even after the vesting date, PSUs and underlying shares cannot be sold, pledged, assigned, transferred or otherwise disposed of.

The fair value of the PSUs is calculated at the grant date by a third party by using the "Monte Carlo Pricing Model." Additional information is available in [Note 7.4](#) to the consolidated financial statements.

¹⁾ For the performance period, only companies which have been constituent in the Swiss Leader Index (SLI) throughout the entire performance period are considered. For the vesting in June 2025, the Comparator Group included the following companies:

Alcon AG, ABB Ltd., Compagnie Financiere Richemont SA, Geberit AG, Givaudan SA, Julius Baer Gruppe AG, Kuehne & Nagel International AG, Holcim Ltd, Logitech International S.A., Lonza Group AG, Nestle S.A., Novartis AG,

Partners Group Holding AG, Roche Holding Ltd, Schindler Holding AG, SGS SA, Sika AG, Straumann Holding AG, Swatch Group Ltd. Bearer, Swiss Life Holding AG, Swiss Re AG, Swisscom AG, UBS Group AG, Zurich Insurance Group Ltd

Summary of the EEAP instruments

EEAP 2025		
Equity	Options	PSUs
Equity Mix CEO	62.5% of LTI	37.5% of LTI
Equity Mix MB	50% of LTI	50% of LTI
Grant Date	February 1, 2025	February 1, 2025
Fair Value (to derive number of instruments granted)	Based on Enhanced American Model valuation (Black-Scholes Model for the impact of the restriction period)	Based on Monte Carlo Model valuation
Exercise/Strike Price	CHF 319.20 (Sonova closing SIX share price on January 31, 2025)	n.a.
Vesting Date	25% vests on June 1, 2026 25% vests on June 1, 2027 25% vests on June 1, 2028 25% vests on June 1, 2029	3 years + 4 months cliff vesting Vest on June 1, 2028
Performance criterion (weighting)	ROCE	rTSR (against the SLI constituents)
Vesting Rules	0%–100% of grant (ROCE) Linear interpolation between threshold, target, and cap	Threshold: 25th percentile = 0% payout Target: 50th percentile = 100% payout Cap: 75th percentile = 200% payout Linear interpolation between threshold, target, and cap
Maximum Vesting Level (of grant)	100%	200% (Capped at 100% if Sonova's absolute TSR is negative)
Restriction Period	Five years from the grant date (January 31, 2030)	Five years from the grant date (January 31, 2030)
Exercise Period	After the end of the restriction period until expiry	n.a.
Maturity/Expiry Date	Total 10 years (January 31, 2035)	No maturity/expiry restriction after vesting

Termination of employment under the EEAP

In the event of termination of employment, unvested awards (PSUs, options, and outstanding RSUs from previous programs) are forfeited. Any applicable restriction period for grants from 2020 onwards continues to apply, unless noted below. Vested options must be exercised within a period of three months (commencing with the expiry of the restriction period or, if the restriction period has already expired on the date of termination).

EEAP termination provisions					
	Unvested PSUs	Vested PSUs	Unvested Options	Vested Options	Unvested RSU
Death, disability	Regular vesting	Immediate unblock-ing	Immediate vesting	Immediate unblock-ing, 12 months exercise period	Immediate vesting
Retirement	Regular vesting pro rata (if qualified retirement condition is met) or forfeiture (other retirement cases)	Regular restriction	Regular vesting if vesting date within year of termination, otherwise forfeiture	12 month exercise period after the end of the restriction period	Regular vesting if vesting date within year of termination, otherwise forfeiture
Transition-rule¹⁾	Regular vesting pro rata (until May 2021)				
Termination for cause	Forfeiture	Forfeiture	Forfeiture	Forfeiture	Forfeiture
Termination due to change of control (double trigger)	Immediate vesting pro rata (performance achievement)	Immediate unblock-ing	Immediate vesting pro rata (performance achievement)	Immediate unblock-ing	Immediate vesting pro rata

¹⁾ Transition rule for voluntary resignation or termination by company if termination before 31 May 2021 and MB member on service on 1 April 2017.

Disclosure of targets

Internal financial targets and individual objectives are generally considered sensitive information as they allow insight into our confidential strategic goals. However, to increase transparency of our reward plans without disclosing commercially sensitive information, we decided to provide an ex-post disclosure of the Group (financial and ESG) targets under the VCC as well as EEAP targets of the tranches vesting based on the reported performance year.

Sonova share ownership guidelines

To further align the interests of the Management Board with those of our shareholders, the Sonova share ownership guidelines require Management Board members to hold a minimum monetary value in shares equivalent to the following amounts:

- CEO: CHF 1,000,000
- Other members: CHF 200,000

They have three years and two months after receiving the first grant as a Management Board member to build up the shareholding, with a required progression of one year and two months for a 12.5% achievement, and two years and two months for a 25% achievement. Only shares in the form of fully vested shares and share purchases on the open market are counted. Compliance with the shareholding requirement is reviewed annually by the NCC with an effective date of March 31.

Benefits

As the Management Board is international in its nature, the members participate in the benefit plans available in the country of their employment contract. Benefits consist mainly of retirement, insurance, and healthcare plans that are designed to provide a reasonable level of protection for the employees and their dependents in respect to retirement income, healthcare provision, and coverage against the risk of disability or death.

Sonova maintains defined-contribution plans under the Swiss occupational pension regulations. Pension benefits are provided through the regular pension plan. Members of the Management Board who are under a Swiss employment contract are eligible for the same benefits as all other employees in Switzerland. Members of the Management Board who are under a foreign employment contract receive benefits in line with local current regulatory practice.

The compensation of members of the Management Board who are under Swiss employment is subject to mandatory employer social security contributions (AHV/ALV).

The benefits and company contributions covered by Sonova are disclosed in the compensation report in compliance with Sonova's reporting obligations.

The CEO and selected members of the Management Board are entitled to a flat rate cash car allowance as well as an expense allowance in line with the expense regulations applicable to all members of management in Switzerland, which is approved by the Swiss tax authorities. In an international context, members may also be provided with benefits such as relocation, temporary housing, travel benefits, and tax advice, in line with policies and practices. These other benefits are included in the compensation table at their fair value.

Employment terms and conditions

As part of its commitment to good corporate governance, Sonova has a forfeiture provision in all employment agreements with the Management Board members. It provides for repayment of any compensation paid or granted prior to the AGM's approval if the proposed aggregate compensation of the members of the Management Board is not approved.

All members of the Management Board have permanent employment contracts with a notice period of a maximum of six months. The notice period for the CEO is 12 months. Sonova does not grant contractual severance payments to members of the Management Board, nor does Sonova make advance payments or grant loans to them. There are no change of control provisions other than those highlighted in the EEAP termination provisions. The employment contracts of the members of the Management Board may include non-competition arrangements of a duration of up to 12 months, without any compensation.

Claw-back

Claw-back and malus provisions apply to both the VCC and EEAP allowing the company to reduce (malus) or reclaim (clawback) any VCC or EEAP, in part or in full, in the event of an accounting/financial restatement due to non-compliance with financial reporting requirements under the Swiss laws at the time of disclosure, of fraud or violation of law. These provisions apply to all VCC payments and EEAP awards for a period of three years following the financial year related respectively to which the VCC payment or EEAP grants/vesting have been made.

We believe that the five-year restriction period under the EEAP represents an additional effective solution to mitigate any impact in the event of an accounting/financial restatement due to non-compliance with financial reporting requirements under the Swiss laws at the time of disclosure.

7. Compensation for the financial year

7.1 Board of Directors compensation

The tables in this section are audited by the external auditor.

The following table shows the compensation for the individual members of the Board of Directors for the 2024/25 financial year (10 members from the 2024 AGM) and for the 2023/24 financial year (9 members). The total compensation in the 2024/25 financial year was CHF 3.3 million (2023/24: CHF 3.1 million).

Board of Directors compensation for the Financial Year

in CHF					2024/25
	Cash retainer (fixed fee)	Total cash compensation	Grant value of restricted shares	Total compensation	Employer's social insurance contribution (AHV/ALV) ¹⁾
Robert F. Spoerry ²⁾ Chair of the Board of Directors	430,000	430,000	369,953	799,953	44,588
Stacy Enxing Seng Vice-Chair of the Board of Directors Member of the Nomination and Compensation Committee	135,000	135,000	159,919	294,919	18,448
Gregory Behar Member of the Audit Committee	120,000	120,000	159,919	279,919	17,475
Lynn Dorsey Bleil Member of the Audit Committee	120,000	120,000	159,919	279,919	17,475
Lukas Braunschweiler Member of the Nomination and Compensation Committee	120,000	120,000	159,919	279,919	348,913
Roland Diggelmann Chair of the Nomination and Compensation Committee	140,000	140,000	159,919	299,919	18,773
Julie Tay Member of the Nomination and Compensation	120,000	120,000	159,919	279,919	17,204
Ronald van der Vis Member of the Audit Committee	120,000	120,000	159,919	279,919	17,475
Adrian Widmer Chair of the Audit Committee	140,000	140,000	159,919	299,919	18,773
Gilbert Achermann Member of the Board of Directors	83'333 ³⁾	83'333 ³⁾	159,919	243,252	15,068
Total	1,528,333	1,528,333	1,809,224	3,337,557	534,192

The compensation shown in the table above is gross and based on the accrual principle.

¹⁾ Employer social security contributions on cash retainer, restricted shares granted during the financial year as well as stock options exercised during the financial year

²⁾ Including NCC and AC work and attendance.

³⁾ Pro-rated for the period AGM 2024 to 31, March 2025.

in CHF

2023/24

	Cash retainer (fixed fee)	Total cash compensation	Grant value of restricted shares	Total compensation	Employer's social insurance contribution (AHV/ALV) ¹⁾
Robert F. Spoerry ²⁾ Chair of the Board of Directors	430,000	430,000	369,808	799,808	45,208
Stacy Enxing Seng Vice-Chair of the Board of Directors Member of the Nomination and Compensation Committee	135,000	135,000	159,924	294,924	18,680
Gregory Behar Member of the Audit Committee	116,667	116,667	159,924	276,591	17,474
Lynn Dorsey Bleil Member of the Audit Committee	120,000	120,000	159,924	279,924	17,693
Lukas Braunschweiler Member of the Nomination and Compensation Committee	123,333	123,333	159,924	283,258	301,538
Roland Diggelmann Chair of the Nomination and Compensation Committee	136,667	136,667	159,924	296,591	18,789
Julie Tay Member of the Nomination and Compensation	116,667	116,667	159,924	276,591	17,202
Ronald van der Vis Member of the Audit Committee	120,000	120,000	159,924	279,924	17,693
Adrian Widmer Chair of the Audit Committee	140,000	140,000	159,924	299,924	19,009
Total (active members)	1,438,333	1,438,333	1,649,202	3,087,535	473,288
Jinlong Wang	16,667	16,667		16'667 ⁴⁾	911
Total (including former members)	1,455,000	1,455,000	1,649,202	3,104,202	474,199

The compensation shown in the table above is gross and based on the accrual principle.

¹⁾ Employer social security contributions on cash retainer, restricted shares granted during the financial year as well as stock options exercised during the financial year.

²⁾ Including NCC and AC work and attendance.

7.1.1 Approved versus expected total compensation for the members of the Board of Directors

The total compensation paid to the Board of Directors for the period from the 2024 AGM to the 2025 AGM is expected to be CHF 3.3 million. The total compensation is within the limit of CHF 3.5 million approved by the 2024 AGM.

Approved versus expected total compensation for the members of the Board of Directors

in CHF 1,000	Approved for AGM 2023 - AGM 2024	Effective for AGM 2023 - AGM 2024	Approved for AGM 2024 - AGM 2025	Expected for AGM 2024 - AGM 2025
AGM approval year		2023		2024
Total compensation	3,230	3,100	3,500	3,360
Breakdown total compensation:				
Fixed fees including expenses	1,510	1,450	1,610	1,550
Grant value of restricted shares	1,720	1,650	1,890	1,810
Number of members of the Board of Directors	9	9	10	10

7.1.2 Other compensation, loans, and credit for current and former members of the Board of Directors and related parties

No other compensation was paid to current members of the Board of Directors for additional services beyond the total compensation disclosed in the tables above. No other compensation was paid to former members of the Board of Directors beyond the total compensation disclosed in the tables above.

In the year under review, no payments were made to individuals who are closely related to any current or former member of the Board of Directors.

No loans were granted by Sonova or any other Group company to current or former members of the Board of Directors in the 2024/25 financial year, and no such loans were outstanding as of

March 31, 2025. Furthermore, neither Sonova nor any other Group company has granted any loans to related parties of current or former members of the Board of Directors.

7.1.3 Outside mandates

As of March 31, 2025, the members of the Board of Directors held the following mandates outside Sonova:

2024/25				
	Listed companies	Function	Other mandates	Function
Robert F. Spoerry	Bystronic Holding AG	Member of the Board of Directors	n.a.	n.a.
Stacy Enxing Seng	LivaNova Inc.	Member of the Board of Directors	Cala Health	Chair of the Board of Directors
			Contego Inc.	Executive Chair of the Board of Directors
			Corza Inc.	Member of the Board of Directors
			Imperative Care	Member of the Board of Directors
			Lightstone Ventures	Operating Partner
Gregory Behar	n.a.	n.a.	Recipharm AB	CEO
			Amazentis SA	Member of the Board of Directors
			New Biologix	Member of the Board of Directors
Lynn Dorsey Bleil	Alcon Inc.	Member of the Board of Directors	Intermountain Healthcare Wasatch Back Hospitals Community Board	Chair
	Amicus Therapeutics Inc.	Member of the Board of Directors		
Lukas Braunschweiler	Tecan Group AG	Chair of the Board of Directors	n.a.	n.a.
Roland Diggelmann	Mettler Toledo International Inc.	Chair of the Board of Directors	Berlin Heals AG	Member of the Board of Directors
			HeartForce AG	Member of the Board of Directors
			Navignostics AG	Member of the Board of Directors
			Osler Diagnostics Ltd.	Member of the Board of Directors
Julie Tay	EBOS Group Ltd.	Member of the Board of Directors	n.a.	n.a.
Ronald van der Vis	n.a.	n.a.	Industry Advisor	Operating Partner, Co-Investor
			European Dental Group	Chair of the Supervisory Board
			Equipe Zorgbedrijven	Chair of the Supervisory Board
			United Veterinary Care	Chair of the Supervisory Board
			HEMA BV	Member of the Supervisory Board
Adrian Widmer	Sika AG	Group CFO	n.a.	n.a.
Gilbert Achermann	Ypsomed Group	Member of the Board of Directors	Unilabs Group	Chair of the Board of Directors
			Greentech	Member of the Board of Directors
			IMD Lausanne	Vice Chair of the Supervisory Board
			SwissMedtech Association	Vice Chair

2023/24

	Listed companies	Function	Other mandates	Function
Robert F. Spoerry	Bystronic Holding AG	Member of the Board of Directors	n.a.	n.a.
	Mettler Toledo International Inc.	Non-executive Chair of the Board of Directors		
Stacy Enxing Seng	LivaNova Inc.	Member of the Board of Directors	Cala Health	Chair of the Board of Directors
			Contego Inc.	Executive Chair of the Board of Directors
			Corza Inc.	Member of the Board of Directors
			Imperative Care	Member of the Board of Directors
			Lightstone Ventures	Operating Partner
Gregory Behar	n.a.	n.a.	Recipharm AB	CEO
			Amazentis SA	Member of the Board of Directors
			New Biologix	Member of the Board of Directors
Lynn Dorsey Bleil	Alcon Inc.	Member of the Board of Directors	Intermountain Healthcare Wasatch Back Hospitals Community Board	Chair
	Stericycle Inc.	Member of the Board of Directors		
	Amicus Therapeutics Inc.	Member of the Board of Directors		
Lukas Braunschweiler	Tecan Group AG	Chair of the Board of Directors	n.a.	n.a.
Roland Diggelmann	Mettler Toledo International Inc.	Member of the Board of Directors	Berlin Heals AG	Member of the Board of Directors
			HeartForce AG	Member of the Board of Directors
			Navignostics AG	Member of the Board of Directors
			Osler Diagnostics Ltd.	Member of the Board of Directors
Julie Tay	EBOS Group Ltd.	Member of the Board of Directors	n.a.	n.a.
Ronald van der Vis	n.a.	n.a.	Industry Advisor	Operating Partner, Co-Investor
			European Dental Group	Chair of the Supervisory Board
			Equipe Zorgbedrijven	Chair of the Supervisory Board
			United Veterinary Care	Chair of the Supervisory Board
			HEMA BV	Member of the Supervisory Board
Adrian Widmer	Sika AG	Group CFO	n.a.	n.a.

7.2 Management Board compensation

7.2.1 Compensation awarded for the 2024/25 financial year

As stated above, Sonova's basic principle is that any changes to the fixed or target compensation for the Management Board are made only if and when they are deemed necessary and appropriate. Such changes are generally in line with those across the organization, with a primary focus on the variable compensation components, and they can be differentiated in cases such as, for example, a change to a position's responsibilities. They are also aligned with data from executive compensation surveys and published benchmarks from companies of similar size.

The highest total compensation for a member of the Management Board in the 2024/25 financial year was paid to Arnd Kaldowski, CEO.

The following tables show the compensation of the CEO and the other members of the Management Board for the 2024/25 financial year (8 members) and for the 2023/24 financial year (8 members).

Management Board compensation for the Financial Year (audited by external auditors)

in CHF									2024/25
	Fixed base salary	Variable compensation ¹⁾	Fringe benefits	Employer's pension contribution	Total cash compensation	Value of PSUs ²⁾	Value of options ³⁾	Total compensation	Employer's social security contribution
Arnd Kaldowski, CEO	921,750	666,799	54,308	107,340	1,750,197	813,750	1,356,250	3,920,197	163,341
Other members of the MB	3,480,631	1,649,711	259,168	459,453	5,848,963	1,284,000	1,284,000	8,416,963	563,430
Total	4,402,381	2,316,510	313,476	566,793	7,599,160	2,097,750	2,640,250	12,337,160	726,771

The compensation shown in the table above is gross and based on the accrual principle.

¹⁾ The variable compensation will be paid out only when the Group's audited financial statements for the financial year have been publicly disclosed by the Group in its consolidated financial statements.

²⁾ Fair value per PSU at grant date CHF 346.86. Fair Value of PSUs provided by a third party based on the Monte Carlo pricing model; this is an appropriately balanced approach, taking account of the possibility of either over- or under-achievement. The settlement will be determined based on actual performance achievement prior to the vesting in June 2028 and the PSUs are blocked after vesting to arrive at the total mandatory restriction period of five years from grant date.

³⁾ Fair value per option at grant date provided by a third party based on the "Enhanced American Pricing Model" (including the impact of the restriction period based on a "Black-Scholes Model") of CHF 80.88. The options are blocked after vesting to arrive at the total mandatory restriction period of five years.

in CHF									2023/24
	Fixed base salary	Variable compensation ¹⁾	Fringe benefits	Employer's pension contribution	Total cash compensation	Value of PSUs ²⁾	Value of options ³⁾	Total compensation	Employer's social security contribution
Arnd Kaldowski, CEO	900,000	587,368	53,200	117,738	1,658,306	802,500	1,337,500	3,798,306	103,701
Other members of the MB	3,296,898	1,116,995	292,471	556,680	5,263,044	1,707,500	1,707,500	8,678,044	461,461
Total (active members)	4,196,898	1,704,363	345,671	674,418	6,921,350	2,510,000	3,045,000	12,476,350	565,162
Former members of the MB	28,000	14,000	3,333	5,082	50,415			50,415	3,355
Total	4,224,898	1,718,363	349,004	679,500	6,971,765	2,510,000	3,045,000	12,526,765	568,517

The compensation shown in the table above is gross and based on the accrual principle.

¹⁾ The variable compensation will be paid out only when the Group's audited financial statements for the financial year have been publicly disclosed by the Group in its consolidated financial statements.

²⁾ Fair value per PSU at grant date CHF 293.53. Fair Value of PSUs provided by a third party based on the Monte Carlo pricing model; this is an appropriately balanced approach, taking account of the possibility of either over- or under-achievement. The settlement will be determined based on actual performance achievement prior to the vesting in June 2027 and the PSUs are blocked after vesting to arrive at the total mandatory restriction period of five years from grant date.

³⁾ Fair value per option at grant date provided by a third party based on the "Enhanced American Pricing Model" (including the impact of the restriction period based on a "Black-Scholes Model") of CHF 72.69 and for one member CHF 74.95. The options are blocked after vesting to arrive at the total mandatory restriction period of five years after regular grant date.

Explanatory comments to the compensation tables

The total compensation of CHF 12.3 million for the 2024/25 financial year is below the total of CHF 12.5 million for the previous year. This is explained by the following main contributing factors:

- The total cash compensation has increased, primarily due to a rise in variable compensation compared to 2023/24, driven by the company's improved performance.
- Reduction of the PSU and Stock Options grants due to the change of Management Board members.

Variable Cash Compensation performance outcomes 2024/25

The system of the VCC is outlined in more detail in section 6.3 of this report. The table below (validated by the NCC) shows the targets for the Group objectives and group ESG objectives as well as the actual achievements and the payout percentage ranges for the VCC for the 2024/25 financial year.

	Category	Measures	Targets	Actuals	Ach. %	Payout Percentage ¹	
						0%	Target = 100% 250%
Financial Targets	Group objectives	Sales (in LC)	CHF 4,003.70	CHF 3,951.50	98.7%	■ 74.0%	
		EBITA ² (in CHF)	CHF 856.30	CHF 827.60	96.6%	■ 66.4%	
		OpFCF ³ (in CHF)	CHF 762.70	CHF 754.60	98.9%	■ 89.4%	
		EPS ² (in CHF)	CHF 10.30	CHF 10.10	98.1%	■ 83.4%	
	Businesses objectives	Sales	—*	—*		50.0% ■ 112.2%	
		Profitability	—*	—*		50.0% ■ 77.1%	
		DWCO	—*	—*	0%	■ 196.5%	
Non-Financial Targets	ESG objectives	ESG - Climate change	-2.50%	4.30%	-172.00%	■ 0%	
		ESG - Talent management	79.00	68.00	86.08%	■ 0%	
		ESG - individual ⁴	—*	—*	16.1%	■ X 100%	
	Individual objectives ³	Projects	—*	—*		74.7% ■ X 94.0%	
	TOTAL					63.5% ■ X 84.5%	X = CEO

As per Section 6.3, performance targets are a derivative of the strategic plan and are typically based on year on year improvements set above the financial guidance given to the capital market.

* Disclosing internal targets would allow insight into Sonova's confidential strategic goals and thereby create a competitive disadvantage, i.e. financial targets at business unit level and individual targets are not disclosed.

¹⁾ Individual target achievement can be above 200%. However, maximum payout is capped at 200% except for Sales at 250%. The payout percentage is shown either as a single value or as a range of payout for each Management Board member.

²⁾ Reported non-GAAP figures adjusted for currency exchange rates fluctuations vs rates at time of budget setting. For details, please refer to the "Reconciliation of non-GAAP financial measures" table at the end of the financial review.

³⁾ Operating Free cash flow – cash consideration for acquisitions and from divestments, net of cash acquired/ divested – cash consideration for associates, excluding taxes. Includes the effect of non-GAAP figures adjustments and currency exchange rates fluctuations vs rates at time of budget setting.

⁴⁾ Individual objectives not disclosed. Each MB Member considered as a single data point (weighted average per category).

Sales growth accelerated throughout the year, driven by the successful launch of the Infinio and Sphere Infinio plaforms. Overall, the businesses achieved between 97% and 100% of the annual sales target.

A targeted EBITA achievement of 97% was met due to a strong pick-up in profitability in the second half-year and cost savings from targeted optimisation initiatives. The EPS target achievement was 98%. The Operating Free Cash Flow achievement was 99%, mainly driven by growth in income before taxes and a reduction on cash outflow from changes in working capital. The assessment of these targets was undertaken based on the adjusted metrics as disclosed in the financial review of this Annual Report and were adjusted for currency exchange rate fluctuations against the rates applied at the time of budget setting. Restructuring costs subject to Non-GAAP adjustment were incurred in order to structurally optimize the Group's cost structure and footprint anticipating a more difficult market context.

ESG Targets

ESG targets were defined around two group categories (Climate change and talent management) for all Management Board members except one. Additionally, members each had a selection of targets set depending on their role and responsibilities. The individual ESG targets are set around circular economy, talent management, diversity & inclusion, customer satisfaction, business ethics and ESG governance. For more details on ESG, please refer to the [ESG Report](#).

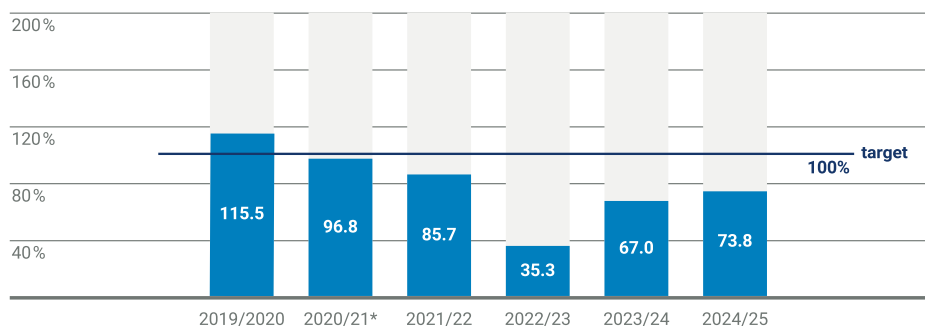
The following table provides details about each Management Board member's Group and individual ESG targets and their respective achievements in the financial year.

ESG targets	Arnd Kaldowski CEO			Other MB Members			
1. Group ESG targets							
Climate change: Reduce combined Scope 1-3 CO ₂ emissions by 2.5% vs. PY.	✗	✗	✗	✗	✗	✗	✗
	The combined Scope 1-3 emissions reduction target of -2.5% was not achieved. Emissions increased by +4.3%, resulting in a 0% payout.						
Talent management: Employee engagement target at 79% (comparison to PY not possible due to change of provider).	✗	✗	✗	✗	✗	✗	✗
	The employee engagment score was below the target of 79. The actual achievement was 68 and resulted in a 0% payout.						
2. Individual ESG targets							
Circular economy: Reduce weight (kg) of transportation packaging by 7% vs. PY. Reduce weight (kg) of product packaging by 5% vs. PY. Reduce volume (m3) of packaging by 5% vs. PY.				✗	✗		✗
Talent management: Employee engagement Management Board	✓						
Diversity & inclusion: Achieve >50% of hires and promotions to senior and middle management positions being female.		✗	✗			✓	✗
Customer satisfaction: Increase NPS by 5 points vs. PY Achieve 3 points improvement in first 2 geos where implemented (50%) and roll-out NPS from 2 to 15 countries (out of 18 in scope) by end of FY 24/25 (50%)					✗	✗	
Responsible supply chain: We conduct assessments of >90% of direct material suppliers identified as potentially high ESG risk.				✓			
Business ethics: Achieve >97.5% annual on-time CoC training completion. Act with integrity and do it right, model, oversee and manage all activities in full compliance						✗	✓
ESG governance: Elevate tracking of our ESG targets, including reliable reporting to Audit Committee and positive result of external audit.	✓	✓					

More in detail for the CEO, the achievement of ESG objectives (Group and Individual) ranged between 0% and 100% which resulted in a payout of 51.0% while the achievement of his individual qualitative objectives ranged between 50% and 120% and resulted in a payout of 93.3%. Individual qualitative objectives for members of the Management Board were achieved between 74.7% and 94.0%.

The overall payout for the 2024/25 financial year for the CEO was 80.9% (2023/24: 73.4%) and between 63.5% and 88.5% (2023/24: 47.5% – 84.5%) for the other members of the Management Board.

7.2.2 Historical variable cash compensation for the members of the Management Board over the last five years



■ Average payout ratio versus target Variable Cash Compensation ■ Target Cap

* VCC FY 2020/21 capped at target due to Corona

The above chart illustrates that the design of the VCC is effective: in line with Sonova's ambitious target-setting, substantial progress needs to be made to reach the target (100%).

7.2.3 Approved versus actual total compensation for the members of the Management Board

The actual total compensation for the Management Board for the 2024/25 financial year was CHF 12.3 million. This figure is below the maximum aggregate compensation amount of CHF 16.5 million approved at the 2023 AGM for the 2024/25 financial year.

The approved compensation for EEAP applies fair value at grant, which is based on 100% target achievement; this is an appropriately balanced approach, taking into account the possibility of either over- or under-achievement for PSUs. The actual number of shares allocated for each PSU will depend on the achievement of pre-determined performance conditions, and ranges from 0 to 2 shares per PSU. Actual achievement will be disclosed upon vesting in each respective financial year.

Additional information to support the shareholder votes on compensation can be found in the invitation to the 2024 AGM.

7.2.4 Executive Equity Award Plan performance outcomes 2024/25

Performance Options

The vesting of the performance options is subject to a pre-defined ROCE target. In the 2024/25 financial year, the ROCE target were exceeded for the option tranches awarded in 2023 and 2024. Since there is no provision for over-achievement in the EEAP, the vesting of the options is capped at target, namely at 100%. The ROCE target for the option tranche awarded in 2021 and 2022 were not fully met and the vesting level equals respectively to 93.8% and 68.3%.

Grant	Measures	Targets	FY 2024/2025	Vesting level	
				0%	Target / Maximum 100%
2021 options	ROCE	22.00%	21.63%		93.8% ■
2022 options	ROCE	24.00%	22.10%		■ 68.3%
2023 options	ROCE	18.00%	21.34%		100% ■
2024 ¹⁾ options	ROCE	18.00%	19.75%		100% ■

¹⁾ 2024 ROCE target set excluding M&A

Any non planned acquisition which took place after the respective grant(s) and major foreign exchange rates movements that were not known in the ROCE target setting at the time of grant are neutralized in the measurement.

Performance Share Units

The PSUs vest based on relative TSR measured against a pre-defined peer group. The number of shares allocated for each vested PSU between the 20th and 80th percentile is calculated by linear interpolation within a range of 0% to 200%.

The actual TSR was -11.75%, which corresponds to a 35.29% percentile rank relative to the peer group, and results in a 50.96% vesting in June 2025. For the PSUs awarded under the EEAP 2021 vesting in June 2024, the actual TSR was 28.0%, which corresponded to a 54.61% percentile rank relative to the peer group and resulted in a 115.4% vesting.

Table below is validated by the NCC and not audited by the external auditors.

Category	Measures	Target	Actual	Vesting level	
				0%	Target = 100% Maximum (200%)
2022 performance share units	rTSR	50th percentile ranking	35.29% percentile ranking		■ 50.96%

7.2.5 Other compensation, loans and credits for current and former members of the Management Board and related parties

No other compensation was paid to current or former members of the Management Board beyond the total compensation disclosed in the tables above.

No payments were made to individuals who are closely related to any current or former members of the Management Board.

No loans were granted by Sonova or any other Group company to current or former members of the Management Board in the 2024/25 financial year, and no such loans were outstanding as of March 31, 2025. Furthermore, neither Sonova nor any other Group company has granted any loans to related parties of current or former members of the Management Board.

7.2.6 Outside mandates (audited by external auditors)

As of March 31, 2025, the members of the Management Board held the following mandates outside Sonova:

2024/25				
	Listed companies	Function	Other mandates	Function
Arnd Kaldowski	n.a.	n.a.	European Hearing Instrument Manufactures Association (EHIMA)	President
Ludger Althoff	n.a.	n.a.	n.a.	n.a.
Lilika Beck	n.a.	n.a.	n.a.	n.a.
Oliver Lux	n.a.	n.a.	n.a.	n.a.
Alistair Simpson	n.a.	n.a.	n.a.	n.a.
Katya Kruglova	n.a.	n.a.	n.a.	n.a.
Robert Woolley	n.a.	n.a.	n.a.	n.a.
2023/24				
	Listed companies	Function	Other mandates	Function
Arnd Kaldowski	n.a.	n.a.	European Hearing Instrument Manufactures Association (EHIMA)	President
Birgit Conix	ASML Holding N.V.	Member of the Supervisory Board	n.a.	n.a.
Ludger Althoff	n.a.	n.a.	QuestW	Member of the Advisory Board
Victoria E. Carr-Brendel	Vicarious Surgical Inc.	Member of the Board of Directors	Medical Device Manufacturers Association (MDMA)	Member
Christophe Fond	n.a.	n.a.	n.a.	n.a.
Martin Grieder	n.a.	n.a.	n.a.	n.a.
Katya Kruglova	n.a.	n.a.	n.a.	n.a.
Robert Woolley	n.a.	n.a.	n.a.	n.a.

8. Share ownership information

8.1 Shareholdings of members of the Board of Directors

The tables in this section are audited by the external auditor.

The following table shows the equity of the individual members of the Board of Directors and persons closely linked to them.

	31.03.2025				31.03.2024			
	Total Shares	of which Restricted Shares ¹⁾	RSUs	Options	Total Shares	of which Restricted Shares ²⁾	RSUs	Options
Robert F. Spoerry, Chair	60,698	8,399			59,539	9,432		
Stacy Enxing Seng, Vice-Chair	10,822	2,969			10,321	3,129		
Gregory Behar, Member	2,563	2,238			1,737	1,737		
Lynn Dorsey Bleil, Member	7,621	2,969			7,120	3,129		
Lukas Braunschweiler, Member	18,916	2,969			18,415	3,129		31,603
Roland Diggelmann, Member	2,238	2,238			1,737	1,737		
Julie Tay, Member	1,759	1,759			1,258	1,258		
Ronald van der Vis, Member	7,591	2,969			7,090	3,129		
Adrian Widmer, Member	2,969	2,969			2,468	2,468		
Gilbert Achermann, Member ³⁾	9,771	501						
Total	124,948	29,980	-	-	109,685	29,148		31,603

¹⁾ These shares are subject to a restriction period which varies from June 1, 2025 to June 1, 2030 depending on the grant date. The restricted shares have full shareholder rights.

²⁾ These shares are subject to a restriction period which varies from June 1, 2024 to June 1, 2029 depending on the grant date. The restricted shares have full shareholder rights.

³⁾ Member of the Board of Directors since June 2024.

For further details see also Note 7.4 in the consolidated financial statements.

The shareholding requirements set by the share ownership guidelines are entirely met by all members of the Board of Directors.

8.2 Shareholdings of members of the Management Board

The tables in this section are audited by the external auditor.

The following tables show the equity of individual members of the Management Board and persons closely linked to them.

	31.03.2025				31.03.2024			
	Shares ¹⁾	PSUs	RSUs	Options	Shares ¹⁾	PSUs	RSUs	Options
Arnd Kaldowski Chief Executive Officer	21,959	10,431		242,404	20,515	11,152		227,399
Lilika Beck ³⁾ GVP Consumer Hearing		492	298	4,846				
Oliver Lux ³⁾ GVP Audiological Care	661	657	463	8,797				
Alistair Simpson ⁴⁾ GVP Cochlear Implants		605		2,596				
Ludger Althoff Group Vice President Operations	3,254	3,150		28,421	2,156	3,482		26,048
Katya Kruglova ⁵⁾ Group Vice President Corporate Human Resources & Communications	186	2,470		10,422	88	1,822		7,641
Robert (Rob) Woolley ⁶⁾ GVP Hearing Instruments	338	3,069	675	18,894		2,392	1,013	15,989
Total (active members)	26,398	20,874	1,436	316,380	22,759	18,848	1,013	277,077
Other members that left during the financial year					4,770	11,673		106'817 ²⁾
Total (including members that left during the financial year)	26,398	20,874	1,436	316,380	27,529	30,521	1,013	383,894

¹⁾ Shares are dividend entitled with full voting rights.

²⁾ 20,837 SARs were granted instead of options (SARs grant the right to participate in the appreciation of Sonova shares without issuance of shares).

³⁾ Member of the Management Board since June 2024.

⁴⁾ Member of the Management Board since July 2024. SARs were granted instead of options (SARs grant the right to participate in the appreciation of Sonova shares without issuance of shares).

⁵⁾ Member of the Management Board since May 2023.

⁶⁾ Member of the Management Board since April 2022.

As of March 31, 2025 the shareholding requirements set by the share ownership guideline are met by all members of the Management Board except for one member due to the negative evolution of the share price, who re-committed to meet the requirements by June 30, 2025.

The following table shows the shareholding requirements relative to the fixed base salary and the indicative actual shareholdings.

	Base salary	Share requirements ¹⁾	Actual shares ²⁾	Fulfillment of share ownership guidelines	Share ownership ratio to base salary
	in CHF	in CHF	in CHF	in %	ratio
Arnd Kaldowski, CEO	926,100	1,000,000	5,632,484	563	6.1
Other members of the MB ³⁾	415,000	200,000	834,651	417	2.0

¹⁾ Share requirements to be achieved for the CEO as of December 31, 2017 and for all other members of the MB after 38 months.

²⁾ Calculated with Sonova closing share price of March 31, 2025.

³⁾ Average of other members of the MB with shareholding requirements (excluding members of the MB that are still in build-up phase for shareholding requirements). The calculation of fulfillment and the ratio to base salary of the share ownership shown above are included for illustration purposes only.

The following table shows a detailed breakdown of the outstanding options of the members of the Management Board.

									31.03.2025
	Options EEAP 25 ¹⁾	Options EEAP 24 ²⁾	Options EEAP 23 ³⁾	Options EEAP 22 ⁴⁾	Options EEAP 21 ⁵⁾	Options EEAP 20 ⁶⁾	Options EEAP 19 ⁷⁾	Options EEAP 18 ⁸⁾	Total options
Arnd Kaldowski	16,768	18,400	21,832	13,274	25,454	28,119	32,901	85,656	242,404
Other members of the MB	15,872	16,703	11,005	9,548	6,347	7,783	6,718		73,976
Total (active members)	32,640	35,103	32,837	22,822	31,801	35,902	39,619	85,656	316,380
Other members that left during the financial year			2,313 ⁸⁾	2,625 ⁸⁾	6,468 ⁸⁾	10,684 ⁸⁾			22,090 ⁸⁾
Total (including members that left during the financial year)	32,640	35,103	35,150	25,447	38,269	46,586	39,619	85,656	338,470

¹⁾ Exercise price CHF 319.20, vesting period 1.2.2025–1.6.2029 whereas one tranche being vested each year, end of restriction period 31.1.2030, exercise period 1.2.2030–31.1.2035.

²⁾ Exercise price CHF 279.10, vesting period 1.2.2024–1.6.2028 whereas one tranche being vested each year, end of restriction period 31.1.2029, exercise period 1.2.2029–31.1.2034.

³⁾ Exercise price CHF 233.40, vesting period 1.2.2023–1.6.2027 whereas one tranche being vested each year, end of restriction period 31.1.2028, exercise period 1.2.2028–31.1.2033 and for one member exercise price CHF 278.20, vesting period 2.5.2023–1.6.2027 whereas one tranche being vested each year, end of restriction period 31.1.2028, exercise period 1.2.2028–31.1.2033.

⁴⁾ Exercise price CHF 333.60, vesting period 1.2.2022–1.6.2026 whereas one tranche being vested each year, end of restriction period 31.1.2027, exercise period 1.2.2027–31.1.2032.

⁵⁾ Exercise price CHF 218.70, vesting period 1.2.2021–1.6.2025 whereas one tranche being vested each year, end of restriction period 31.1.2026, exercise period 1.2.2026–31.1.2031.

⁶⁾ Exercise price CHF 241.80, vesting period 1.2.2020–1.6.2024 whereas one tranche being vested each year, end of restriction period 31.1.2025, exercise period 1.2.2025–31.1.2030.

⁷⁾ Exercise price CHF 182.40, vesting period 1.2.2019–1.6.2023 whereas one tranche being vested each year, exercise period 1.6.2020–31.1.2029.

⁸⁾ For one member SARs were granted instead of options (SARs grant the right to participate in the appreciation of Sonova shares without issuance of shares).

⁹⁾ Includes the one-time, non-recurring performance option grant (46,528 options); exercise price of CHF 147.85, vesting period of 1.2.2018 – 1.4.2025, exercise period 1.4.2025 – 30.9.2027.

31.03.2024

	Options EEAP 24 ¹⁾	Options EEAP 23 ²⁾	Options EEAP 22 ³⁾	Options EEAP 21 ⁴⁾	Options EEAP 20 ⁵⁾	Options EEAP 19 ⁶⁾	Options EEAP 18 ⁷⁾	Total options
Arnd Kaldowski	18,400	21,832	15,037	25,454	28,119	32,901	85,656 ⁸⁾	227,399
Other Members MB	20,531	27,048 ⁹⁾	21,208 ⁹⁾	20,837 ⁹⁾	24,712 ⁹⁾	27,438 ⁹⁾	14,721	156,495 ⁹⁾
Total	38,931	48,880	36,245	46,291	52,831	60,339	100,377	383,894

¹⁾ Exercise price CHF 279.10, vesting period 1.2.2024–1.6.2028 whereas one tranche being vested each year, end of restriction period 31.1.2029, exercise period 1.2.2029–31.1.2034.

²⁾ Exercise price CHF 233.40, vesting period 1.2.2023–1.6.2027 whereas one tranche being vested each year, end of restriction period 31.1.2028, exercise period 1.2.2028–31.1.2033 and for one member exercise price CHF 278.20, vesting period 2.5.2023–1.6.2027 whereas one tranche being vested each year, end of restriction period 31.1.2028, exercise period 1.2.2028–31.1.2033.

³⁾ Exercise price CHF 333.60, vesting period 1.2.2022–1.6.2026 whereas one tranche being vested each year, end of restriction period 31.1.2027, exercise period 1.2.2027–31.1.2032.

⁴⁾ Exercise price CHF 218.70, vesting period 1.2.2021–1.6.2025 whereas one tranche being vested each year, end of restriction period 31.1.2026, exercise period 1.2.2026–31.1.2031.

⁵⁾ Exercise price CHF 241.80, vesting period 1.2.2020–1.6.2024 whereas one tranche being vested each year, end of restriction period 31.1.2025, exercise period 1.2.2025–31.1.2030.

⁶⁾ Exercise price CHF 182.40, vesting period 1.2.2019–1.6.2023 whereas one tranche being vested each year, exercise period 1.6.2020–31.1.2029.

⁷⁾ Exercise price CHF 147.85, vesting period 1.2.2018–1.6.2022 whereas one tranche being vested each year, exercise period 1.6.2019–31.1.2028.

⁸⁾ Includes the one-time, non-recurring performance option grant (46,528 options); exercise price of CHF 147.85, vesting period of 1.2.2018 – 1.4.2025, exercise period 1.4.2025 – 30.9.2027.

⁹⁾ For one member SARs were granted instead of options (SARs grant the right to participate in the appreciation of Sonova shares without issuance of shares).

Glossary

AC	Audit Committee
AGM	Annual General Shareholders' Meeting
AHV	Old Age and Survivors' Insurance
ALV	Unemployment Insurance
Articles of Association	Articles of Association of Sonova Holding AG
ASP	Average Sales Price
BoD	Board of Directors
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CHF	Swiss Francs
DWCO	Days Working Capital Outstanding
EBITA	Earnings Before Interest, Taxes and Amortization
EEAP	Executive Equity Award Plan
EPS	Earnings Per Share
ESG	Environmental, Social and Governance
GVP	Group Vice President
HRM	Human Resource Management
KPIs	Key Performance Indicators
MB	Management Board
n.a.	Not applicable
NCC	Nomination and Compensation Committee
OPEX	Operating Expenses
OpFCF	Operating Free Cash Flow
PSU	Performance Share Unit
ROCE	Return on Capital Employed
RSU	Restricted Share Unit
rTSR	relative Total Shareholder Return
SLI	Swiss Leaders Index
SMI	Swiss Market Index
Sonova Excellence	Sonova Excellence System
VCC	Variable Cash Compensation



Report of the statutory auditor to the General Meeting of Sonova Holding AG

Report on the audit of the compensation report

Opinion

We have audited the compensation report of Sonova Holding AG for the year ended 31 March 2025. The audit was limited to the information pursuant to Art. 734a-734f of the Swiss Code of Obligations (CO) in the tables marked "audited" on pages 88 to 92 and pages 97 to 101 in the compensation report.

In our opinion, the information pursuant to Art. 734a-734f CO in the compensation report complies with Swiss law and the Company's articles of incorporation.

Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's responsibilities for the audit of the compensation report" section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the tables marked "audited" on pages 88 to 92 and pages 97 to 101 in the compensation report, the consolidated financial statements, the stand-alone financial statements and our auditor's reports thereon.

Our opinion on the compensation report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the compensation report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the audited financial information in the compensation report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' responsibilities for the compensation report

The Board of Directors is responsible for the preparation of a compensation report in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of a compensation report that is free from material misstatement, whether due to fraud or error. The Board of Directors is also responsible for designing the remuneration system and defining individual remuneration packages.

Auditor's responsibilities for the audit of the compensation report

Our objectives are to obtain reasonable assurance about whether the information pursuant to Art. 734a-734f CO is free from material misstatement, whether due to fraud or error, and to issue an

auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this compensation report.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the compensation report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Zurich, 8 May 2025

Ernst & Young Ltd

Martin Mattes

Licensed audit expert
(Auditor in charge)

Philippe Schlatter

Licensed audit expert