

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
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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	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. 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.
	Disclosure of vesting value of the long-term incentive / realized pay	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. 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.
LTI	Vesting period for performance options	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. The NCC is convinced that the current plan set-up is well aligned with shareholder's interests.
	Possible payout for below median TSR performance of the PSU	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. 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.
	Clawback/malus provisions	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.

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

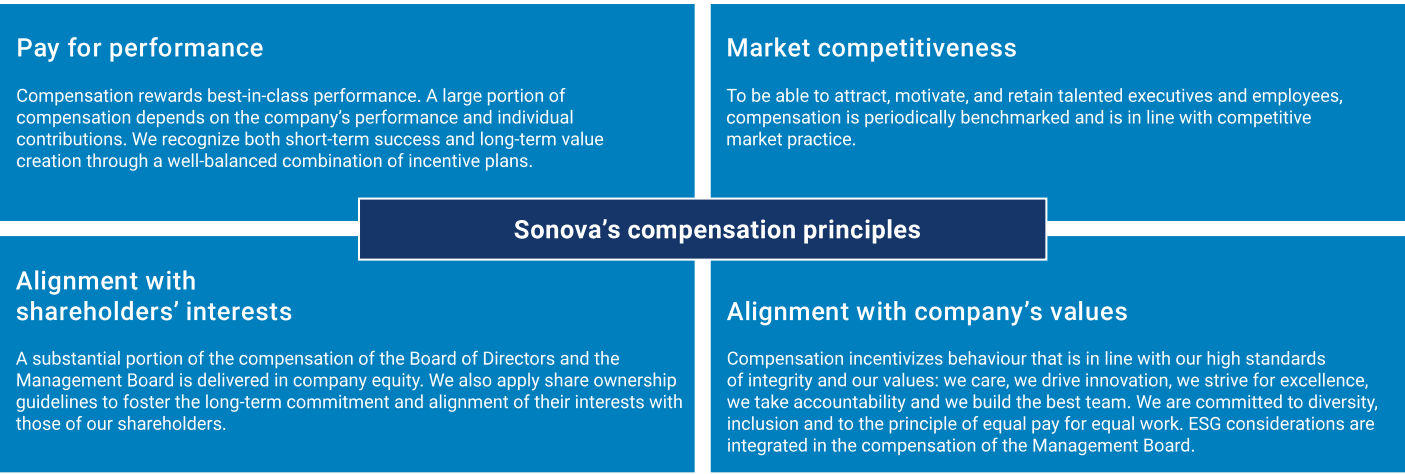
The CEO and members of the Management Board are subject to minimum share ownership requirements of CHF 1,000,000 and CHF 200,000 respectively.

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.

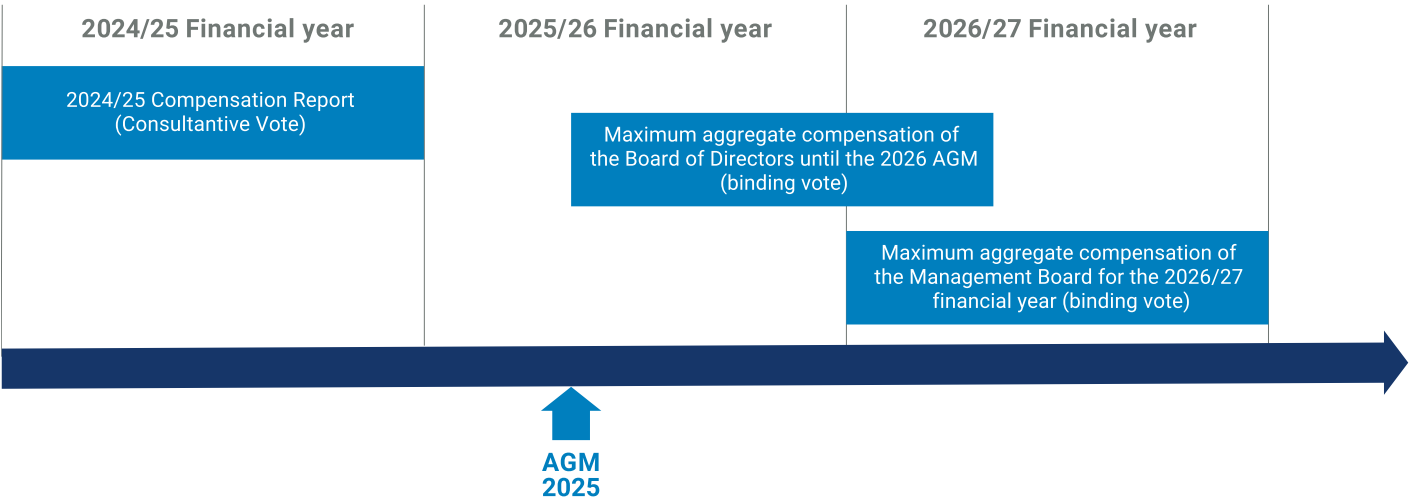
5. Compensation governance

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

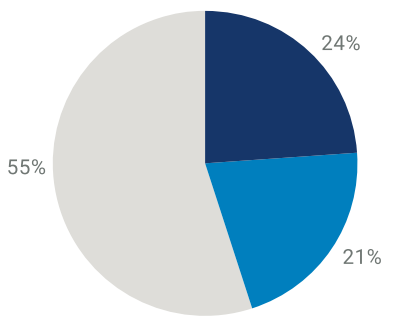
As outlined in the introduction to this compensation report, the compensation system of the Management Board is linked to the company’s strategy and business results, and aligns with the interests of our shareholders, rewarding performance in the context of the business and the market. This compensation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

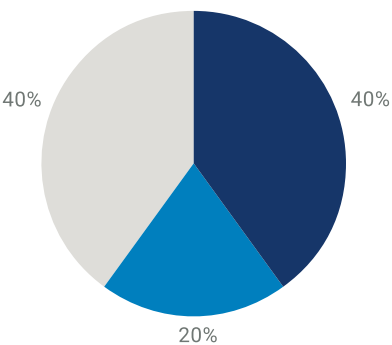
- A fixed base salary;
- A short-term cash incentive award (VCC);
- A long-term equity incentive award (EEAP); and
- Employee benefits, such as pension benefits, flat rate cash car allowance, expense allowance, relocation benefits for certain affected members, as well as social security contributions.

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.

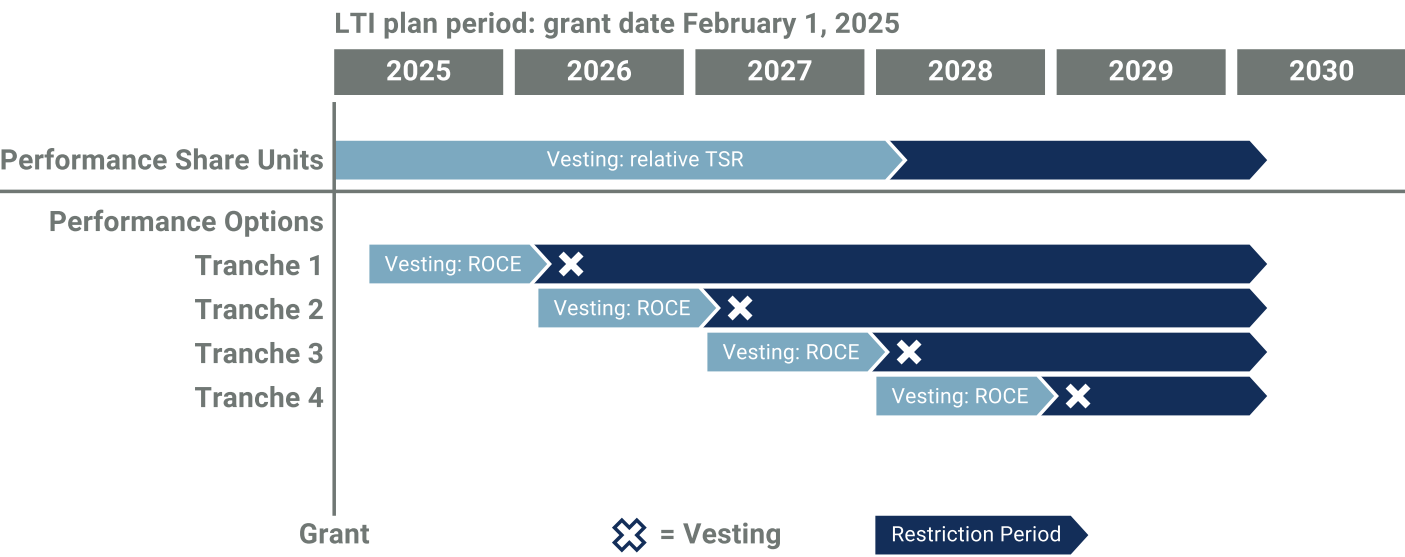
Long-term equity incentive award (EEAP)

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](#).

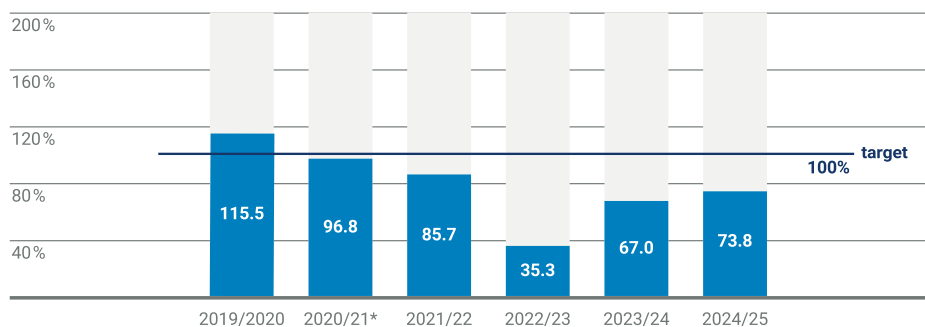
The following table provides details about each Management Board member's Group and individual ESG targets and their respective achievements in the financial year.

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 ⁹⁾	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