



Stakeholder and Sustainability Policy

(Adopted as of 05.07.2023 by the Board of Directors)

BANG & OLUFSEN
B&O

Reg. number: 41257911

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Introduction

Bang & Olufsen wants to create long-term value for all stakeholders.

A close dialogue with key stakeholders is an integral part of how the company operates, and Bang & Olufsen engages with them constructively and always with a long-term perspective. It is the company's core belief that considering key stakeholders in the decision-making process will enable Bang & Olufsen to thrive and become a more sustainable business.

Bang & Olufsen sees the integration of environmental, social, and governance perspectives (ESG) as a prerequisite for running a sustainable business. It is the company's ambition to lead and inspire a movement towards a circular, regenerative future by creating long-lasting luxury technology products and experiences – from the first customer to the last. This ambition is an integrated part of the company's Luxury Timeless Technology strategy. The company is committed to conducting its business in a responsible and transparent manner and respect internationally recognised principles for environmental and climate impact, ethics, human and labour rights, and anti-corruption. By defining Bang & Olufsen's most important ESG and sustainability issues and impacts according to best practice standards and in close dialogue with the company's stakeholders, the company can prioritise and address biggest ESG and sustainability impacts first.

This Policy outlines Bang & Olufsen's key stakeholder groups and principles for how the company engages with them as well as Bang & Olufsen's approach to ESG and sustainability and how the company communicates with its investors and analysts.



Scope of Policy

This Policy applies to all Bang & Olufsen's corporate entities ("Bang & Olufsen") and all Bang & Olufsen's employees globally.



Stakeholder Engagement

The company's main stakeholders are:

- (a) Customers
- (b) Employees and their representatives
- (c) Business partners (brand partners, technology partners, suppliers)
- (d) Retail partners (distributors, monobrand and multibrand partners)
- (e) Investors and analysts
- (f) General public
- (g) Media, key opinion leaders, experts, and interest organisations
- (h) Regulators and authorities

In the company engagement with stakeholders, following principles apply:

- o To be consistent with the company's core values and brand and treat stakeholders with fairness and respect
- o To create value for the company's stakeholders and build long-term partnerships
- o To operate with transparency and integrity and base decision-making on genuine dialogue
- o To share knowledge and expertise
- o To listen and be available for dialogue and respond adequately and timely to input and feedback

The table below outlines the company’s ambitions and approach for each stakeholder:

| Stakeholder group | Ambition | Approach |
|---|--|--|
| Business partners (Brand partners, suppliers, technology partners) | <ul style="list-style-type: none">• Build mutually beneficial relationships and be a reliable, responsible, and engaged partner• Be a collaborative and credible partner, and a trustworthy and responsible representative of the sector• Drive improvements on ESG impacts by being a proactive and transparent partner. | <ul style="list-style-type: none">• Collaborate with the objective of reaching shared goals for the benefit of both customers, society, and the planet• Build, develop, and maintain professional relations |
| Customers | <ul style="list-style-type: none">• Deliver excellent customer experience across all touchpoints• Build strong and loyal customer relationships. Satisfied customers are the basis for the long-term growth and profitability of the company• Inform customers about the value of circular and long-lived consumer electronics | <ul style="list-style-type: none">• The customer is at the centre of everything – by constantly improving the value delivered to customers, Bang & Olufsen’s ambition of elevating how people hear, see, and feel the world• Ensure that Bang & Olufsen’s products and services reflect the company’s position as a luxury timeless technology brand creating long-lasting products and experiences - placing the customer experience at the centre of technology and ensuring meticulous attention to detail in products and services• Address enquiries, customer feedback and complaints effectively together with partners, and such are considered valuable contributions to constantly ensuring high levels of service and quality• Proactively communicate about the value of circular and long-lived consumer electronics in customer facing channels |



The table below outlines the company's ambitions and approach for each stakeholder

| Stakeholder group | Ambition | Approach |
|-------------------------------|--|--|
| Employees and representatives | <ul style="list-style-type: none"> Create a customer centric and performance-oriented culture where employees are empowered and act according to the company's core values and principles for diversity and inclusion. The passion and expertise of the company's employees are key assets for Bang & Olufsen | <ul style="list-style-type: none"> Continue to attract, develop, and retain competent people that reflect the company's culture and core values Respect employees' freedom of association and the right to collective bargaining and maintain a constructive and open dialogue with both employees and their representatives The company's procedures outline details about work environment, collaboration, and dialogue |
| General public | <ul style="list-style-type: none"> Build trust with Bang & Olufsen in the general public and increase the company's societal contribution and engagement | <ul style="list-style-type: none"> Being transparent and accessible and engage in dialogue in the societies in which the company operates Share knowledge and expertise based on the company's core capabilities as outlined in this Policy Proactively communicate about the value of circular and long-lived consumer electronics in customer facing channels |
| Investors and analysts | <ul style="list-style-type: none"> Ensure a pro-active and transparent dialogue with investors and analysts | <ul style="list-style-type: none"> Provide investors and analysts with structured, continuous, and on-going information that meets the information requirements for any investment decisions concerning Bang & Olufsen's shares Make the company's expertise available and increase knowledge of Bang & Olufsen among investors and analysts and to create value through communication and collaboration |

| Stakeholder group | Ambition | Approach |
|---|---|---|
| Media, key opinion leaders, experts, and interest organisations | <ul style="list-style-type: none"> Be a transparent and collaborative partner for the media and ensure fair and balanced coverage of the company Share the company's expertise proactively in a way that creates value for all stakeholders Be an open, collaborative and value creating partner that engages in an honest dialogue with all external stakeholders | <ul style="list-style-type: none"> Ensure that the company is accessible and responsive and address enquiries efficiently and adequately Continue to build and maintain professional relations with the media, key opinion leaders, experts, and interest organisations |
| Regulators and authorities | <ul style="list-style-type: none"> Conduct the business in a lawful manner and maintain good relations in the societies in which the company operates Be a constructive partner driven by the company's ambition to create value for all stakeholders | <ul style="list-style-type: none"> Ensure compliance with regulation in the societies in which the company operates Ensure an open and collaborative dialogue with authorities and politicians and provide expertise in a transparent way on relevant issues Build and maintain professional relations and be an accessible and trustworthy partner that provides reliable information about Bang & Olufsen and its business |
| Retail partners (Distributors, monobrand – and multibrand partners) | <ul style="list-style-type: none"> Build mutually beneficial relationships and be a reliable, responsible, and engaged partner Attract, develop, and retain competent retail partners that deliver the right customer experience and enable them to run a profitable business | <ul style="list-style-type: none"> Collaborate with the objective of reaching shared goals for the benefit of both customers and society Providing retailers with training and support to sell Bang & Olufsen products in line with the company's brand position and procedures |

ESG & Sustainability

The company's sustainability ambition is to lead and inspire a movement towards a circular, regenerative future by creating long-lasting luxury technology products and experiences – from the first customer to the last. The ambition is an integrated part of the company's Luxury Timeless Technology strategy and ensures that Bang & Olufsen makes a positive impact for all key stakeholders, while addressing the most important impacts of the business and operating in a way that respects planetary boundaries.

The company has identified targets and key performance indicators that the company will use to demonstrate and communicate about the progress made.

Longevity

Bang & Olufsen is widely recognised from a functional, aesthetical, and technological perspective for the long-lasting characteristics of the company's products. Nonetheless, it is the company's ambition to push the boundaries even further by creating more sustainable products for customers while also improving the user experience.

Bang & Olufsen believes in long and multiple lives for the company's products, in short, the longevity of Bang & Olufsen's products. That encompasses the company's approach to circular economy, climate action, and good corporate citizenship. Bang & Olufsen integrates longevity thinking into products development processes through circularity by designing for a long-lasting future and taking responsibility to find or create second life solutions for existing products. This approach is underpinned by the principles of the Cradle-to-Cradle standard for product circularity, material and environmental health, and social fairness.

Environmental Impact

Bang & Olufsen is committed to reducing the company's environmental and climate impact through circularity and science-based climate action. That means creating circular and long-lasting products and solutions, lowering value chain emissions in line with climate science, and working with long-standing partners to leverage expertise and share insights to drive change in the industry.

The company's environmental management system includes activities related to energy sourcing, reducing energy consumption, and increasing energy efficiency, greenhouse gas emissions reduction, circular resource management through minimising resource use and recycling of operational waste, protecting and promoting biodiversity in our facilities and in the material choices for our products, and understanding and managing environmental and climate related risks to our business and value chain. Bang & Olufsen works to continuously improve the performance in this area in line with the principles of the ISO 14001 standard.

Social Responsibility

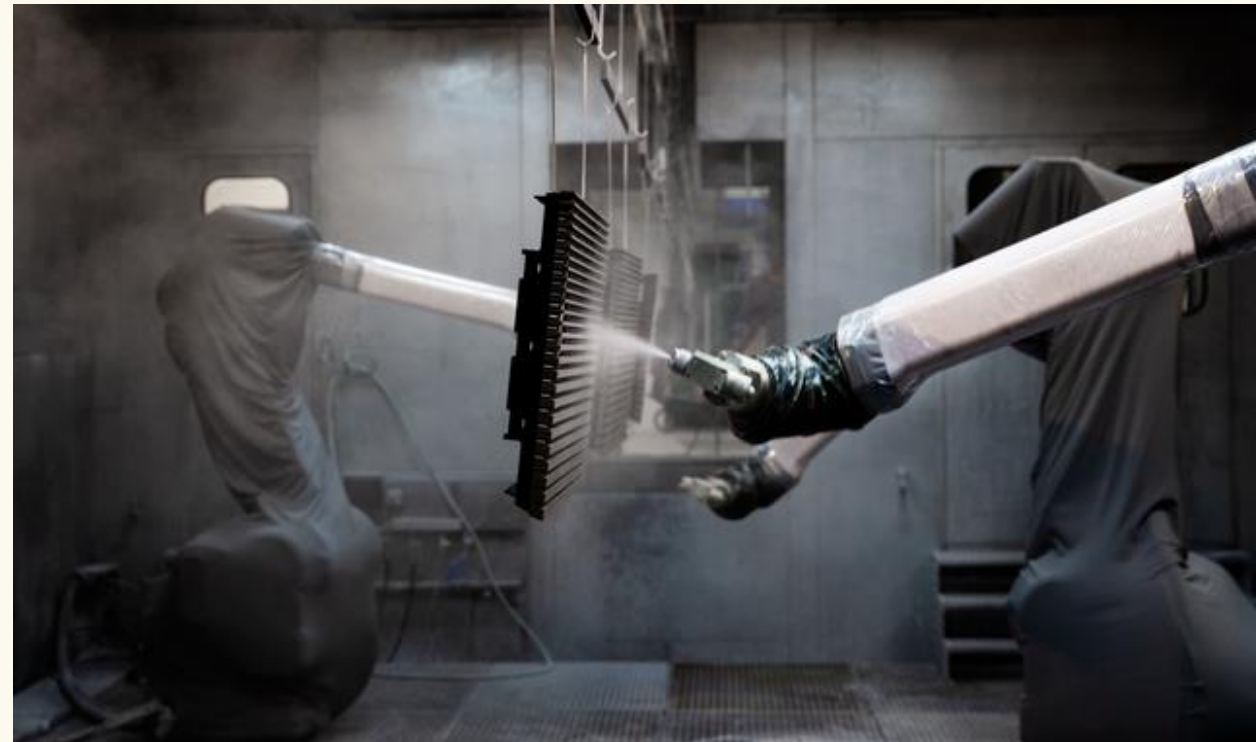
The company's longevity approach is also reflected in how Bang & Olufsen engages with employees and society. Bang & Olufsen wants to be recognised as a people-oriented and responsible company that believes in people and their potential and are passionate about creating an inclusive environment where colleagues are motivated, engaged and feel like they belong.

Bang & Olufsen is focused on empowering employees and helping them develop their competencies to ensure continued development and engagement. Maintaining a healthy and safe working environment and ensuring that employees have the proper knowledge to perform their work in a safe manner, is a key priority. The company respects employees' right to freedom of association and collective bargaining and the right to raise concerns without fear of retaliation, and Bang & Olufsen encourages and promotes a culture based on diversity, equity, and inclusion.

Bang & Olufsen has a responsibility to support and create value for local communities. The company therefore engages with institutions to share knowledge and make the company's expertise available to society and stakeholders. Bang & Olufsen leverages the company's core capabilities within sound to help improve the quality of life for people by contributing to research and help create awareness of the positive effect sound can have in health-related areas. The company also works with partners and institutions to support the next generation of innovators develop skillsets within audio technology, engineering, circularity, and design.

Governance and Integrity

The company is committed to acting responsibly, respectfully, and ethically across the whole business, and Bang & Olufsen is a signatory of the 10 principles of the UN Global Compact. Bang & Olufsen integrates ESG related standards and norms for environmental protection, respect for human rights and labour conditions, and anti-corruption into the company's procedures and policies. These standards are also integrated into the company's Supplier Code of Conduct which outlines the minimum requirements for suppliers on these agendas.



Sustainability Governance

The company's EMB and GLT hold the operational responsibility for achieving the company's ESG & Sustainability framework and related targets. The company has established an ESG Steering Group, who is responsible for overseeing the implementation of the sustainability framework. The group includes representatives from relevant functions and business areas. This work is supported by the ESG & Sustainability Team. The Board of Directors is updated on the progress of the ESG & Sustainability performance at least twice during the financial year.

The company reports annually on its ESG and sustainability activities and performance by publishing an ESG & Sustainability Report. This is reviewed and assured by an independent third party. The company's latest ESG & Sustainability Reports, as well as the company's policies, are available on www.bang-olufsen.com.

Bang & Olufsen supports international commitments such as The ILO Declaration of Fundamental Principles of Rights at Work, which enables companies to operate in a more responsible manner, and is a signatory of The UN Global Compact.



Investor Relations

Bang & Olufsen wants to ensure a pro-active and transparent dialogue with investors and analysts and continuously work to increase the knowledge of the company. Bang & Olufsen believes in creating value through ongoing communication and collaboration and making its expertise available when relevant. The company provides structured and timely communication to investors and analysts that meets the disclosure requirements to enable investors' investment decisions concerning Bang & Olufsen's shares.

Bang & Olufsen ensures that the company complies with the rules and regulation for companies listed on Nasdaq Copenhagen A/S, and the Board of Directors and the Executive Management Board is on an ongoing basis briefed on relevant information received based on dialogue with investors and analysts.

Communicating with investors and analysts on behalf of Bang & Olufsen

The following people are authorised to communicate with investors and analysts on behalf of Bang & Olufsen

- The Chairman of the Board of Directors
- Members of the Executive Management Board
- The Investor Relations department
- The head of Global Sustainability & Communications

The above-mentioned persons may appoint other persons to communicate on specific matters.

Company announcements

Bang & Olufsen publishes company announcements through GlobeNewsWire in accordance with applicable law and regulation and the rules for companies listed on Nasdaq Copenhagen. All company announcements are available on the Company's website immediately when released. Company announcements are published in Danish with an English translation in accordance with the company's Articles of Association.

Financial reporting

Annual reports and interim reports are published through GlobeNewsWire. The publication dates for the company's interim and annual reports are announced as part of the company's financial calendar which is released before the end of the financial year for the following year and respective dates are made available on the Company's website, which is in accordance with the rules for companies listed on Nasdaq Copenhagen.

Interim and annual reports are published in English only and are made available on the company's website immediately after release.

Quiet period

For a period of three weeks prior to the release of the company's annual and interim financial reports, Bang & Olufsen maintains a quiet period and therefore does not comment on or discuss any matters related to financial results or expectations.

Webcasts

The company host a webcast on the day of publication of interim and annual reports. The company is represented by members of the Executive Management Board and other persons, which the company may deem relevant. Participants can ask questions to the representatives of Bang & Olufsen.

Webcasts are available on the company's website for subsequent viewing.

Meetings with investors and analysts

The Company holds group meetings and one-to-one meetings with investors and analysts on an ongoing basis. In these meetings, the communication will be based solely on publicly available information. As long as Bang & Olufsen is followed by at least three analysts, the company collects consensus estimates. The consensus estimates are only made available for analysts participating with estimates.

Investor Relations Website

The company has a dedicated Investor Relations website, <https://investor.bang-olufsen.com>, which includes the following information:

- Company announcements and link to other company related news
- Financial reports and presentations as well as the current financial outlook
- Information about General Meetings and access to the shareholder portal
- Corporate Governance which includes information about the Board of Directors, Executive Management Board, Board Committees, Policies and Charters, Remuneration and Risk Management
- Financial Calendar and upcoming events
- Share information
- Link to the company's sustainability website



Shareholder Portal

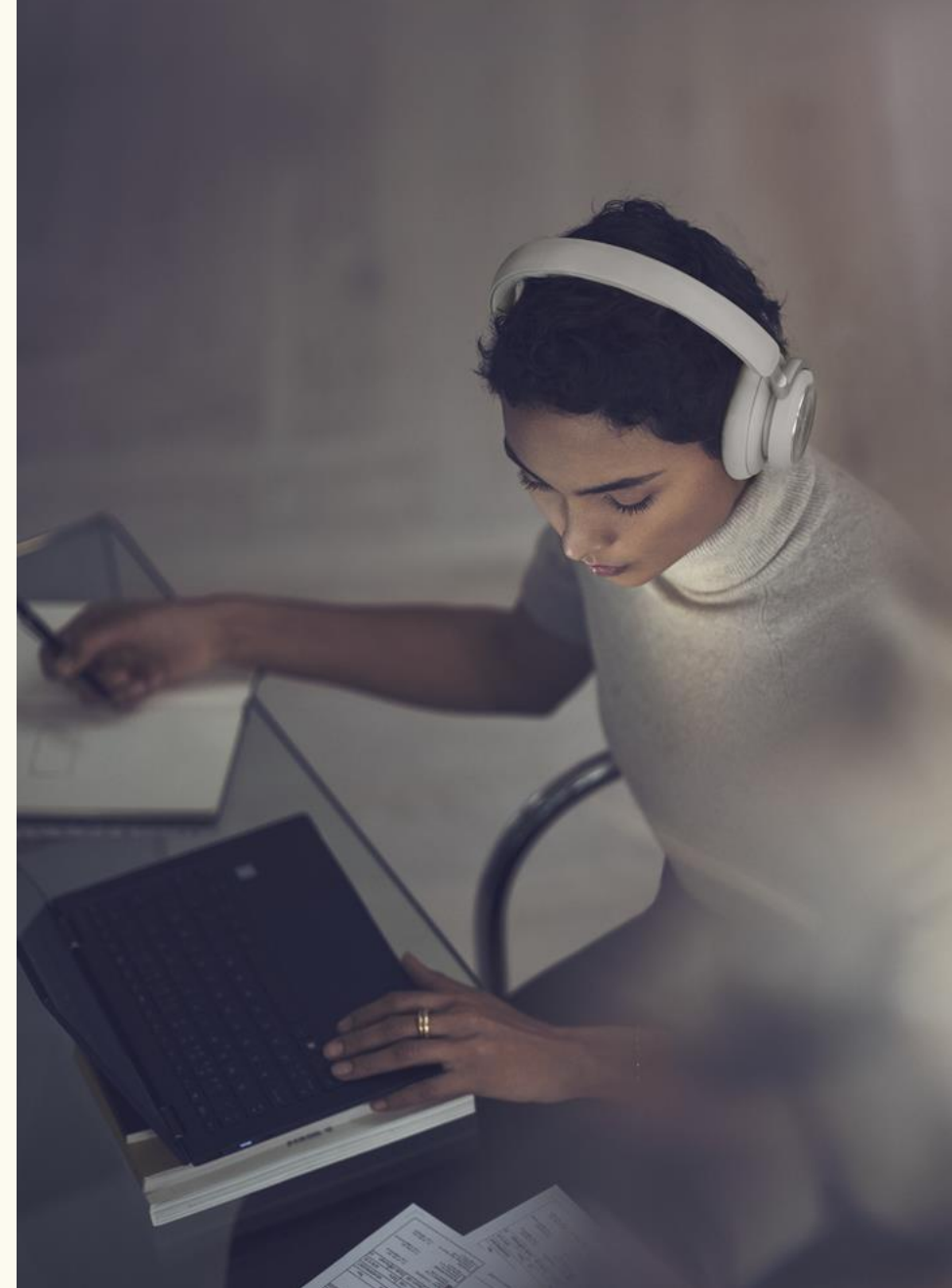
Shareholders can access information via the shareholder portal. Shareholders can see their shareholding, register their e-mail address to receive invitations to general meetings as well as request admission card for the general meetings and appoint a proxy.

Log on to the Shareholder Portal (English) or Aktionærportal (Danish).

The shareholder portal is developed by Computershare A/S. If in need of support, please contact:

Computershare A/S on info@computershare.dk.

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Policy Review

This policy will be reviewed annually by the Board of Directors.

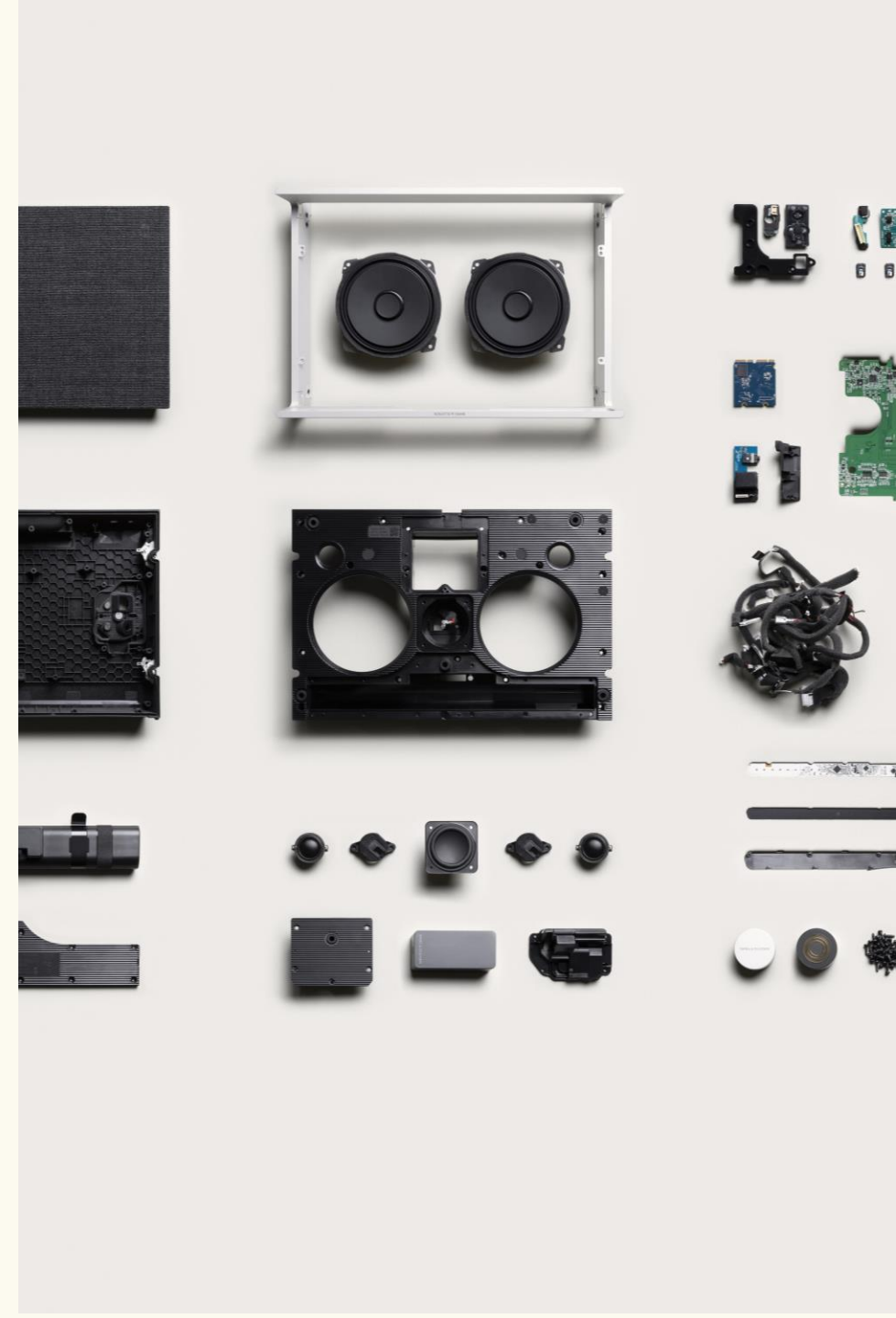
Policy Owner

Vice President, Global Communication & Sustainability



Definitions

| | |
|---|--|
| “ESG” | Environmental, Social, and Governance |
| “Executive Management Board / EMD” | Refers to the executive officers of the management board of Bang & Olufsen, registered as such, with the Danish Business Authority. |
| “Global Leadership Team” | Refers to company’s wider leadership team that consists of all the functional heads. |
| “Investor Relations” | Investor Relations is used by Bang & Olufsen as the term describing how the company engages and communicates with investors and analysts. |
| “Sustainability” | Sustainability is used by Bang & Olufsen as the term describing how the company integrates environmental, social, and governance perspectives in the business. |





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