

Code of Conduct



Our Code of Conduct sets the tone for our company, who we are and how each of us does business, every day.



A message from the CEO

Dear Colleagues,

It is a joy to contribute and work towards our joint vision of a world where everyone enjoys the delight of hearing and therefore lives a life without limitations. Our commitment to this vision unites us at Sonova. It aims to inspire us while making us accountable for conducting business activities in line with the high standards that we have set for our company. To earn the trust of our patients, clients, business partners and colleagues, it is essential that we adhere to these standards.

Our Code of Conduct sets the tone for our company, who we are and how each of us does business, every day. I ask that you are always knowledgeable about its content and apply its principles consistently to your work, your interactions at the office and to the way you do business.

Behaving ethically gives us a competitive advantage as an employer and as a trusted business partner. Leading with ethics and integrity is a priority for our company. It makes us a company where everyone feels invited to work at, while supporting us in growing our revenues alongside with our reputation. We all play a part in being role models and we all must take accountability for corporate integrity.

We expect that you let us know if you believe that the principles of our Code of Conduct have not been lived up to. Talk to your line manager, the Human Resources Department, the Compliance or Legal Departments, use the Speak-Up website, the Compliance Hotline or contact me directly.

Transparency is key and with your help, our values and reputation will be upheld long into the future. Let's all work together to ensure that Sonova is the best company it can be.

Thank you for your commitment.

[Arnd Kaldowski](#)
Chief Executive Officer Sonova



Any employee or business partner of Sonova must know and follow this Code of Conduct.

Commitment

With this Code of Conduct, we establish the fundament to secure sustained long-term success of the Sonova Group through appropriate behavior of every employee. The guiding principle is that we all act as ethical and accountable individuals who accept responsibility for our own actions and stand ready to protect the reputation of Sonova.

We adhere strictly to applicable laws and binding standards

Any employee or business partner of Sonova must know and follow this Code of Conduct as well as the laws applicable to them and to Sonova in their respective country.

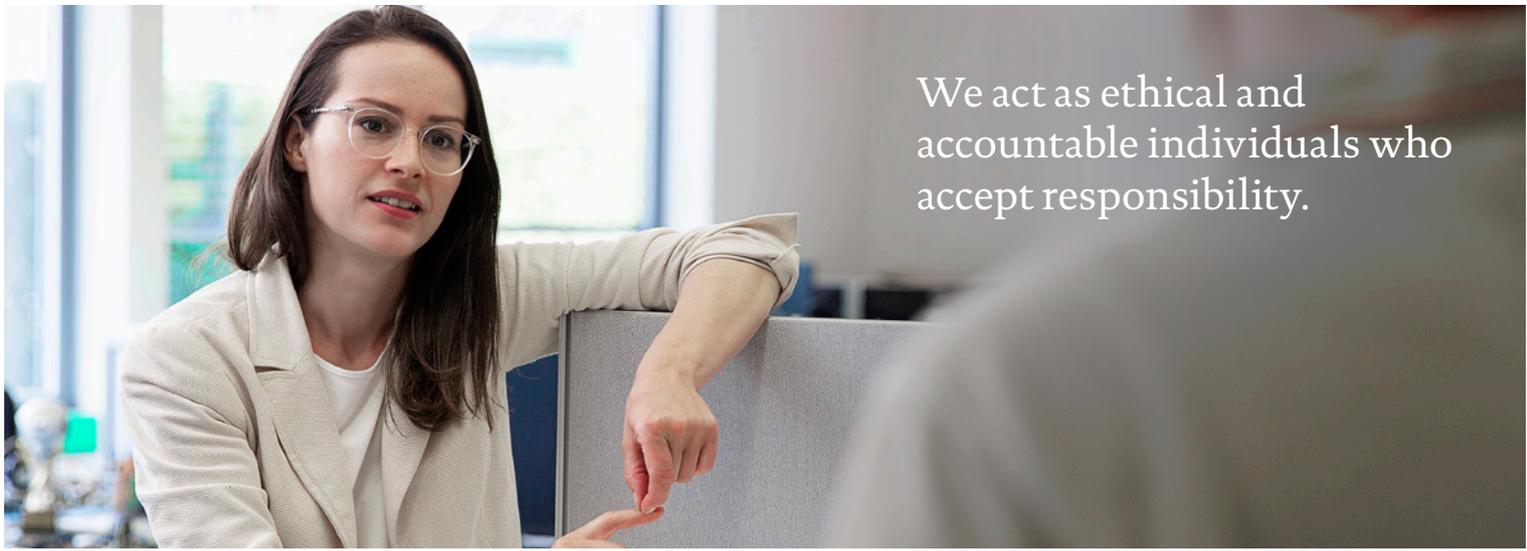
Failure to comply with laws and with this Code of Conduct can have serious consequences for Sonova and for the persons involved. To ensure that business integrity is alive throughout the company, a global communication and training program is in place to reinforce awareness of the need for compliance with the Code of Conduct.

Sonova does not tolerate non-compliant behavior. Employees who violate this Code of Conduct will be held accountable. Sonova is committed to handling non-compliance cases adequately by taking allegations seriously, investigating efficiently and in a timely manner, assessing the facts objectively and impartially and taking adequate measures and sanctions, in case an allegation is substantiated.

Applicability and approval

This Code of Conduct is binding for and applies to all employees within the Sonova Group, and any contractors or vendors performing work for the Sonova Group. Various subjects covered by this Code of Conduct are further detailed in specific guidelines. Failure by employees and our business partners to follow the Code of Conduct may result in disciplinary action (in the case of employees) up to and including termination and legal actions.

This Code of Conduct is reviewed on a regular basis and revised when necessary. It was approved by the Sonova Board of Directors on August 23rd, 2012 and updated in September 2019.



We act as ethical and accountable individuals who accept responsibility.

Corporate responsibility

We act with responsibility

Sonova has a deep commitment to sustainable success. Our business objectives are well aligned with our broader social goals; creating positive impact by helping people to hear the world, while taking responsibility for our actions towards our employees, partners, the environment, and future generations.

We are committed to conduct our business in a sustainable, socially and environmentally accountable manner and strive to make efficient use of natural resources and minimize the environmental impact of our activities and products over their life cycle.

We respect the dignity and human rights of all people and comply with laws pertaining to freedom of association, privacy, as well as laws prohibiting forced, compulsory and child labor, human trafficking, and employment discrimination.

We conduct our business in alignment and compliance with the Universal Declaration on Human Rights, the Eight Fundamental International Labor Organization (ILO) Conventions, and the UN Global Compact, to which Sonova is a signatory. Additionally, we recognize the international standards of the United Nations, the International Labor Organization, and the Organization for Economic Cooperation and Development.



We protect confidentiality and ensure integrity of data, including the personal data of employees and customers.

Confidentiality and information

We protect our intellectual property

Our intellectual property helps us deliver the unique solutions that differentiate us from our competition and enable us to be one of the leading companies in our industry. Inventions, ideas, patents, trademarks, designs, trade secrets and copyrights are critical assets leading to customer benefits and advancements of our products and services. We need to preserve our proprietary information and keep it confidential.

The intellectual property we develop belongs to the company. We must be alert in identifying it, taking appropriate steps to protect it, and making sure it is used only for the benefit of the Sonova Group and thus our clients and customers.

We keep relevant information confidential

In addition to intellectual property, the Sonova Group has a wide variety of confidential information that is not known or available outside of the company and would be valuable to our competitors. Some examples include technical know-how, research and development data, manufacturing methods, software source codes, employee information, business plans and strategies, customer lists, financials and market insight. These are significant assets for the company.

We must take proper steps to protect our confidential information and shall not disclose it to anyone outside the company, except in approved business transactions. Sharing confidential information, even internally, shall be strictly on a need to know basis and you should apply judgment as to what information is shared, with whom and for which genuine business purpose. The company will vigorously pursue any unauthorized disclosures of confidential information. Your obligation to protect company confidential information continues even after your employment or relationship with the Sonova Group ends.

We respect the proprietary rights of others

We respect the intellectual property rights of others and do not obtain confidential information on other parties by improper means, nor disclose such information without authorization.

We protect and value company property

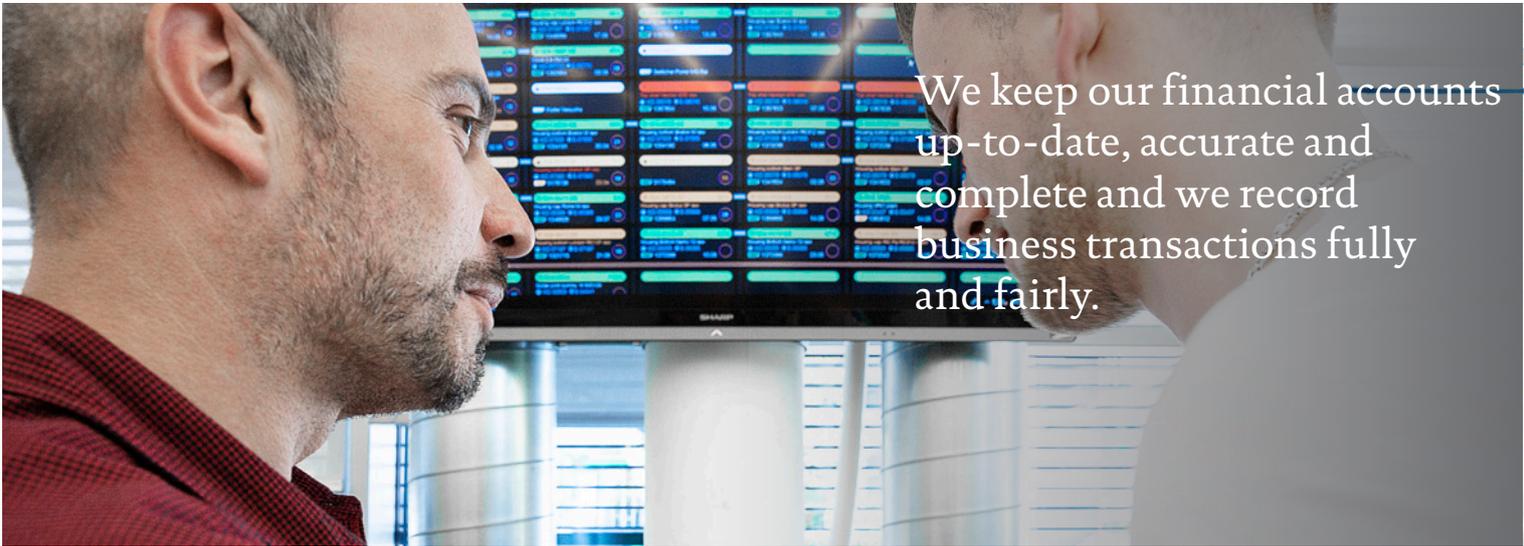
As an employee of the Sonova Group, you are provided with access to certain company properties such as computers, mobile phones etc. Unless otherwise specified, company property may be used only for legitimate company business and not for personal benefit or gain or for any inappropriate or illegal reason.

We use e-mail, internet, intranet and social media appropriately

The use of electronic tools like email, internet, intranet and social media may have legal implications for the company and the employees personally. The content of emails and documents we create and the data we access must always be appropriate. Email, internet and social media must not be used to access or disseminate illegal, offensive, disruptive or potentially discriminating content. Unless otherwise specified, email, internet and social media shall be used for legitimate business purposes only. When you post anything online, you shall assume it becomes public and should not post anything that would embarrass you, Sonova or others.

We keep data secure and comply with data privacy laws

We protect confidentiality and ensure integrity of data, including the personal data of employees and customers, by technical and organizational means. We adhere to the applicable data protection laws. We use Artificial Intelligence technologies only to create benefits for our customers and users of our products. Any Artificial Intelligence systems we use will not conceal their individual identity or pose as humans in interactions with our customers and users.



We keep our financial accounts up-to-date, accurate and complete and we record business transactions fully and fairly.

Conduct towards our shareholders and the public

We refrain from insider trading

Insider trading laws prohibit persons from trading securities based on non-public, material information which could, if it became public, affect the stock price. They also prohibit passing on such information to anyone else. Buying or selling Sonova stock while knowing non-public material information (such as major projects or earnings projections) is therefore prohibited. The same applies when trading shares of companies using information you received during your employment with Sonova. We share a common interest in prohibiting insider trading, thereby protecting the reputation of the company.

We keep accurate and complete books and records and comply with all applicable tax laws.

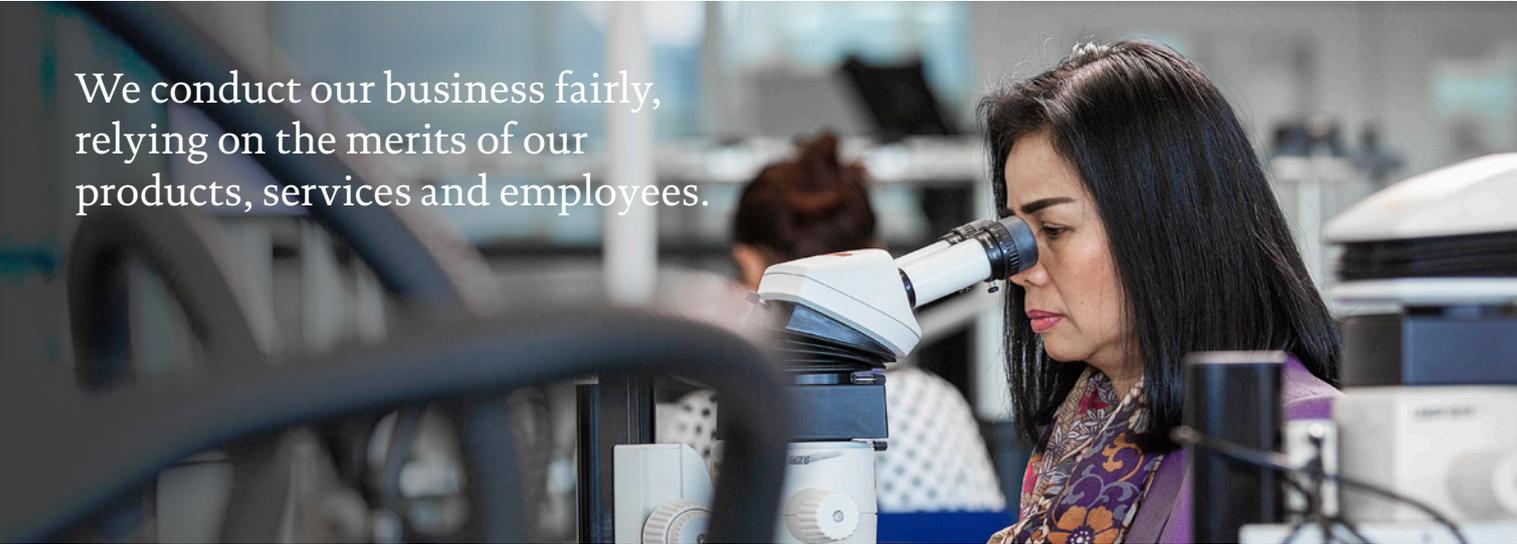
We keep our financial accounts up-to-date, accurate and complete and we record business transactions fully and fairly. To this end, we follow applicable standards and robust internal processes and controls.

We structure our business transactions, including our flow of goods based on commercial rationale and business reasoning in line with applicable tax laws and regulations. We submit tax filing and other required disclosures timely, accurately, in good faith and pay taxes due on time. We only pursue tax planning initiatives which would not adversely impact the reputation of Sonova. We cultivate an open and proactive attitude towards the tax administrations. We apply our tax principles at all times.

https://www.sonova.com/sites/default/files/tax_principles_final.pdf

We inform the public in a timely and accurate way

As a listed company, we have a responsibility to disclose our financial results and other significant corporate information in a timely and accurate way. At the same time, we are subject to strict rules regarding all such disclosures. We make full, fair, accurate, timely and understandable disclosure in reports and other documents available to the public. Only the Chief Executive Officer (CEO), the Chief Financial Officer (CFO) and persons specifically designated by the CEO or the CFO may speak to the public on behalf of the company.



We conduct our business fairly, relying on the merits of our products, services and employees.

Conduct towards our customers, suppliers and business partners

We put customers first

Customers are at the center of our business. We strive for our customers to have the best experience with the Sonova Group by providing innovative technology, high quality of products and audiological care and by adhering to all relevant health and safety standards. We keep our promises to customers and take them and their needs seriously.

We ensure responsible marketing practices

We adhere to ethical marketing practices and prevent inappropriate practices and false claims. We ensure that our advertising, packaging and promotional material provide accurate, balanced and non-misleading information.

We conduct our business fairly and do not commit or tolerate bribery

We conduct our business fairly, relying on the merits of our products, services and employees. It is prohibited to try to influence a customer or supplier to make a business decision in Sonova Group's favor by offering a payment or a gift.

It is strictly prohibited to make improper payments (bribes, kickbacks, or other payments for illegal purposes) to government employees or officials, customers, or others. This prohibition applies not only to direct payments, but extends also to indirect payments made in any form through consultants or other third parties.

https://www.sonova.com/sites/default/files/sonova_global_antibribery_policy_april_2018_vf.pdf

We comply with international trade regulations and export controls

Depending on the destination and on the nature of our products, the export of our Products may be subject to export control regulations and trade sanctions. These restrictions either prohibit trade, prohibit an export or require a license or the notification to authorities. Non-compliance with international trade regulations exposes individuals as well as the company to substantial fines, denial of export privileges and imprisonment.

We respect the interests of our business partners

We have a strong interest in a long-term business relationship with our business partners. We therefore, continuously work to create a win-win situation. We expect our business partners and suppliers to comply not only with laws and internationally established best practices, but also to take their social and environmental responsibility seriously, at a minimum according to our Sonova Group Supplier Principles.

https://www.sonova.com/sites/default/files/SupplierPrinciples_English.pdf

We do not accept or give gifts of value to and from our business partners

Occasionally when dealing with business partners, we are offered gifts or are invited to entertainment-related events. It is the policy of the Sonova Group not to accept or give items above a nominal value. If gifts are accepted, this should neither be construed as the acceptance of a vendor or business relationship, nor will such acceptance influence our business decision.

We avoid conflicts of interest

You are expected to do your job for the sole benefit of Sonova, its customers and its shareholders. A conflict of interest occurs when your private interests interfere, or even appear to interfere, in any way with the interests of Sonova. A conflict of interest can arise if you take actions or have interests that may make it difficult for you to perform your company work objectively and effectively.

Examples of conflicts of interest include, you or a family member, owning an interest, working directly or indirectly for or favoring a competitor, supplier or customer or you contracting business with relatives or friends while you are employed at Sonova.



Our competitors have
legitimate business interests
– so do we.

Conduct towards our competitors

We are committed to fair competition

Our competitors have legitimate business interests – so do we. Customers should benefit from fair rivalry between competitors.

We respect and follow antitrust and competition laws

Free markets require vigorous competition. Competition and antitrust laws make it illegal to restrain competition and ensure free and open competition in the market place. While as a company, we compete hard but fairly, such laws and principles, including our competition law policy must be followed unfailingly.

We do not share any commercially sensitive information with competitors and do not enter in agreements with competitors that deprive customers of the benefit of competition.

Examples of prohibited conduct include:

- Agreements with competitors to fix prices, restrict sales, boycott a supplier or allocate territories;
- Exchange of confidential information with competitors, including in trade associations;
- Agreements with distributors or resellers to fix resale prices or conditions as well as certain other resale restrictions in relation to territories and/or customers;
- Abuse of a market dominant position.

A photograph showing a man and a woman in a professional setting. The man, on the left, is wearing a light blue button-down shirt and glasses, looking towards the woman. The woman, on the right, has long dark hair, wears glasses, a white collared shirt, and a dark vest, and is gesturing with her hands as if speaking. They appear to be in a meeting or collaborative work environment.

We value diversity as an important key to our success and foster an inclusive work environment.

Conduct towards our employees and colleagues

We consider our employees as key to our success

Our employees are the lifeblood of Sonova. We work to enhance the quality of life for millions of people by bringing better hearing to those with hearing loss. Our shared corporate values shape the culture that defines and unites us as a company across all brands and regions. Through a shared commitment to an open and inclusive culture, we treat all people with fairness and respect at all times and we value the different perspective of diverse individuals from around the world.

We promote and provide a safe and healthy workplace

Occupational health and safety is an integral part of our activities and we identify and manage health and safety risks of our operations. We proactively foster and encourage a strong culture of healthy and safe behavior.

We support and respect human rights and freedom of association

We strive to ensure that our activities (directly or through our business relations) respect fundamental human rights, as set out by the United Nations Bill of Rights and the core conventions of the International Labor Organization.

We recognize and respect the right of all employees to join any employee association, provided that local law is respected. We engage in constructive dialogue with employees and their freely chosen representatives.

We foster diversity in our company and respect the personal integrity of our employees

The diversity of languages, background, ethnic origin, culture, beliefs, gender identity and/or expression and sexual orientation is favored in our company and reflects our customer base. We value this diversity as an important key to our success and foster an inclusive work environment, where everyone can contribute and realize their full potential. We provide equal employment opportunities including hiring, development and advancement.

Sonova prohibits discrimination and inappropriate or illegal action based upon a person's ethnic or national origin, religion, sexual orientation or marital status, gender, genetic identity, age disability or any other legally protected status. We have no tolerance for bullying or any kind of verbal, nonverbal and physical abuse or harassment, whether sexual, physical, or psychological.

To prevent such acts, we observe relevant rules and consistently discipline for violations. Be sensitive in the way you engage with your colleagues and respect individual privacy at all times.



If you are unsure what to do in any situation, seek guidance before you act.

How to comply and how to get help

Although this Code of Conduct provides a framework, it cannot cover all possible situations. If the question involves a matter of law, our path is clear and unambiguous – we follow the law.

Below are steps to keep in mind and questions to ask.

Gather the relevant facts. It is hard enough to find answers with all the relevant facts. It is not possible to come to the right conclusion without them.

- 1. What specifically am I being asked to do?** This should allow you to focus on the specific issue you are faced with, and what alternative you may have.
- 2. Clarify your responsibility.** Many situations we face involve shared responsibility. Are the other parties informed? By getting others involved and raising issues, a good course of action usually comes to light.
- 3. Is it fair?** If a course of action seems unfair, examine why it seems unfair and who might be harmed. Is it a customer? The company's interests? Other employees?
- 4. Discuss the problem with your line manager.** This is basic guidance for almost all situations. Your line manager will have a broader perspective and will appreciate being brought into the decision-making process in due course.
- 5. Further assistance is available.** In the case where it may not be appropriate to discuss an issue with your manager, address it locally with your Human Resources Manager or the Managing Director of your Group Company.

If you need help or would like to report a Code violation:

There may be times when you are concerned that the principles of this Code of Conduct may be violated. You are encouraged to report such instances to your manager or, if more appropriate, to your local Human Resources Manager. Your report will be kept confidential to the greatest extent possible, and no caller, complainant or witness will suffer retaliation for a report made in good faith. You may also contact the Compliance Department directly or through our Speak Up website or use the Sonova Compliance Hotline, which is available for you all day, every day.



Sonova Compliance Hotline

We live a culture of shared responsibility. Anyone who has a legitimate concern can freely speak up, without fear of retaliation. Our Compliance Hotline is one of the ways that we encourage our employees to voice concerns related to potential violations of our Code of Conduct. Independent specialists confidentially answer the calls and forward reports to the appropriate person in the Sonova Group for further investigation. Employees can later ask for follow-up information.

Phone Numbers

China: 10-800-711-0748
Canada: (866) 447-5045
Germany: 0800-180-3417
Switzerland: 0800-56-3263
USA: (866) 447-5045
Vietnam: (704) 521-1168
Other countries: +1 866 447 5045

The Code in your language

The Sonova Code of Conduct is available in the following language versions.

عربي (Arabic)	Deutsch (German)	Polski (Polish)
汉语 (Chinese)	Tiếng Việt (Vietnamese)	Português (Portuguese)
日本語 (Japanese)	Dansk (Danish)	Русский (Russian)
Nederlands (Dutch)	Italiano (Italian)	Español (Spanish)
English	עברית (Hebrew)	Türkçe (Turkish)
Français (French)	Magyar (Hungarian)	한국어 (Korean)

www.sonova.com/codeofconduct

The English version is the governing text.

Sonova Holding AG

Laubisrütistrasse 28
8712 Stäfa
Switzerland

T +41 58 928 33 33
F +41 58 928 33 45
compliance@sonova.com

www.sonova.com