

Press release

23 February 2017

Overview: Board and management changes in the Oticon Foundation, William Demant Invest A/S and William Demant Holding A/S. The changes in the William Demant Group follow another record year

Smørum, Denmark – Incumbent President & CEO of William Demant Holding, Niels Jacobsen, will step down as President & CEO to become CEO of William Demant Invest as of 1 April 2017. He will be succeeded by Søren Nielsen, present COO and Deputy CEO of William Demant Holding. After the next annual board meeting in the Oticon Foundation on 25 April, Niels Boserup will resign from his position as chairman to retire. Lars Nørby Johansen will be nominated as new chairman of the board of the Oticon Foundation. He will resign from his position as Chairman of the Board of William Demant Holding at the annual general meeting on 27 March. The Board of Directors of William Demant Holding intends to elect Niels B. Christiansen new Chairman of William Demant Holding and Niels Jacobsen, who has been recommended for the Board, new Deputy Chairman of the Board.

“After 25 years at the helm of William Demant Holding, Niels Jacobsen and the boards of William Demant Holding and the Oticon Foundation have agreed that the time is now right to go through with Niels Jacobsen’s move to William Demant Invest. Both boards would like to express their great respect and recognition of Niels Jacobsen’s work for the past quarter of a century. He has been instrumental in creating a global group of companies in hearing healthcare that have in a stable and consistent manner generated growth and profit, which has been of benefit to shareholders and investors and ultimately hearing-impaired people all over the world,” says Niels Boserup, chairman of the Oticon Foundation.

The change in the top position in William Demant Holding makes it possible for Niels Jacobsen in the future to work as CEO of William Demant Invest, which is the company from which the business activities of the Oticon Foundation arise. Up to now, William Demant Holding has through a management agreement with William Demant Invest handled the daily operation of the company. The company’s activities have however now grown so much in scope that they require stronger management focus. With Niels Jacobsen at the head of the company, focus will be on increasing its investment activities, making strategic investments in global and mature companies in the MedTech area and cultivating cooperation across the companies in William Demant Invest’s portfolio. In a comment on his future work in William Demant Invest, Niels Jacobsen says:

“It has been a great pleasure to work in our Group and be at the helm of William Demant Holding, and I’m pleased to see the positive development the Company has enjoyed for the past 25 years. Now, I look forward to dedicating my time to William Demant Invest where I see many business opportunities, which can contribute to developing and expanding the William Demant Group in the coming years.”

The Oticon Foundation owns 100% of the investment company William Demant Invest that manages the ownership of the Group’s companies, including William Demant Holding. Niels Boserup comments on the management change and Lars Nørby Johansen’s taking over the chairmanship:

“The management and board changes have been planned with a view to ensuring both continuity and renewal in the Group’s companies and also to respond to the development in a dynamic and competitive MedTech industry. Lars Nørby Johansen has after many years as Board member and as Chairman for the past 9 years

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gained in-depth knowledge of William Demant Holding and the development in hearing healthcare. The continuity he brings to the Oticon Foundation together with his external perspective on the business will be key to the further development of the Foundation's commercial and grant activities."

The Oticon Foundation's board would like to express its sincere thanks to Niels Boserup for his dedicated work as chairman since 2008.

Management changes

The Board of William Demant Holding appoints present COO and Deputy CEO Søren Nielsen new President & CEO after Niels Jacobsen. The management changes will take effect on 1 April 2017. Søren Nielsen has worked in the William Demant Group for the past 22 years and has since 2015 been a part of the Executive Board. Søren Nielsen will in his new role as President & CEO of William Demant Holding also continue as President of Oticon A/S.

In addition to the changes to the management of William Demant Holding, a number of changes will also take place in the boards of the Oticon Foundation and William Demant Holding.

Changes to the board of the Oticon Foundation

Niels Boserup, who has been chairman since 2008, will retire.

Lars Nørby Johansen, who has been Chairman of William Demant Holding since 2008, will not stand for re-election at the coming annual general meeting in William Demant Holding on 27 March. Instead, he will become member and chairman of the Oticon Foundation.

The present board members, Ulla Brockenhuus-Schack, Peter Straarup and Peter Foss (deputy chairman), will continue as board members. The composition of members of the boards of the Oticon Foundation and William Demant Invest is identical.

Changes to the Board of William Demant Holding A/S

The Board of Directors of William Demant Holding intends to elect Niels B. Christiansen, President & CEO of Danfoss, who has been a Board member in William Demant Holding since 2008, new Chairman of the Board when the Board elects its officers after the annual general meeting on 27 March.

At William Demant Holding's ordinary general meeting, Niels Jacobsen will be nominated for the Board, and the Board intends to elect Niels Jacobsen new Deputy Chairman and thus successor to the previous Deputy Chairman, Peter Foss, who will continue as ordinary Board member in William Demant Holding. The other Board members, Peter Foss, Benedikte Leroy and Lars Rasmussen, all accept renomination and are expected to be re-elected to the Board.

Facts on the Oticon Foundation and William Demant Invest

William Demants og Hustru Ida Emilies Fond, colloquially the Oticon Foundation, is a commercial foundation whose main objective is to safeguard and expand the commercial activities of William Demant Holding through the investment company William Demant Invest. Another main objective of the Oticon Foundation is to donate money to charity.

Oticon Foundation

The Oticon Foundation has the voting right attaching to William Demant Invest's shares in William Demant Holding, and decisions to buy and sell shares in William Demant Holding are taken and executed solely by the Oticon Foundation.

William Demant Invest is the main shareholder in William Demant Holding and joint owner of the Icelandic manufacturer of prosthetic devices Össur hf., the fertility treatment company Vitrolife AB and the property company Jeudan A/S. In addition to these investments, William Demant Invest has made a number of other investments, including investments in the offshore wind farm Borkum Riffgrund.



Niels Boserup

It was a versatile man who more than 20 years ago joined the Board of Directors of William Demant Holding. A trained journalist, Niels Boserup was managing editor of the business section of Jyllands-Posten, a major Danish newspaper, before he plunged into heavy industry and became first information manager and later deputy chief executive in B&W, renowned Danish shipbuilders.

However, Niels Boserup was not finished exploring new paths – in fact far from it – so he trained as an insurance agent and became CEO of Baltica A/S and Codan A/S, both major Danish insurance companies, before he became CEO of Copenhagen Airports A/S in 1991. In his role as CEO, he was instrumental in transforming the airport to become an international, award-winning, state-of-the-art airport.

In 1996, Niels Boserup joined the Board of William Demant Holding and became Chairman in 1999. In 2007, his title was Deputy Chairman of the Board. After having left Copenhagen Airports and resigned as chairman of the board of Danish TV channel, TV2, Niels Boserup joined the board of the Oticon Foundation as chairman in 2008.

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Niels Boserup is not only versatile in professional terms, but also in his private life. In addition to the many hours he has given in his professional career for the past many years, he has always taken the time to travel, to be with his family and to nurture his great interest in music, opera and modern art.

Niels Boserup has one of Denmark's best and broadest networks of people from all walks of life, and he is known as a decent man. He makes an appearance, whenever he is expected to do so.

CV

Born 1943

1970-1976: Managing editor of business section, Jyllands-Posten

1973-1976: Managing editor, Jyllands-Posten

1976-1979: Information manager, B&W

1979-1982: Marketing, HR and PR manager, B&W

1982-1989: Deputy CEO, Baltica A/S

1989-1991: CEO, Codan A/S

1991-2007: CEO, Københavns Lufthavne A/S

Education

Niels Boserup trained as a journalist at the Danish School of Media and Journalism in Aarhus in 1969, and in 1983, he finished his education as an insurance agent.

Niels Jacobsen

As manager of William Demant for the past 25 years, Niels Jacobsen has been instrumental in creating one of the world's leading, innovative hearing healthcare companies and been behind the Company's continuous growth and development. For a quarter of a century where the Company has expanded heavily into new business areas, managerial stability and consistency have gone hand in hand with renewal. At the same time, Niels Jacobsen has been chairman or member of the boards in a number of high-profile Danish companies with global activities.

Niels Jacobsen joined the executive board of Danish hearing aid manufacturer Oticon at the beginning of January 1992. Back then, Oticon's revenue was DKK 477 million and its profit DKK 9 million. With great ambitions, he initiated the expansion of the niche company and together with talented employees created the hearing healthcare company William Demant, where he became President & CEO in 1998. Today, the Group generates revenue of more than DKK 12 billion and an operating profit of more than DKK 2 billion – in round figures.

Since 1992, the Company has seen nothing but growth, and by constantly developing through acquisitions and organic growth, the Company has increased its value, revenue, R&D activities and staff – the latter from approximately 1,000 employees in 1992 to more than 12,000 employees world-wide in 2016.

Niels Jacobsen has also been responsible for the Oticon Foundation's investment company, William Demant Invest, through which he has made clever investments in MedTech companies, among others.

In addition to the creation of the William Demant Group in which Niels Jacobsen has played a major role, he holds several positions of trust as chairman or member of the boards of directors of a number of companies and organisations. After eight years as chairman of LEGO A/S, Niels Jacobsen will resign from this position in

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May 2017 in connection with a management change, but he will continue as deputy chairman of the board of LEGO's investment company KIRKBI A/S. Furthermore, Niels Jacobsen is deputy chairman of the board of A.P. Møller - Mærsk A/S. In the Confederation of Danish Industry, Niels Jacobsen is a member of the central board and also chairman of the Copenhagen Industries Employers' Federation.

Having held these positions has provided Niels Jacobsen with the managerial outlook and insight it takes to run growth businesses all over the world. As a person, he is driven by tradesmanship, by thinking in business models and by identifying business opportunities.

Niels Jacobsen is married to Vibeke Rønne, Justice of the Danish Supreme Court, and between them, they have four children and four grandchildren.

CV

Born 1957

1998- President & CEO, William Demant Holding A/S and Oticon A/S (until 2008)

1992-1997 President, William Demant Holding A/S and Oticon A/S

1988-1991 Managing Director, Aktieselskabet Orion

1987-1988 Management Assistant, Atlas Danmark A/S

1984-1987 Management Assistant, Thrige-Titan A/S

Directorships and positions of trust

Chairman of the board of LEGO A/S 2008-2016

Deputy chairman of KIRKBI A/S

Deputy chairman of A.P. Møller - Mærsk A/S

Chairman of Thomas B. Thriges Fond

Chairman of the boards of a number of companies in the William Demant Group, including Össur hf., Jeudan A/S and Sennheiser Communications A/S

Member of the central board of the Confederation of Danish Industry

Chairman of the Copenhagen Industries Employers' Federation

Education

Master of Science in Economics and Management, Aarhus University, 1983.

Lars Nørby Johansen

Lars Nørby Johansen has made his name a household name on several fronts: He became known as the man who – in the more popular sense of the word – came to the rescue of rescue company Falck after he became CEO in Falcks Redningskorps A/S and Falck Holding A/S in 1988. From 1995, he was President & CEO of Group 4 Falck A/S, and in the period from 2000 to 2005, he was President & CEO of Group 4 Securicor A/S. With Lars Nørby Johansen at the head of the company, Falck spread its wings and reached international flight heights. From 1988 to 2004, the company's profit rose by an average 45% a year.

Falck's "rescuer" had started on a career in the world of academics when he left the auditorium and the research desk at the University of Odense (now the University of Southern Denmark) to pursue a career in business in the mid-80s. Lars Nørby Johansen holds a Master of Social Sciences degree from Aarhus University and had worked both as an associate professor and a research scientist and had also worked at one of the

world's most prestigious universities, Harvard, when he became deputy chief executive in Baltica and shortly thereafter became CEO of Falck.

Since then, Lars Nørby Johansen has built on his experience as an executive and as chairman and member of an extensive number of major Danish and international companies. His name became known to the public at large when he was appointed chairman of the "Nørby committee" that put the concept of corporate governance on the agenda.

CV

Born 1949

1974-1983: Associate professor in social sciences, University of Odense

1983-1985: Management consultant, Danmarks Forvaltningshøjskole (education academy)

1985-1986: Deputy chief executive, Assurandør-Societetet (now the Danish Insurance Academy)

1986-1988: Deputy chief executive, Baltica A/S

1988-1995: CEO, Falcks Redningskorps A/S and Falck Holding A/S

1995-2000: CEO, Falck A/S

2000-2004: President & CEO, Group 4 Falck A/S

2004-2005: President & CEO, Group 4 Securicor A/S

Directorships and positions of trust

Chairman of the Board of William Demant Holding A/S

Chairman of the board of the Danish Growth Council

Chairman of the board of Copenhagen Airports A/S

Chairman of the board of Codan A/S and its subsidiary (Codan Forsikring A/S)

Chairman of the board of Montana Møbler A/S

Chairman of the board of the Rockwool Foundation

Chairman of the board of Fonden for Entreprenørskab – Young Enterprise

Chairman of the board of the University of Southern Denmark

Deputy chairman of the board of Arp-Hansen Hotel Group A/S

In addition, Lars Nørby Johansen has seats on a number of other boards.

Education

Master of Social Sciences, Aarhus University, 1973.