

A person with dark hair, wearing a brown jacket, is seated at a light-colored desk. They are holding a pen and writing on a piece of paper. On the desk, there are several items: a stack of papers, a large sheet of graph paper, a small black bag, a tray with drafting tools (pencil, compass, and a silver pen), and several colorful, curved plastic pieces in shades of red, orange, and yellow. The background is a plain, light-colored wall.

# Annual General Meeting 2025

B&B

Reg. number: 41257911

B&B  
Est. 1925

The annual general meeting of Bang & Olufsen a/s will be held on Thursday 14 August 2025 at 4 p.m. CEST at

Bang & Olufsen a/s  
Bang og Olufsen Allé 1  
DK-7600 Struer  
Denmark

## Agenda

1. **The Board of Directors' report on the company's activities during the past year**
2. **Presentation and adoption of the company's audited annual report for the financial year 2024/25, including a resolution to grant discharge to the Executive Management Board and the Board of Directors**
3. **Resolution as to the distribution of profit or the covering of loss, as the case may be, in accordance with the approved annual report**
4. **Presentation of the company's remuneration report for an advisory vote**
5. **Proposals from the Board of Directors**
  - 5.1. Approval of the remuneration policy
  - 5.2. Approval of the remuneration of the Board of Directors for 2025/26
  - 5.3. Renewal of authorisation to acquire treasury shares
  - 5.4. Renewal of authorisations to increase the share capital
  - 5.5. Amendment to the articles of association
  - 5.6. Authorisation to the chair of the meeting
6. **Election of members to the Board of Directors**
7. **Appointment of auditors**
8. **Any other business**

# Complete proposals

**Re 1:**

**The Board of Directors’ report on the company’s activities during the past year**

The Board of Directors proposes that the Board of Directors’ report on the company’s activities during the past year be noted.

**Re 2:**

**Presentation and adoption of the company’s audited annual report for the financial year 2024/25, including a resolution to grant discharge to the Executive Management Board and the Board of Directors**

The Board of Directors proposes that the audited annual report for the financial year 2024/25 be approved and that discharge be granted to the Executive Management Board and the Board of Directors.

**Re 3:**

**Resolution as to the distribution of profit or the covering of loss, as the case may be, in accordance with the approved annual report**

The Board of Directors proposes that no dividend be paid and that the profit for the year be carried forward to the next financial year.

**Re 4:**

**Presentation of the company’s remuneration report for an advisory vote**

The Board of Directors proposes that the remuneration report for 2024/25 be approved by advisory vote.

The remuneration report has been prepared in accordance with the requirements in Section 139b of the Danish Companies Act. The report describes the remuneration awarded or due to the Board of Directors and the Executive Management Board for the financial year 2024/25.

The remuneration report for 2024/25 is available on the company’s website.

**Re 5:**

**Proposals from the Board of Directors**

5.1. Approval of the remuneration policy

The Board of Directors proposes that the general meeting approves the company’s updated remuneration policy. The remuneration policy was last approved by the annual general meeting in 2024.

The substantive changes are as follows:

- For the short-term incentive, the target and maximum bonus levels for members of the Executive Management Board have been adjusted. Members may receive a target bonus typically ranging from 50% to 75% of base salary (50% in FY2025/26) and a

maximum of 100% (87.5% for FY2025/26). For the CEO, the typical target range will be between 100%-125% (100% in FY25/26) of base salary, with a maximum of 200% (175% for FY2025/26).

- The required share of the performance-based element in the annual LTIP grant has been changed from two-thirds to at least one-half of the total value, thereby increasing the relative weight of the retention-based element.
- The Strategy Committee Chair will receive 4 times the base fee for a Strategy Committee member (previously 3 times the base fee for an Audit Committee member).
- Deletion of legacy clause on retention program applicable for prior financial years.

The purpose of the changes is to move towards a more performance-driven and balanced remuneration structure

with a decreased fixed element, and a strengthened short-term incentive element for better alignment with shareholder interests.

The revised remuneration policy, with changes marked for reference, is attached as **annex 1**.

5.2. Approval of the remuneration of the Board of Directors for 2025/26

The remuneration of the Board of Directors was most recently adjusted at the annual general meeting in 2021. Based on a review of the remuneration levels of the board of directors reported by comparable Danish listed companies, the Board of Directors proposes that the remuneration of the Board of Directors for 2025/26 be adjusted as follows (remuneration for the financial year 2024/25 inserted in parenthesis):

Members of the Board of Directors - base fee:	DKK	385,000	(350,000)
Chair of the Board of Directors - 3 x base fee:	DKK	1,155,000	(1,050,000)
Vice chair of the Board of Directors – 1.5 x base fee:	DKK	577,500	(525,000)
Members of the Audit Committee:	DKK	120,000	(100,000)
Chair of the Audit Committee – 3 x fee to ordinary members of the Audit Committee:	DKK	360,000	(300,000)
Members of the Remuneration, Nomination, Technology and Strategy Committees (per committee):	DKK	82,500	(75,000)
Chair of the Strategy Committee – 4 x fee to ordinary members of Strategy Committee (subject to approval of the remuneration policy under item 5.1):	DKK	330,000	(300,000)
Chair of the Remuneration, Nomination and Technology Committees (per committee):	DKK	110,000	(100,000)

5.3. Renewal of authorisation to acquire treasury shares  
The Board of Directors proposes that the existing authorisation to allow the company to acquire treasury shares be renewed, so that the Board of Directors is authorised to allow the company to acquire treasury shares during the period until 13 August 2026 for up to a total of 10% of the company's share capital at the time of the authorisation, provided that the company's total holding of treasury shares does not at any time exceed 10% of the company's share capital. The purchase price paid in connection with the acquisition of treasury shares may not differ by more than 10% from the quoted price on Nasdaq Copenhagen A/S at the time of acquisition.

5.4. Renewal of authorisations to increase the share capital  
The Board of Directors proposes that the authorisations in Article 4, sections 4-7, of the articles of association to increase the company's share capital with or without pre-emptive rights be renewed so that they run until and including 13 August 2026.

The authorisations shall be subject to an aggregate limit of nominally DKK 73,663,252 corresponding to approximately 10% of the share capital.

With the proposed renewal, sections 4-7 in Article 4 of the articles of association will read as follows:

*"Article 4 (...)*

*Section 4.*

*The Board of Directors is authorised in the period until 13 August 2026 at one or more times to decide to increase the company's share capital by up to a nominal value of DKK 73,663,252 by issuing new shares at market price or at a discount to market price by way of payment in cash or by contribution of assets other than cash. The capital increase shall be with pre-emptive subscription rights for the company's existing shareholders. The new shares shall in all respects rank pari passu with the existing shares. The new shares shall be negotiable instruments, shall be issued to named holders and shall rank for dividends and other rights in the company from such time as is determined by the Board of Directors in its decision to increase the company's share capital pursuant to this section, although no more than one year after the date of registration.*

*Section 5.*

*The Board of Directors is authorised in the period until 13 August 2026 at one or more times to decide to increase the company's share capital by up to a nominal value of DKK 73,663,252 by issuing new shares at market price by way of payment in cash or by contribution of assets other than cash. The capital increase shall be without pre-emptive subscription rights for the company's existing shareholders. The new shares shall in all respects rank pari*

*passu with the existing shares. The new shares shall be negotiable instruments, shall be issued to named holders and shall rank for dividends and other rights in the company from such time as is determined by the Board of Directors in its decision to increase the company's share capital pursuant to this section, although no more than one year after the date of registration.*

*Section 6.*

*Pursuant to Article 4, sections 4 and 5 above, the Board of Directors may not decide to increase the company's share capital by more than a total nominal value of DKK 73,663,252.*

*Section 7.*

*The Board of Directors may implement the necessary amendments to the articles of association in connection with changes to the capital structure in accordance with the above resolution."*

The draft updated articles of association are available at [www.investor.bang-olufsen.com/annual-general-meetings](http://www.investor.bang-olufsen.com/annual-general-meetings).

5.5. Amendment to the articles of association

The Board of Directors proposes that the following be adopted as a new Article 11 of the articles of association:

"Article 11.

The company's corporate language is English.

Section 2. General meetings may be conducted in Danish or English. The Board of Directors decides whether simultaneous interpretation shall be available.

Section 3. Documents prepared in connection with or after the general meeting may be drawn up in English only and, if decided by the Board of Directors, also in Danish.

Section 4. Company announcements may be prepared in English only and, if decided by the Board of Directors, also in Danish."

The purpose of the proposal is to reflect in the articles of association that the company's corporate language is English, and to provide the Board of Directors with an appropriate degree of flexibility to determine the language used at general meetings and for the preparation of related documentation. At present, the Board of Directors intends to continue conducting general meetings in Danish.

The proposal implies that the numbering of the subsequent articles of the articles of association will be amended accordingly.

The draft updated articles of association are available at [www.investor.bang-olufsen.com/annual-general-meetings](http://www.investor.bang-olufsen.com/annual-general-meetings).

5.6. Authorisation to the chair of the meeting

The Board of Directors proposes that the general meeting authorises the chair (with right of substitution) to notify the

Danish Business Authority of the resolutions adopted and to make such amendments to the documents submitted to the Danish Business Authority as the Danish Business Authority may require or deem appropriate.

**Re 6:**  
**Election of members to the Board of Directors**  
Pursuant to Article 8, section 2, of the articles of association, the members of the Board of Directors elected by the general meeting are up for election each year at the annual general meeting.

The Board of Directors proposes re-election of Juha Christen Christensen, Albert Bensoussan, Jesper Jarlbæk, Anders Colding Friis and Tuula Ryttilä.

Additionally, the Board of Directors proposes the election of Nancy Liu as new member of the Board of Directors. The nomination is motivated by the fact that Nancy Liu has extensive international experience within the luxury lifestyle industry and will provide the Company with valuable expertise in immersive luxury retail experiences, marketing strategies for luxury brands, as well as in-depth knowledge of local Asian markets.

Nancy Liu currently serves as President of DFS Group Limited, China. Prior to joining DFS Group Limited in 2021, she was CEO of Forevermark, a premium brand under the De Beers Group, one of the most prominent names in the global diamond industry. She has previously worked with the

Boston Consulting Group in Hong Kong and served as Vice President of Merchandising for Louis Vuitton in Hong Kong. Nancy Liu was born in 1964 in Taiwan and holds a degree from the University of Illinois, USA.

A more detailed description of the candidates' qualifications, including directorships in other companies, is attached as **annex 2** to this notice.

**Re 7:**  
**Appointment of auditors**  
On the basis of a recommendation from the company's Audit Committee, the Board of Directors proposes the appointment of Deloitte Statsautoriseret Revisionspartnerselskab ("Deloitte") as the company's auditor in respect of both statutory financial and sustainability reporting.

The Audit Committee has not been influenced by third parties and is not subject to contractual terms limiting the election by the general meeting to certain auditors or audit firms.

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**Adoption requirements**  
On the publication date of the convening notice, the company's nominal share capital amounts to DKK 736,632,515 divided into shares with a nominal value of DKK

5 or multiples thereof. Each share with a nominal value of DKK 5 carries one vote.

The proposals under agenda item 5.4 and 5.5 must be adopted by 2/3 of both the votes cast and the share capital represented at the general meeting. All other items on the agenda may be adopted by simple majority.

**Date of registration and shareholders' voting rights**  
The date of registration (record date) is Thursday 7 August 2025. A shareholder's right to vote at the annual general meeting is determined on the basis of the shares that the shareholder, at the expiry of the record date (11:59 p.m. CEST) – i.e. one week prior to the annual general meeting – either is registered as the holder of in the share register or has notified the company of and documented the acquisition of.

**Notice and other available information**  
The convening notice will be published and distributed in accordance with Article 6 of the company's articles of association, including via the company's website and by email to all shareholders recorded in the register of shareholders who have made a request to this effect. The notice will also be published via Nasdaq Copenhagen A/S.

The agenda and the complete proposals are available for inspection by the shareholders at the company's office located Bang og Olufsens Allé 1, 7600 Struer, and on the Shareholder Portal via [www.investor.bang-olufsen.com](http://www.investor.bang-olufsen.com) by

logging in with user name and password or MitID from 15 July 2025.

The agenda and the complete proposals, revised articles of association, the annual report for 2024/25, the remuneration report, the revised remuneration policy, information on the total number of shares and voting rights and the forms to be used for voting by proxy/postal vote are also available on the company's website: [www.investor.bang-olufsen.com](http://www.investor.bang-olufsen.com).

**Language and webcast**  
The general meeting will be conducted in Danish. Shareholders will have the opportunity to follow the general meeting live via webcast through the Shareholder Portal at [www.investor.bang-olufsen.com](http://www.investor.bang-olufsen.com). It is not possible to vote or ask questions via webcast.

**Admission card**  
Any shareholder is entitled to participate in the annual general meeting, provided that the shareholder has requested an admission card upon presentation of proper identification, such request to be received by the company no later than 11.59 p.m. CEST on Friday 8 August 2025.

Shareholders may request an admission card to the annual general meeting:

- online via the Shareholder Portal on the company's website: [www.investor.bang-olufsen.com](http://www.investor.bang-olufsen.com),

- by completing, signing and returning the registration form by email to [gf@computershare.dk](mailto:gf@computershare.dk) or by post to Computershare A/S, Lottenborgvej 26 D, 1st floor, 2800 Kgs. Lyngby, or by using the registration form available on the company's website: [www.investor.bang-olufsen.com](http://www.investor.bang-olufsen.com). Please note the postal delivery time if the registration form is sent by ordinary mail, or
- by contacting Computershare A/S, Lottenborgvej 26 D, 1st floor, 2800 Kgs. Lyngby, via [gf@computershare.dk](mailto:gf@computershare.dk)

Admission cards will only be sent out electronically via email to the email address provided in the Shareholder Portal upon registration. The admission card must be presented at the general meeting either electronically on a smartphone/tablet or as a physical printout. Shareholders who have ordered an admission card without providing their email address may collect the admission card at the entrance to the annual general meeting upon presentation of a valid photo ID. Shareholders with voting rights will receive a voting card at the entrance to the annual general meeting.

### Processing of personal data

In connection with the annual general meeting, the company collects, processes and stores certain personal data. Please refer to the company's policy on "Collection, processing and storing of personal data in connection with general meetings", which is available at [www.investor.bang-olufsen.com/GDPR](http://www.investor.bang-olufsen.com/GDPR).

### Proxy and postal vote

A shareholder may exercise his/her shareholder rights by voting by proxy or by postal vote, but not both. Proxies or postal votes can be submitted electronically via the Shareholder Portal on the company's website, [www.investor.bang-olufsen.com](http://www.investor.bang-olufsen.com). Proxy and postal votes may also be cast using the forms available on the company's website, <https://investor.bang-olufsen.com>. The completed form is sent by post to Computershare A/S, Lottenborgvej 26 D, 1st floor, 2800 Kgs. Lyngby, or by email to [gf@computershare.dk](mailto:gf@computershare.dk).

The proxy must be submitted by 11.59 p.m. CEST on Friday 8 August 2025 and postal votes must be received by the company or Computershare A/S in accordance with the above by 4:00 p.m. CEST on Wednesday 13 August 2025.

### Q&A

At the annual general meeting, the Executive Management Board and certain members of the Board of Directors will answer questions from shareholders concerning the items on the agenda of the annual general meeting. Questions may be sent by ordinary mail to Bang & Olufsen a/s, Bang og Olufsens Allé 1, 7600 Struer, Denmark, att: Line Køhler Ljungdahl, or by email to [llj@bang-olufsen.dk](mailto:llj@bang-olufsen.dk) until the day before the annual general meeting.

### Visit to Factory 3 or Factory 5

Prior to the annual general meeting, the company would like to offer shareholders a guided tour of Bang & Olufsen's product service team in Factory 3 or of Bang & Olufsen's aluminum factory, Factory 5. The guided tours begin at 2:30 p.m. CEST. Shareholders are asked to meet up no later than 2:20 p.m. CEST at Bang og Olufsen Allé 3, 7600 Struer. There is a limited number of places – 60 in total (30 for Factory 3 and 30 for Factory 5). The places will be allocated on a first-come, first-served basis. Please submit your participation request by sending an email to [GF2025Fabriksrundvisninger@bang-olufsen.dk](mailto:GF2025Fabriksrundvisninger@bang-olufsen.dk). Please state whether the participation request is for Factory 3 or Factory 5 and the names of all the participants you are signing up for the guided tour. You will receive an email with a confirmation.

Yours sincerely

Bang & Olufsen a/s

Juha Christen Christensen

Chair of the Board of Directors, 15 July 2025



# Annex 1 - Remuneration Policy

(Adopted as of ~~15-14.08.2024~~2025 by the General Meeting of Bang & Olufsen)

Reg. number: 41257911



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# 1. Preamble

1.1 The following Remuneration Policy of Bang & Olufsen a/s, CVR no. 41257911, has been prepared in accordance with Sections 139 and 139a of the Danish Companies Act and the recommendations published by the Committee on Corporate Governance and implemented by Nasdaq Copenhagen A/S.

1.2 The Remuneration Policy provides a framework for remuneration to the members of the Board of Directors and the Executive Management Board of Bang & Olufsen.

## 1.3 Summary of changes

1.3.1 The Remuneration Policy has been revised as part of the Board's general review of remuneration, taking into account relevant input received during the past financial year, including at the most recent annual general meeting. The Policy builds on the version adopted at the annual general meeting in August 2024, with the following substantive differences:

- Short-term cash bonus (clause 5.3.3.1): The target and maximum bonus levels for members of the Executive Management Board (EMB) have been adjusted. EMB members may receive a target bonus typically ranging from 50% to 75% of base salary (50% in FY2025/26) and a maximum of up to 100% (87.5% for FY2025/26). For the CEO, the typical target range will be between 100%-125% (100% in FY25/26) of base salary, with a maximum of up to 200% (175% for FY2025/26).
- Long-term incentive plan (clause 5.3.4.2): The required share of the performance-based element in the annual grant has been changed to at least one-half of the total value.
- Committee fees (clause 4.4): The Chairman of the Strategy Committee will receive 4 times the annual fee for serving on the Strategy Committee (previously 3 times the annual fee for serving on the Audit Committee).
- Other: Certain other non-material changes have been made.





## 2. Scope of Policy

2.1 This policy applies to remuneration received by the members of the Board of Directors (Board) and the Executive Management Board (EMD) for work performed for Bang & Olufsen.

2.2 This policy governs agreements on remuneration and any amendments thereto adopted after the policy has been approved by Bang & Olufsen's general meeting.

## 3. Objective

3.1 The overall objective of the Remuneration Policy of Bang & Olufsen is to attract, motivate and retain qualified members of the Board and the EMB as well as to align the interests of the Board and the EMB with the interests of the Company's shareholders and other stakeholders.

3.2 The remuneration of the Board and the EMB shall be designed to support the strategic goals of Bang & Olufsen and to promote value creation for the benefit of the shareholders of Bang & Olufsen.

3.3 The specific remuneration packages and incentive programs covering the members of the EMB shall comply with the following principles:

- (a) limits shall apply on the variable components' part of the total remuneration package,
- (b) a reasonable balance shall be ensured between the remuneration and incentive pay offered, the expected risks and the value creation for shareholders in the short and long term,
- (c) there shall be clarity about performance criteria and measurability for award of variable components, and
- (d) the variable remuneration shall comprise of both short-term and long-term components.



# 4. Remuneration of the Board

4.1 The members of the Board shall be remunerated with fixed annual fees approved by the general meeting and shall not be covered by incentive programs or be entitled to variable remuneration.

4.2 All members of the Board - whether elected by the general meeting or by the employees of Bang & Olufsen or the B&O Group - receive an annual base fee which shall be in line with market practice of comparable listed companies taking into account the required competencies, effort and scope of work of the members of the Board.

4.3 The Chairman of the Board shall receive 3 times the annual base fee and the Deputy Chairman shall receive 1.5 times the annual base fee for their extended duties.

4.4 All members of the Board who are also members of the committees established by the Board shall receive an additional fixed fee as remuneration for their committee work. The Chairman of the Remuneration, Nomination and Technology Committees shall receive 1.33 times the annual fixed fee for serving on the Remuneration, Nomination and Technology Committees. The Chairman of the Audit Committee ~~and the Strategy Committee~~ shall receive 3 times the annual fee for serving on the Audit Committee, and the Chairman of the Strategy Committee shall receive 4 times the annual fee for serving on the Strategy Committee. The size of the fixed committee fee depends on the competencies, effort and scope of work required by the members of each committee.

4.5 Members of the Board may be entitled to reasonable travel allowance and participation in relevant training, provided the related costs shall not in aggregate exceed 20% of the Board member's annual fixed fee. Members of the Board are also entitled to be covered by the Company's directors' and officers' insurance as applicable from time-to-time.

4.6 In the event a member of the Board takes on specific ad hoc tasks outside the scope of ordinary tasks of the Board in accordance with the Rules of Procedure of the Board, the member may be offered a fixed fee for the work carried out related to such tasks.

4.7 With the purpose of aligning the interests of the Company's shareholders and the members of the Board in regard to the development of the share price, each member of the Board elected by the general meeting is obliged to invest in shares issued by the Company not later than 12 months after the date of the member's election to the Board for an amount at least corresponding to the gross annual base fee paid to an ordinary member of the Board according to the most recent annual report and to keep such shareholding for as long as the individual is member of the Board.

4.8 The Board's remuneration shall be approved by the general meeting of the Company.

# 5. Remuneration of the EMB

## 5.1 The total remuneration

5.1.1 It is the view of the Board that a combination of fixed and performance-based remuneration for the EMB contributes to the Company's ability to attract and retain competent key employees while, at the same time, the EMB has an incentive to create added value for the benefit of the Company's shareholders and stakeholders through variable remuneration.

5.1.2 The EMB's terms of employment and remuneration are agreed between the individual executive and the Board.

5.1.3 The total remuneration of the EMB may consist of the following fixed and variable remuneration components:

- (a) a fixed base salary including pension contributions ("annual base salary"),
- (b) variable remuneration consisting of (i) non-share based cash bonus (see 5.3.3), and/or (ii) share-based remuneration (see 5.3.4),
- (c) termination and severance payment,
- (d) customary non-monetary employment benefits, and
- (e) potential extraordinary incentive grants subject to the terms of this policy, including clause 5.4.

5.1.4 These remuneration components shall create a well-balanced remuneration package reflecting (i) individual performance and responsibility of the members of the EMB in relation to established financial and non-financial targets, both in the short and the longer term, and (ii) the Company's overall performance.

## 5.2 Annual base salary

5.2.1 The annual base salary is determined with a view to provide a competitive remuneration to attract and retain members of the EMB with the required professional and personal competences. The annual base salary for the members of the EMB shall be in line with market practice and based on the individual member's responsibilities and performance.

5.2.2 The members of the EMB may be granted individual non-monetary benefits such as a company car or car allowance. If a member of the EMB needs to relocate to another country in order to take up the position in the EMB, such EMB member may, at the Board's discretion, be entitled to relevant individual non-monetary benefits such as housing allowance and school tuition fee allowance. The total value of individual non-monetary benefits may not exceed 20% of the annual base salary.

5.2.3 Members of the EMB may furthermore be entitled to customary employment benefits such as insurance, newspaper, telephony and internet access etc. as approved by the Board from time to time. The members of the EMB can also participate in the pension scheme of the Company, provided the individual contributions shall be taken out of the annual base salary.

### 5.3 Variable remuneration

5.3.1 In addition to the annual base salary, the members of the EMB may receive variable remuneration which shall be based on the individual performance and responsibility of the members of the EMB in relation to established financial and non-financial targets, both in the short and the longer term, as well as the Company's overall performance.

5.3.2 The EMB may, at the discretion of the Board, be entitled to participate in the following revolving incentive schemes:

- (a) Short term cash bonus plan
- (b) Long term combined performance and restricted share plan

The design and implementation of the two incentive schemes aim to ensure that the interests of the EMB and shareholders are aligned and that the EMB in the exercise of their duties support the short and long-term interest of the Company's shareholders and other stakeholders and contribute to the achievement of the Company's strategy, sustainability and long-term value creation.

#### 5.3.3. Short term cash bonus plan

5.3.3.1 Individual members of the EMB may receive an annual bonus which will ~~amount to typically range from~~ approx. ~~35~~50% to 75% of the base salary in case of achievement of targeted performance thresholds ~~(50% in FY 2025/26)~~ and up to a maximum of ~~45-5100%~~ of the base salary in case of achievement in excess of targets: ~~(87.5% for the financial year 2025/2026)~~. For the CEO, the levels are ~~75~~typically in the range of 100% to 125% for on-target performance ~~(100% in FY 2025/26)~~ and up to ~~100200%~~ for performance in excess of targets: ~~(175% for the financial year 2025/2026)~~.

5.3.3.2 This cash bonus is intended to ensure achievement of the Company's short-term objectives. The payment of the bonus and the size thereof will therefore depend on the achievement of the objectives agreed from year to year. These objectives will primarily relate to the achievement of the Company's financial performance and individual performance criteria which reflect and support the Company's short term objectives.





5.3.3.3 The annual bonus which may be granted to the CEO must be divided so that 75% of the bonus may be paid if certain ordinary bonus objectives determined at the discretion of the Board in accordance with the criteria described above have been fulfilled, whereas the remaining 25% of the bonus may be paid if certain extraordinary bonus objectives determined at the discretion of the Board in accordance with the criteria described above have been fulfilled.

*5.3.4 Long term combined performance and restricted share plan*

5.3.4.1 Individual members of the EMB may annually receive a conditional right to receive (against no or only nominal consideration) shares after a reference period comprising three financial years, subject in each case to a combination of performance targets, requirements for continuous service and/or satisfactory people review ratings.

5.3.4.2 The performance share element shall comprise at least ~~1/2~~<sup>1/3</sup> of the value of the annual grants under the plan. The performance share element shall be subject to the level of achievement of performance targets to be defined and set annually by the Board and comprising one or more financial years in the reference period. The performance targets shall be linked to the Company's internal business targets, such as e.g. revenue, EBIT and/or strategic targets. When defining the performance targets the Board shall take into account the plan's overall purpose and anticipated effect in relation to the long-term sustainability and performance of the Company.

5.3.4.3 The performance and restricted shares may vest incrementally during the reference period but will only be finally awarded after the three financial year reference period. Details of the combined performance and restricted shares arrangements and relevant performance metrics for each grant will be set out in the annual Remuneration Report.

5.3.4.4 Assuming achievement of targeted performance thresholds, the value of the individual grants within a given financial year may not at the time of grant exceed 62.5% of the recipients' base salary for the relevant year. The maximum value (i.e. assuming achievement of the defined maximum performance thresholds in excess of targets) may not exceed 125% of the base salary for the given financial year. For the CEO, the levels are 75% for on-target performance and up to 150% for performance in excess of targets.

5.3.4.5 Both performance and restricted shares will be subject to good and bad leaver provisions, pursuant to which unvested awards may be forfeited in whole or in part in case of e.g. if the EMB member resigns or is terminated with cause.

5.3.4.6 The value of the granted performance and restricted shares and the method of calculating the value will be set out in the Company's Remuneration Report from time to time. The Company intends to buy back shares in order to cover its obligations in relation to the awarded rights to performance and restricted shares.

## 5.4 Award of extraordinary incentive-based remuneration

5.4.1 In order to meet the overall objective of the Company's incentive-based remuneration programs, the Board may in individual extraordinary cases and when considered to be in the Company's interest decide to award a one-off bonus, retention bonus, severance payment or a sign-on bonus in connection with recruitment, in each case deviating from the principles relating to the regular incentive programs set out above in clauses 5.3.3 and 5.3.4.1 to 5.3.4.5. Such extraordinary award may consist of cash and/or share-based remuneration and may or may not include performance criteria or criteria of continued employment.

5.4.2 The terms for such an extraordinary award to be decided by the Board. The value of such an extraordinary award may not at the time of the award exceed an amount corresponding to 100% of the EMB member's base salary in each of the relevant financial year(s). To the extent such an extraordinary award relates to a sign-on bonus or other schemes related to recruitment of EMB members, the award may be increased by additional 50%.

~~5.4.3 Subject to the above limitations, the Company has established an extraordinary short-term cash-based retention program for certain key employees, including certain members of the EMB, in the transition phase covering the financial year 2020/21 and 2021/22, subject in each case to requirements of continued service and satisfactory people review ratings.~~

## 5.5 Claw-back, adjustments to terms, etc.

5.5.1 In the situation where incentive remuneration have been provided to a member of the EMB (or right to receive such) on the basis of data or accounts which subsequently prove to have been misstated, the Company may reclaim the incentive remuneration in full or in part on the basis of such data.

5.5.2 For all incentive-based remuneration, the Board may decide that specific terms shall apply for accelerated vesting or award (and/or for roll-over or adjustment) of incentive-based remuneration in case of a takeover in whole or in part, significant divestiture of activities, demerger, merger or other business combination involving the Company. Further, the Board may in order to further the principles and objectives of this Policy, adopt adjustments to performance targets, bonus amounts and/or number of shares e.g. in the event the Company's capital structure is changed or in case of other material events that would otherwise adversely influence the value or effect of the incentive-based remuneration.

## 5.6 Legacy programs

In accordance with prior Remuneration Policies, current and former members of the EMB participate in Matching Shares Programs pursuant to which the participants hold shares in Bang & Olufsen ("Investment Shares") which subject to certain terms and conditions entitle them to receive a number of shares ("Matching Shares") in the Company. The Matching Shares Programs are described in the Company's Remuneration Report.



## 6. Termination and severance payment

6.1 Employment agreements with members of the EMB may be ongoing (i.e. without a fixed terms) and shall be subject to a maximum notice of termination of 24 months.

## 7. Remuneration Committee

7.1 The Board has established a remuneration committee (the “Remuneration Committee”) to ensure that the Company maintains and observes a remuneration policy for the members of the Board and the EMB.

7.2 The Remuneration Policy and any changes thereto shall be approved by the Board as well as the general meeting.

7.3 The Remuneration Committee shall evaluate and make recommendations for the remuneration of the members of the Board and the EMB. The Remuneration Committee also assesses and determines the level of achievement of performance targets.

7.4 The Remuneration Committee shall retain its own advisers separate from the external advisers engaged by the Company and/or the EMB.

7.5 To avoid conflicts of interest, the Remuneration Policy and the remuneration of the Board will be approved by the general meeting, and the remuneration of the EMB will be approved by the Board.



# 8. Indemnification scheme

8.1 With due regard to the regulatory environment in which the Company operates and to be able to attract qualified members to the Board and the EMB of the Company, it is the Company's policy to take out customary directors' and officers' liability insurance ("D&O Insurance"), from time to time. Further, it is considered in the best interest of the Company to supplement the D&O Insurance with a scheme to allow for indemnification, to the fullest extent permitted by applicable law, of current, former and future members of the Board and the EMB where there is no or inadequate coverage under the D&O Insurance.

8.2 Consequently, the general meeting has approved a scheme of indemnification (the "Scheme") pursuant to which the Company undertakes to indemnify and hold harmless each member of the Board and the EMB from and against any losses (including any costs, expenses and potential tax liabilities associated therewith) incurred by such member of the Board and/or the EMB and arising out of such person's discharge of his/her duties as a director or manager of the Company including without limitation any claim or investigation by a governmental or administrative authority.

## 8.3 Conditions and limitations

8.3.1 Any indemnification under the Scheme shall be secondary to any coverage under the D&O Insurance taken out by the Company from time to time. Indemnification under the Scheme shall not be conditional upon coverage being available under the D&O Insurance in whole or in part, nor shall indemnification under the Scheme be conditional upon any coverage under the D&O Insurance or other sources first being exhausted. For the avoidance of doubt, the secondary coverage does not preclude the Company from covering defense costs upfront with a view to claim reimbursement under the D&O Insurance.

8.3.2 The Scheme is for the sole benefit of the members of the Board and the EMB, and no third party shall be entitled to rely on or derive any benefits from the Scheme or have any recourse against the Company on account of the Scheme.

8.3.3 Excluded from coverage under the Scheme are losses, etc., derived from:

- a) Any claims if and to the extent covered by insurance taken out by the Company, including the D&O Insurance, it being understood that the indemnification may cover claims not covered in whole or in part by such D&O Insurance,
- b) Any claims raised against a member of the Board or EMB arising out of such member's wilful misconduct, gross negligence or other improper acts or omissions (in Danish "utilbørlige dispositioner"),

c) Any claims raised against a member of the Board or EMB by the Company or a subsidiary of the Company,

d) Any claims raised against a member of the Board or EMB arising out of any sanctioned offence under applicable criminal law committed by such member, and

e) Any other claims, if and to the extent it would be inconsistent with applicable law to offer the benefits of the Scheme to the member of the Board or EMB.

8.3.4 The Scheme is to be approved by the general meeting at least every four years.

## 8.4 Administration and authorization to the Board

8.4.1 The Board shall administer and implement the Scheme within the framework above, including by laying down the detailed terms and conditions, defining monetary thresholds, period for coverage, run -off coverage and other coverage and extension of the Scheme to the management in any subsidiaries of the Company. The individual member of the Board or the EMB is covered by the Scheme only to the extent provided for in such detailed terms and conditions communicated to such management member.

8.4.2 The Board is further authorised to take any decisions in relation to the Scheme. In this context, the Board may determine whether a claim is comprised by the Scheme and/or refer such determination and/or any other specific decisions related to the Scheme to a third-party expert or independent committee. For the avoidance of doubt, the Company may adopt separate indemnification arrangements for other key employees and management members, which may be subject to terms and conditions that vary from the Scheme.

## 9. Considerations in relation to employee compensation

9.1 In preparing this Policy and the individual remuneration agreements, the Remuneration Committee considers the remuneration and employment terms of the Company's other employees to ensure an appropriate alignment with due regard to market practice for comparable listed companies and overall responsibility and duties of the individual members of the Board and the EMB.

9.2 The Board considers the principles for ordinary short-term incentives for the EMB and the Company's other key employees are aligned.

9.3 Long-term share based incentive programs are not offered to the Company's employees in general. The Board considers that the long-term share based incentive program outlined herein (which is also extended to members of the Company's broader management team and certain key specialists) is appropriate and required in order to align the interests of those with management responsibilities with the interests of the Company and its shareholders.

9.4 With regard to terms of resignation, the Board considers that longer resignation periods for EMB members reflect market practice and are appropriate as part of the overall remuneration package to EMB members.



# 10. Approval and Publication of the Remuneration Policy

10.1 This Remuneration Policy has been reviewed and approved by the Board and this Remuneration Policy shall be posted on the Company's website (<https://investor.bang-olufsen.com>) specifying the date of adoption by the general meeting of the Company.

10.2 The Remuneration Policy shall be described in the Company's annual report and the Chairman shall in connection with the report from the Board at the annual general meeting comment on the principles of the Remuneration Policy and compliance hereof.

10.3 The Company will prepare a remuneration report in accordance with applicable law containing information on, inter alia total remuneration, for each of the management board members and on an individual basis, and on compliance with the Remuneration Policy.

10.4 The change of this Remuneration Policy was adopted by the Board on ~~3 July 2024~~11 July 2025 and approved by Bang & Olufsen's general meeting on ~~15~~14 August ~~2024~~2025.

# 11. Policy Review

The Remuneration Policy shall be reviewed by the Remuneration Committee at least on an annual basis.

# 12. Policy Owner

Chief Executive Officer

# Definitions

“Bang & Olufsen”	Refers to all Bang & Olufsen corporate entities.
“Board / Board of Directors”	Refers to the members of the Board of Directors of Bang & Olufsen registered as such, with the Danish Business Authority.
“Company”	Refers to Bang & Olufsen.
"D&O Insurance"	Refers to Bang & Olufsen’s directors’ and officers’ liability insurance as in force from time to time.
“Executive Management Board / EMB”	Refers to the executive officers of the management board of Bang & Olufsen, registered as such, with the Danish Business Authority.
"Scheme"	Refers to Bang & Olufsen’s indemnification scheme as approved by the general meeting on 15 August 2024.



# Annex 2 – Candidates to the Board of Directors

## JUHA CHRISTENSEN

Danish, born 1964

Chair since 2020  
Joined (until): 2016 (2025)  
Independent

**Committee memberships**  
Remuneration Committee  
Technology Committee  
Nomination Committee  
Strategy Committee



**Bang & Olufsen shares held, year-end:**  
200,864 (2023/24: 200,864)

### Competencies

- Luxury, omnichannel, retailing and marketing
- Brand management
- Consumer electronics knowledge
- Key market insights
- Partnership management
- Innovation, digitalisation & technology
- Stakeholder relations & ESG
- Consumer product supply chain
- New product introduction
- International management & strategy development
- Risk management
- Finance & accounting
- Corporate governance of listed companies
- Use of Artificial Intelligence in a business and product context

### Directorships and other offices

CM Star Global, Inc. and associated subsidiaries  
VC Netcompany A/S

## ALBERT BENSOUSSAN

French, born 1959

Vice Chair since: 2020  
Joined (until): 2020 (2025)  
Independent

**Committee memberships**  
Audit Committee  
Strategy Committee



**Bang & Olufsen shares held, year-end:**  
25,000 (2023/24: 18,000)

### Competencies

- Luxury, omnichannel, retailing and marketing
- Brand management
- Consumer electronics knowledge
- Key market insights
- Partnership management
- Innovation, digitalisation & technology
- Stakeholder relations & ESG
- Consumer product supply chain
- New product introduction
- International management & strategy development
- Risk management
- Finance & accounting
- Corporate governance of listed companies
- Use of Artificial Intelligence in a business and product context

### Directorships and other offices

O CEO and founder of AB Consultants Paris

## ANDERS COLDING FRIIS

Danish, born 1963

Joined (until): 2018 (2025)  
Independent

**Committee memberships**  
Nomination Committee  
Remuneration Committee  
Strategy Committee



**Bang & Olufsen shares held, year-end:**  
23,400 (2023/24: 23,400)

### Competencies

- Luxury, omnichannel, retailing and marketing
- Brand management
- Consumer electronics knowledge
- Key market insights
- Partnership management
- Innovation, digitalisation & technology
- Stakeholder relations & ESG
- Consumer product supply chain
- New product introduction
- International management & strategy development
- Risk management
- Finance & accounting
- Corporate governance of listed companies
- Use of Artificial Intelligence in a business and product context

### Directorships and other offices

CM Officeguru A/S, Logisnap ApS  
VC Chr. Augustinus Fabrikker Aktieselskab, Goodwings ApS  
BM Augustinus Fonden, Caf Invest a/s

## TUULA RYTLÄ

Finnish, born 1967

Joined (until): 2019 (2025)  
Independent

**Committee memberships**  
Technology Committee  
Audit Committee



**Bang & Olufsen shares held, year-end:**  
24,300 (2023/24: 24,300)

### Competencies

- Luxury, omnichannel, retailing and marketing
- Brand management
- Consumer electronics knowledge
- Key market insights
- Partnership management
- Innovation, digitalisation & technology
- Stakeholder relations & ESG
- Consumer product supply chain
- New product introduction
- International management & strategy development
- Risk management
- Finance & accounting
- Corporate governance of listed companies
- Use of Artificial Intelligence in a business and product context

### Directorships and other offices

BM Breville Group, Australia, Kempower Oyj, Fugro N.V., eBrands Global Ltd., Tuxera, Business Forum Group

CM = Chair VC = Vice Chair BM = Board member O = Other offices

■ Competencies possessed by Board member

JESPER JARLBÆK

Danish, born 1956

Joined (until): 2011 (2025)  
Not Independent\*

**Committee memberships**  
Audit Committee  
Nomination Committee  
Strategy Committee



**Bang & Olufsen shares held, year-end:**  
26,372 (2023/24: 26,372)

- Competencies**
- ☐ Luxury, omnichannel, retailing and marketing
  - ☐ Brand management
  - ☐ Consumer electronics knowledge
  - ☐ Key market insights
  - ☐ Partnership management
  - ☐ Innovation, digitalisation & technology
  - ☒ Stakeholder relations & ESG
  - ☒ Consumer product supply chain
  - ☐ New product introduction
  - ☒ International management & strategy development
  - ☒ Risk management
  - ☒ Finance & accounting
  - ☒ Corporate governance of listed companies
  - ☐ Use of Artificial Intelligence in a business and product context

**Directorships and other offices**

- CM Able ApS, A-Solutions A/S, Basico Consulting Group, Catacap Management ApS, DanBAN FAIF ApS and related entities, Falcon Fondsmæglerselskab A/S, HR-ON ApS, Materiel Udlejning Holding Group ApS, 1900 Søernes Privathospital ApS
- BM Berlin Invest 2017 ApS, Business Angels Fond II A/S, Earlbrook Holdings Group A/S, Polaris III Invest Fonden, SCANVENTURE A/S, Smartshare Systems A/S,
- O JJ 2021 Holding ApS

CM = Chair VC = Vice Chair BM = Board member O = Other offices

■ Competencies possessed by Board member

\* Having served on the Board for more than 12 years.

NANCY LIU

Taiwanese, born 1964

Independent



- Competencies**
- ☒ Luxury, omnichannel, retailing and marketing
  - ☒ Brand management
  - ☐ Consumer electronics knowledge
  - ☒ Key market insights
  - ☒ Partnership management
  - ☐ Innovation, digitalisation & technology
  - ☒ Stakeholder relations & ESG
  - ☒ Consumer product supply chain
  - ☒ New product introduction
  - ☒ International management & strategy development
  - ☐ Risk management
  - ☐ Finance & accounting
  - ☐ Corporate governance of listed companies
  - ☐ Use of Artificial Intelligence in a business and product context

**Directorships and other offices**

- BM Esprit Holding Limited
- O President of DFS Group Limited, China



ANDRA GAVRILESCU

Romanian, Danish, born 1985

Employee-elected  
Joined (until): May 2024 (2027)  
Not independent

Committee memberships  
-



Bang & Olufsen shares held, year-end:  
0 (2023/24: 0)

Competencies  
Not mapped for employee representatives.

Directorships and other offices  
-

Positions and other management duties  
Senior Manager, Head of Global Brand Collaboration

CM = Chair VC = Vice Chair BM = Board member O = Other offices  
■ Competencies possessed by Board member

DORTE VEGERBERG

Danish, born 1972

Employee-elected  
Joined (until): 2019 (2027)  
Not independent

Committee memberships  
-



Bang & Olufsen shares held, year-end:  
1,000 (2023/24: 0)

Competencies  
Not mapped for employee representatives.

Directorships and other offices  
-

Positions and other management duties  
Radio and electronics worker, Production

SØREN BALLING

Danish, born 1971

Employee-elected  
Joined (until): 2017 (2027)  
Not independent

Committee memberships  
-



Bang & Olufsen shares held, year-end:  
8,622 (2023/24: 8,622)

Competencies  
Not mapped for employee representatives.

Directorships and other offices  
BM Øster Hjern Bygningsartikler

Positions and other management duties  
Production Manager, Mechanics



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