

Bang & Olufsen's HR policy

A competitive culture

To be competitive in our industry, we must establish a culture that is agile, global, customer-focused and performance-oriented. We want these qualities to characterise everything we do and the way we do it.

At the same time we will nurture the unique values in the culture that over time has built one of the strongest brands in the world. Our core values - Pride, Persistence and Passion - defines our culture and our brand and stands as a true representation of the spirit we want to see in the company.

An attractive workplace

Bang & Olufsen strives to ensure a healthy balance between working and private life. Both employees and the company are encouraged to contribute to this by showing flexibility in relation to working tasks, working hours, etc.

Bang & Olufsen aim at being an inclusive workplace. This means that we strive to ensure tolerance and understanding across gender, religion, nationality, etc. and we make every attempt to prevent discrimination of any kind.

Bang & Olufsen believes in life-long development and support and encourages employees to realise their potential through on-the-job coaching and targeted training activities.

Bang & Olufsen provides our employees a healthy and safe work environment

Remuneration

Bang & Olufsen's reward policy is based on the following principles:

- We provide a market competitive remuneration
- We act according to the principle of salary differentiation within and between employee groups. Salary differentiation is based on performance and results, potential, experience, education, and the complexity of the position.
- We make a number of benefits available to employees as an integrated part of their employment conditions. These benefits are intended to attract and retain talent to the company.

Diversity

Bang & Olufsen recognises the importance of promoting gender diversity at management levels, When making appointments to the Board of Directors or management level at Bang & Olufsen, Bang & Olufsen is committed to selecting the best person for the role based on qualifications, experience and competencies as well as other factors such as gender.

In order to promote, facilitate and increase the number of women in management level positions at Bang & Olufsen, Bang & Olufsen will pursue the following objectives:

1. Increase percentage of women at management level as vacancies arise, subject to identification of candidates with appropriate skills, and in this connection ensure that engaged search and selection firms are requested to identify at least one female candidate for such positions. All internal and external searches for vacant positions is to include at

least one female candidate on a short list, subject to identification of candidates with appropriate skills.

2. Ensuring appropriate level of female participants at Bang & Olufsen Talent Program

The goal is to have not less than 25% female members at Director+ level by May, 2020.

Management

Good management is essential in order for activities to be done well, and for the on-going development of employees and the company.

It is important that unique talents are discovered. The leader plays a key role in ensuring this. It is the responsibility of the leader to discover and develop talented individuals.

Good management at Bang & Olufsen is dependent on leaders who:

- Focus on goal management
- Are performance-oriented
- Focus on the customer
- Are able to develop people and teams
- Lead by example

Layoffs

In a dynamic company where change and development are part of daily working life, it is unavoidable that we will occasionally have to let employees go for one reason or another. It is important to us in such situations that employees are treated with respect and given the best possible support to move on in their working lives.