

## HEARINGLIFE CANADA LTD. and AUDMET CANADA LTD.

Joint Report Pursuant to the Fighting Against Forced Labour and Child Labour in Supply Chains Act (Canada)

For the financial year ended December 31, 2025

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### 1. INTRODUCTION

- 1.1. This is a joint report (the “**Report**”) prepared by HearingLife Canada Ltd. (“**HearingLife**”) and Audmet Canada Ltd. (“**Audmet**”). In this Report, HearingLife and Audmet are collectively referred to as “**Demant Canada**”, and the global operations are referred to as the “**Demant Group**”.
- 1.2. Demant Canada and the Demant Group are firmly committed to upholding human rights and preventing all forms of forced labour and child labour within our business and supply chains.
- 1.3. This Report is prepared in accordance with section 11 of the Fighting Against Forced Labour and Child Labour in Supply Chains Act (Canada) (the “**Act**”) and describes the steps taken in 2025 to prevent and reduce the risk that forced labour or child labour is used at any stage of our activities or supply chain.

### 2. STEPS TAKEN IN 2025 TO PREVENT AND REDUCE RISK

- 2.1. In 2025, Demant Canada continued to strengthen its governance, due diligence processes, and operational controls to prevent forced labour and child labour risks.
- 2.2. Key actions taken in 2025 include:
  - (a) Policy & Governance
    - Ongoing implementation of the Demant Group Business Ethics Program, including the Code of Conduct, Third Party Compliance Code (“**TPCC**”), Anti-Corruption Policy, and Whistleblower Policy.
    - Enhanced global governance through the Demant Sustainability Board, which sets environmental, social, governance (ESG) and human rights strategy and meets regularly.
  - (b) Training & Awareness
    - Achieved 99% Code of Conduct training completion among highly exposed employees globally.
    - Continued training via e-learning, Business Ethics Days, and compliance champions network.

- (c) Supplier Due Diligence
  - Continued implementation of a risk-based global supplier risk assessment process.
  - Expansion of supplier engagement programs, including sustainability and human rights screening
- (d) Contractual Controls
  - Inclusion of mandatory compliance with the Code of Conduct and TPCC in supplier agreements
- (e) Monitoring & Reporting
  - Operation of a global whistleblower system accessible to employees and external stakeholders
  - Investigation and tracking of reported concerns

2.3. These actions reflect Demant's commitment to continuous improvement and alignment with international human rights standards.

### **3. STRUCTURE, ACTIVITIES AND SUPPLY CHAINS**

#### 3.1. Structure

- (a) The Demant Group is headquartered in Denmark and operates in more than 30 countries, with products sold in over 130 countries.
- (b) As of December 31, 2025, the Demant Group employs approximately 26,704 employees globally, including approximately 1,200+ employees in Canada.
- (c) Demant Canada operates through:
  - HearingLife Canada Ltd.
  - Audmet Canada Ltd.
- (d) Both entities are headquartered in Toronto, Ontario.

#### 3.2. Activities

- (a) Demant Canada's core activities include:
  - Importing and selling hearing aids and related products in Canada;
  - Operating hearing healthcare clinics;
  - Providing hearing testing, rehabilitation and fitting services;
  - Supplying diagnostic equipment and related maintenance and repair services.
- (b) Manufacturing in Canada is limited to customized in-the-ear hearing aids.

### 3.3. Supply Chains

- (a) Demant Canada's supply chain is global and includes:
- Internal sourcing from Demant Group production facilities in Poland, Mexico and Denmark.
  - External suppliers located in Europe, the United States and Asia-Pacific regions.
- (b) The Demant Group has implemented structured value chain mapping and risk assessment processes, enabling:
- Identification of risks across upstream and downstream supply chains;
  - Monitoring of supplier sectors and geographic risks;
  - Increased visibility over critical sub-suppliers.
- (c) The most significant risk areas relate to:
- Electronic components;
  - Precious metals used in manufacturing.
- (d) Demant recognizes that risks may exist below direct suppliers and continuously works to enhance oversight and transparency.

## 4. POLICIES AND DUE DILIGENCE PROCESSES

- 4.1. Demant Canada applies a risk-based due diligence framework aligned with international standards, including:
- United Nations Guiding Principles on Business and Human Rights (UNGPs);
  - OECD Guidelines for Multinational Enterprises;
  - International Labour Organization (ILO) core conventions.
- 4.2. The Demant Group Business Ethics Program includes:
- Code of Conduct;
  - Third Party Compliance Code (TPCC);
  - Whistleblower system;
  - Anti-corruption, competition, and trade compliance policies.
- 4.3. All direct suppliers are required to:
- Commit to the TPCC;
  - Uphold labour and human rights standards;
  - Ensure their own supply chains comply with applicable laws, the Act and the TPCC.
- 4.4. Supplier due diligence includes:
- Risk assessment (country and sector-based);
  - Information gathering and screening;
  - Evaluation of red flags;
  - Contractual commitment;

- Ongoing monitoring.

4.5. In 2025, Demant further strengthened:

- Supplier risk categorisation and screening;
- Data-driven due diligence using recognised external indices;
- Integration of sustainability considerations into procurement.

## 5. FORCED LABOUR AND CHILD LABOUR RISKS

5.1. Demant Canada has identified that:

- The highest potential risk areas relate to upstream supply chains involving:
  - Electronic components; and
  - Raw materials used in manufacturing.

5.2. These risks are inherent to global supply chains and are particularly relevant in certain jurisdictions and sectors.

5.3. Mitigation measures include:

- Supplier screening and risk ranking;
- Mandatory compliance with TPCC;
- Contractual safeguards;
- Ongoing supplier engagement.

5.4. Risks within Demant Canada's **direct operations** are assessed as **low**, due to:

- Compliance with employment laws;
- Standard HR due diligence and recruitment controls;
- Limited use of temporary labour.

## 6. REMEDIATION MEASURES

6.1. Demant Canada maintains procedures to:

- Investigate reported concerns;
- Engage with suppliers;
- Implement corrective action plans.

6.2. As of December 31, 2025:

- No confirmed instances of forced labour or child labour were identified in Demant Canada's operations or supply chain.

6.3. If such risks were identified, Demant would:

- Work collaboratively with suppliers to remediate;
- Escalate issues internally;
- Consider termination of supplier relationships where necessary.

## 7. REMEDIATION OF LOSS OF INCOME

- 7.1. Demant Canada acknowledges that eliminating forced labour risks may impact vulnerable workers.
- 7.2. As of 2025:
- No adverse impacts or loss of income requiring remediation were identified.
- 7.3. If future actions result in such impacts, Demant will:
- Take appropriate and proportionate steps to mitigate harm;
  - Consider responsible disengagement and remediation strategies.

## 8. TRAINING

- 8.1. Training is a key component of Demant's risk prevention strategy.
- 8.2. In 2025:
- 99% of highly exposed employees completed Code of Conduct training.
  - Employees received training on:
    - Human rights risks;
    - Forced labour indicators;
    - Reporting mechanisms.
- 8.3. Additional initiatives include:
- Business Ethics Days;
  - Ongoing training by compliance champions;
  - Mandatory onboarding training.

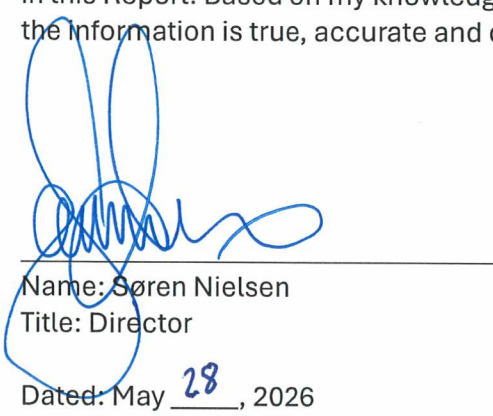
## 9. ASSESSING EFFECTIVENESS

- 9.1. Demant Canada assesses effectiveness through:
- Monitoring supplier compliance;
  - Reviewing whistleblower reports;
  - Tracking training completion rates;
  - Conducting risk assessments.
- 9.2. In 2025:
- 126 whistleblower reports were received globally and investigated in accordance with policy.
  - No severe human rights incidents were confirmed.
- 9.3. Demant continues to enhance: (a) Data collection and reporting; (b) Supplier transparency; and (c) Due diligence methodologies.

**10. APPROVAL AND ATTESTATION**

This Report was approved by the Board of Directors of HearingLife Canada Ltd. and Audmet Canada Ltd. in accordance with the Act.

In accordance with section 11(4) of the Act, I attest that I have reviewed the information contained in this Report. Based on my knowledge and having exercised reasonable diligence, I confirm that the information is true, accurate and complete in all material respects for the reporting year.



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Name: Søren Nielsen  
Title: Director  
Dated: May 28, 2026

I have the authority to bind HearingLife Canada Ltd. and Audmet Canada Ltd.