

To the shareholders of  
William Demant Holding A/S

11 March 2015

Notice is hereby given of the Annual General Meeting of William Demant Holding A/S to be held on:

**Thursday, 9 April 2015 at 4 pm CET**  
at the Company's address  
**Kongebakken 9, 2765 Smørum, Denmark**

*Before the Annual General Meeting, coffee and cake will be served from 3 p.m. Parking spaces have been reserved at the main entrance, and there will be free, regular transport from the nearby Kildedal S-train station between 2.40 and 3.20 p.m. and back again after the Annual General Meeting.*

*Please note that the entire Annual General Meeting will be transmitted live on the Company's website, and shortly before 4 p.m., you can watch live coverage with audio throughout the meeting on [www.demant.com](http://www.demant.com).*

#### **Agenda**

In accordance with Article 8.2 of the Articles of Association, the agenda is as follows:

1. Report of the Board of Directors on the Company's activities during the past year.  
The Board of Directors recommends that the report be adopted.
2. Presentation for approval of the audited annual report, including the consolidated financial statements.  
The Board of Directors recommends that the annual report be approved.
3. Approval of remuneration for the Board of Directors for the current financial year.  
The Board of Directors recommends that the proposed remuneration be approved.
4. Resolution on the appropriation of profit or covering of loss according to the approved annual report.  
The Board of Directors proposes that the profit of DKK 1,095 million be transferred to the Company's reserves to the effect that no dividend be paid.
5. Election of members to the Board of Directors.  
Under Article 11.2 of the Articles of Association, board members elected by the Annual General Meeting are elected for one-year terms. At the 2015 Annual General Meeting, Lars Nørby Johansen, Peter Foss, Niels B. Christiansen and Benedikte Leroy stand for re-election.
6. Election of auditor.  
The Board of Directors proposes that Deloitte Statsautoriseret Revisionspartnerselskab be re-elected.

7. Any proposal from the Board of Directors or shareholders.

The Board of Directors has submitted the following proposals:

- a) Reduction of the Company's share capital
- b) Authorisation to the Board of Directors to let the Company acquire own shares
- c) Authority to the chairman of the Annual General Meeting

8. Any other business

### **Elaboration of the proposals**

#### Re agenda item 3

The Board of Directors proposes that the basic fee for 2015 remains unchanged at DKK 300,000, and that the Chairman should receive three times and the Deputy Chairman twice the basic fee.

#### Re agenda item 5

Lars Nørby Johansen, Peter Foss, Niels B. Christiansen and Benedikte Leroy stand for re-election. A description of each of the board candidates, their managerial posts etc. follows below:

**Lars Nørby Johansen**, Chairman (born in 1949). Joined the Board of Directors in 1998 and was most recently re-elected in 2014 for one year. Chairman of the nomination committee. Having been a member of the Board of Directors for more than 12 years, he is not considered an independent board member. Other managerial posts: *Codan A/S and one subsidiary, chairman of the board; The Danish Growth Council, chairman; Dansk Vækstkapital, chairman of the board; Copenhagen Airports A/S, chairman of the board; Montana Møbler A/S, chairman of the board; University of Southern Denmark, chairman of the board; The Rockwool Foundation, chairman of the board and member of the executive committee; Arp-Hansen Hotel Group A/S, deputy chairman of the board; Index Award A/S, board member; Fonden for Entreprenørskab – Young Enterprise, chairman of the board.*

Lars Nørby Johansen holds a Master of Social Sciences degree. He has extensive international experience as a corporate executive, including board positions from listed companies, as well as profound knowledge of the challenges resulting from globalisation. He also has extensive experience with the political aspects of business.

**Peter Foss**, Deputy Chairman (born in 1956). Joined the Board of Directors in 2007 and was most recently re-elected in 2014 for one year. Because of his directorships in the Oticon Foundation and William Demant Invest A/S (the Company's majority shareholder), he is not considered an independent board member. Other managerial posts: *FOSS A/S, chairman of the board; N. Foss & Co. A/S, chairman of the board; The Oticon Foundation, deputy chairman of the board; William Demant Invest A/S, deputy chairman of the board; A.R. Holding af 1999 A/S, board member; Trackman A/S, board member.*

Peter Foss holds a Master of Science degree in Engineering from the Technical University of Denmark (DTU) and a Graduate Diploma in Business Administration (Finance). He has extensive managerial experience from global, market-leading industrial businesses with considerable elements of product development. He also has board experience from various lines of business.

**Niels B. Christiansen** (born in 1966). Joined the Board of Directors in 2008 and was most recently re-elected in 2014 for one year. He is chairman of the audit committee and is considered an independent board member. Other managerial posts: *Danfoss A/S, President & CEO and board positions in four subsidiaries; Axcel Industriinvestor A/S, chairman of the board; A.P. Møller - Mærsk A/S, board member.*

Niels B. Christiansen holds a Master of Science degree in Engineering from the Technical University of Denmark (DTU) and holds an MBA from INSEAD in France. He has extensive experience with international management of major, global industrial hi-tech corporations. He also has extensive board experience from listed companies and various lines of business.

**Benedikte Leroy** (born in 1970). Elected to the Board of Directors in 2014 for one year. Other managerial posts: VP & EMEA General Counsel in Dell Computer Corporation; Dell GmbH in Germany, chairman of the supervisory board.

Benedikte Leroy holds a Master of Law degree from the University of Copenhagen. She has significant international management experience from large, global technology companies within both consumer and business-to-business products. She has lived and worked in the UK and Belgium for many years.

#### Re agenda item 7a

It is proposed to reduce the Company's share capital by DKK 2,236,403 nominal value, corresponding to the Company's holding of own shares as of 26 February 2015. The Company's holding of own shares was acquired in connection with the Company's share buy-back programme in 2013, 2014 and 2015. The amount of the reduction will be distributed to the shareholders in accordance with section 188 of the Danish Companies Act (selskabsloven). The shares were acquired at a total amount of DKK 1,051,279,203, meaning that DKK 1,049,042,800 were paid in addition to the nominal amount of the reduction.

As a result of the capital reduction, it is proposed that Article 4.1 of the Articles of Association be amended to read as follows after expiry of the time prescribed in section 192 of the Companies Act:

*"The Company's share capital is DKK 54,425,235, divided into shares of DKK 1 or any multiple thereof."*

Before the capital reduction is implemented, the Company's creditors will be requested, through the IT system of the Danish Business Authority (Erhvervsstyrelsen), to file their claims within four weeks in accordance with section 192(1) of the Companies Act. Under section 193(1) of the Companies Act, the capital reduction and the resulting amendment to the Articles of Association will be deemed to be registered as finally implemented with the Danish Business Authority no later than four weeks after the expiry of the time limit for the filing of claims by creditors, unless the capital reduction cannot be implemented at such time under the provisions of the Act.

#### Re agenda item 7b

The Board of Directors is authorised until the next Annual General Meeting to allow the Company to acquire own shares of a nominal value of up to 10% of the share capital. The purchase price for the shares must not deviate by more than 10% from the price quoted on NASDAQ Copenhagen A/S at the time of the acquisition. The price quoted on Nasdaq Copenhagen A/S at the time of the acquisition means the closing price – all transactions at 5 p.m.

#### Re agenda item 7c

It is proposed that the chairman of the Annual General Meeting be authorised to make any such amendments and additions to the resolutions passed by the Annual General Meeting and to the application for registration with the Danish Business Authority (Erhvervsstyrelsen) that may be required by the Authority in connection with the registration of the amendments passed.

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Adoption of the proposed resolution in agenda item 7a is subject to at least 51% of the share capital being represented at the Annual General Meeting and the resolution being passed by at least two-thirds of both the votes cast and of the voting share capital represented at the Annual General Meeting, see Article 10.3 of the Articles of Association. The remaining proposed resolutions on the agenda may be passed by a simple majority of votes, see Article 10.2 of the Articles of Association.

The Company's share capital is DKK 56,661,638, divided into shares of DKK 1 or multiples thereof, see Article 4.1 of the Articles of Association. Each share of DKK 1 carries one vote, see Article 9.1 of the Articles of Association.

Under Article 9.2 of the Articles of Association, any shareholder who is registered as a shareholder in the register of shareholders on the date of registration, 2 April 2015, or having made a request to that effect and such request having reached the Company on that date, is entitled to attend and vote at the Annual General Meeting (AGM).

Shareholders entitled to attend and vote at the AGM under Article 9.2 of the Articles of Association are entitled to attend the AGM, subject to having obtained an admission card for themselves and for any adviser accompanying them to the meeting no later than on 1 April 2015. A ballot paper will be provided together with the admission card, specifying the number of votes to which the shareholder is entitled.

Please note that only shareholders registered in the register of shareholders on the date of registration and have obtained an admission card prior to the AGM are entitled to attend.

Admission cards may be obtained on the Company's website, [www.demant.com](http://www.demant.com), *Shareholder Portal*, by submitting an order form to Computershare A/S, Kongevejen 418, 2840 Holte, Denmark (or by fax to +45 4546 0998), by written request to the Company's office, or in person at Kongebakken 9, 2765 Smørum, Denmark on weekdays between 10 a.m. and 12 noon. Admission cards and ballot papers will be sent by post after 25 March 2015.

The Company has designated Danske Bank A/S as its custodian bank, through which the Company's shareholders may exercise their financial rights.

No later than 18 March 2015, the following information and documents will be made available on the Company's website, [www.demant.com](http://www.demant.com): 1) The notice convening the AGM; 2) the total number of shares and voting rights as at the date of the notice; 3) all documents to be submitted to the AGM, including the audited annual report; 4) the agenda and the complete proposed resolutions to be submitted to the AGM; and 5) postal and proxy voting forms.

All shareholders may ask written questions about the agenda and the documents to be used for the AGM. Any questions may be sent by post to the Company or by e-mail to [william@demant.com](mailto:william@demant.com). Any questions will be answered in writing before or orally at the AGM, unless the answer is available on the Company's website, [www.demant.com](http://www.demant.com), prior to the AGM.

If you are unable to attend the AGM, the Company's Board of Directors would be pleased to act as proxy to cast the votes attaching to your shares. Proxies may be appointed electronically on the Company's website, [www.demant.com](http://www.demant.com), *Shareholder portal*, no later than on 1 April 2015 at 11.59 pm CET. You may also complete, date and sign a proxy form and return it by post to Computershare A/S, Kongevejen 418, 2840 Holte, Denmark (or by fax to +45 4546 0998), for receipt no later than on 1 April 2015. If you wish to appoint proxies other than the Board of Directors, you may use the form for appointing a third party proxy. Please note that you must also obtain an admission card for the proxy. The above proxy forms are available on the Company's website, [www.demant.com](http://www.demant.com).

You may also vote by post. Postal votes may be cast electronically on the Company's website, [www.demant.com](http://www.demant.com), *Shareholder portal*, no later than on 8 April 2015 before 12:00 pm CET (noon). You may also complete, date and sign a postal voting form – the same form as the proxy form – and return it by post to Computershare A/S, Kongevejen 418, 2840 Holte, Denmark (or by fax to +45 4546 0998), for receipt no later than on 8 April 2015 before 12:00 pm CET (noon). Postal voting forms are available on the Company's website, [www.demant.com](http://www.demant.com).

Smørum, 11 March 2015

*The Board of Directors*