amplifon

# ANNUAL REPORT 2024

## CONSOLIDATED FINANCIAL & SUSTAINABILITY STATEMENTS

amplifon

# ANNUAL REPORT 2024

## CONSOLIDATED FINANCIAL & SUSTAINABILITY STATEMENTS


Welcome
to
Amplifon






# INDEX

## ANNUAL REPORT 2024

# AMPLIFON AT A GLANCE

# INDEX

## AMPLIFON AT A GLANCE

# LETTER TO STAKEHOLDERS

**DEAR STAKEHOLDERS,**

We are pleased to present you with another Annual Report that shows once again a year of growth for our company, albeit in a global hearing care market still below historical growth levels, above all in Europe, and a particularly volatile geopolitical and macroeconomic environment.

Despite this, we continued along our path, growing at a faster pace than our reference market, thanks to a solid organic performance and the significant contribution of acquisitions, and further strengthened our competitive positioning, while preparing to reap the fruits of the long-awaited recovery of the European market.

The Group's revenues reached the highest level in our 75-year history coming in at more than 2.4 billion euros, an increase of 7% at constant exchange rates compared to 2023. Recurring EBITDA amounted to 568 million euro, 4.8% higher than in the prior year, with the margin at 23.6% (compared to 24% in 2023), in a context characterized by a soft European market and strong M&A acceleration, above all in the United States, and despite the significant investments made in our brand, network expansion and our hearing care professionals to prepare for 2025.

The acceleration in acquisitions allowed us to add about 400 new stores, above all in core markets (North America, France, Germany and China) and to exceed 10,000 points of sale worldwide. If Europe is still our main market, for the first time in Amplifon's history, the United States was the top market in terms of revenues, confirming the soundness of the expansion strategy implemented over the past few years. In China our network now comprises more than 500 stores, allowing for market share gains and creating a solid foundation for the Group's future growth.

As mentioned, 2024 was also a year of sizeable investments to support our future growth. In addition to the acquisitions made to expand our global network, we also invested a lot in our brand – above all through the launch of new advertising campaigns in Italy and Spain - in our hearing care professionals, particularly in France in preparation for the expected market recovery related to the anniversary of the 2021 reform, and in technological innovation to support our stores and the customer experience. We are getting ready, therefore, to take advantage of all further growth opportunities stemming from the gradual normalization of the global hearing care market expected in the coming years.

All of this is possible thanks to the Group's solidity, confirmed by the main balance sheet and financial indicators. More in detail, in 2024 we generated free cash flow of around 176 million euros, an increase of 10% compared to 2023, while net financial debt came in at 962 million euros with financial leverage of 1.63x at December 31st, 2024.

As for sustainability, we continue to integrate ESG topics in our business strategy in order to share the value created with all of you, our Stakeholders. It was in 2024 that we launched the new “Listening Ahead” Sustainability Plan with 20 concrete and measurable, multi-year (through 2026, 2027 and 2030) targets for the core dimensions (Product and Service Stewardship, People Empowerment, Community Impact, Ethical Conduct and Environmental Responsibility).

Among the results achieved in 2024, we would like to highlight the reduction in our carbon footprint and the increase in the use of electricity from renewable sources, which jumped from 74% in 2023 to 80% in 2024. All of the direct suppliers also adhered to Amplifon’s Supplier Code of Conduct, as well as 50% of the indirect ones, and we carried out ESG assessments on 90% of the direct suppliers. We also obtained a “B” score on the CDP Climate Change questionnaire, above the sector average, and launched the new Amplifon product packaging which is entirely reusable and made for more than 70% out of recycled materials.

Another aspect of our commitment to our people is the Top Employer 2025 certification, which we have achieved in three regions (Europe, North America and Latam) and in 16 countries, demonstrating our strategies to promote employee wellbeing and improve the workplace environment. In 2024 approximately 575,000 hours of training were also provided to our employees and the new Diversity, Equity, Inclusion & Belonging (DEIB) Action Plan was launched including bias-free workshops for the members of the DEIB Committee and for global leaders.

Lastly, we continued to contribute to the wellbeing of the communities in which we operate, offering free hearing tests which allowed customers to save approximately 200 million euros. We also encouraged our employees to participate in social inclusion initiatives sponsored by our Foundations and increased awareness about hearing health through the “Listen Responsibly” program. We are also very happy to have supported Amplifon Foundation’s internationalization process which in 2024 introduced the “Ciao!” project, focused on the social inclusion of the elderly, in Australia and France.

We are particularly proud of the results achieved, of the speed with which we responded to the challenges we had to face during the year and the further strengthening of our role as the hearing care global leader. All of this allows us to serve an ever-increasing number of people worldwide, helping them to rediscover all the emotions of sound. These results would not have been possible without the commitment, professionalism, passion and dedication of the more than 20,900 Amplifon employees and collaborators worldwide, of the management team and the directors.

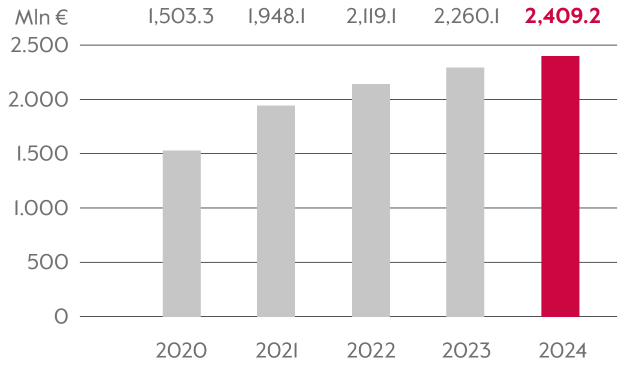
We would like to thank all of you, Shareholders and Stakeholders, for your continuous support, the spur received and the trust you have placed in us. We look to the years that lie ahead with optimism, beginning with 2025, which marks the 75th anniversary of the founding of our Group in Milan by Charles Holland, strengthened by the unchanged fundamentals of the hearing care market and our increasingly solid competitive positioning. We are convinced that, together with you, we will be able to continue along our sustainable growth path, improving the quality of life for millions of people worldwide.

**Susan Carol Holland**
Chairperson

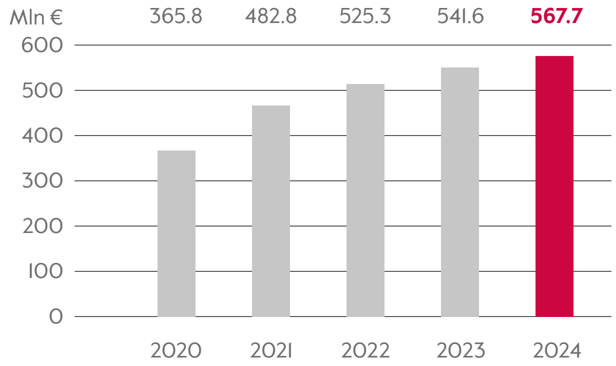
**Enrico Vita**
Chief Executive Officer

# 2024 HIGHLIGHTS

## REVENUES[1]
**(MILLION EUROS)**

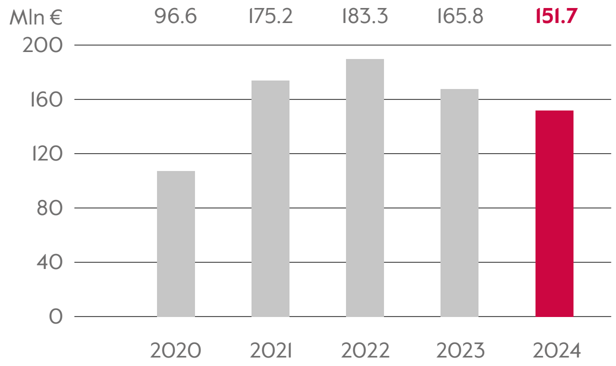



## EBITDA[1,2]
**(MILLION EUROS)**

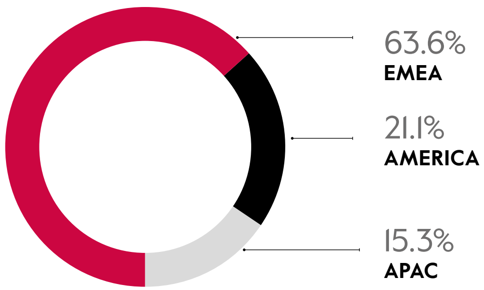



| | | | | | |
|---|---|---|---|---|---|
| EBITDA MARGIN | 24.3% | 24.8% | 24.8% | 24.0% | 23.6% |

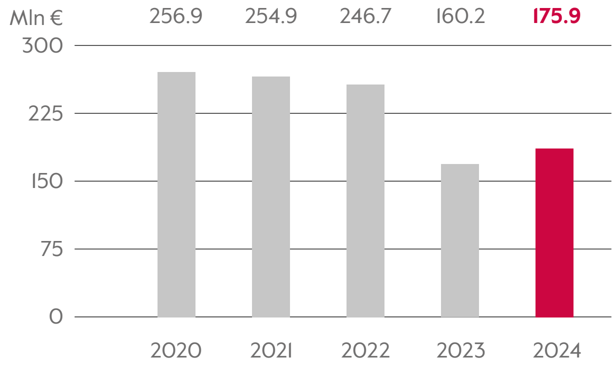
## NET PROFIT[1,2]
**(MILLION EUROS)**



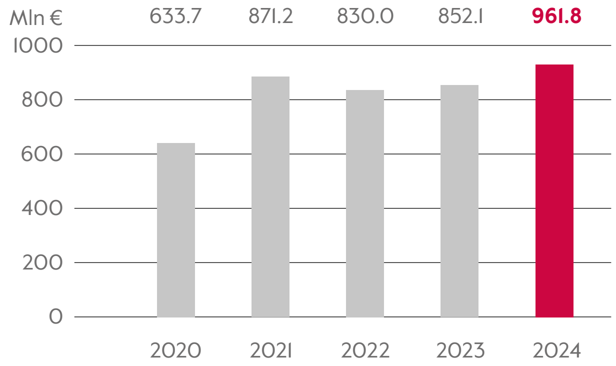

## REVENUES BY REGION




## FREE CASH FLOW
**(MILLION EUROS)**




## NET FINANCIAL DEBT[3]
**(MILLION EUROS)**




1. Figures for 2020 presented without the contribution of the Elite wholesale business, winded-down at the end of 2021 and treated as discontinued operations according to the accounting principle IFRS 5.
2. Recurring data.
3. Data without lease liabilities.

# 2024 HIGHLIGHTS

## GLOBAL LEADER IN HEARING CARE

**13%**
> GLOBAL MARKET SHARE

**26**
> COUNTRIES

**5,480**
> CORPORATE SHOPS

**1,210**
> SHOPS IN FRANCHISING

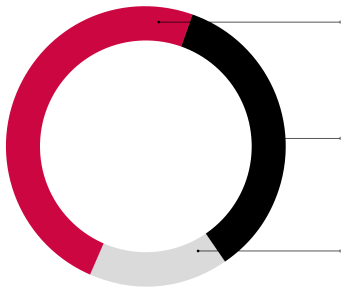
**3,310**
> SHOP-IN-SHOPS & CORNERS

**20,900**
> PEOPLE

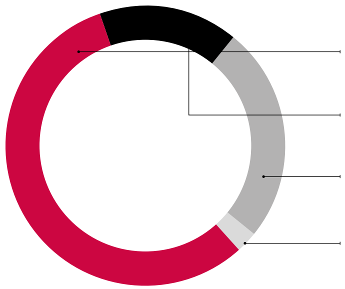
**15,070**
> EMPLOYEES

### EMPLOYEES

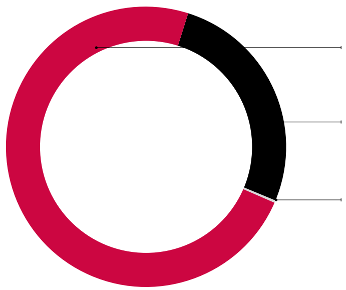
> BY ROLE




> BY REGION




> BY GENDER



# 2024 HIGHLIGHTS

## PRODUCT & SERVICE STEWARDSHIP

~200 M€

> SAVED BY CUSTOMERS & PROSPECTS THANKS TO FREE HEARING TESTS

New Packaging

> REUSABLE AND MADE BY OVER 70% OF RECYCLED MATERIALS

## PEOPLE EMPOWERMENT

~50%

> EMPLOYEES IN STEM POSITIONS

~47%

> MANAGERIAL POSITIONS COVERED BY WOMEN

## ETHICAL CONDUCT & ENVIRONMENTAL RESPONSIBILITY

3%

> REDUCTION IN GREENHOUSE GAS (GHG) EMISSIONS VS 2023

~80%

> RENEWABLE ELECTRICITY IN STORES AND OFFICES

~290 mln

> BATTERIES SAVED

## COMMUNITY IMPACT

>89,000

> NOISE MEASUREMENTS THROUGH THE LISTEN RESPONSIBLY APP SINCE 2020

>3,800

> EMPLOYEE PARTICIPATIONS IN FOUNDATIONS' VOLUNTEERING AND SOCIAL AMBASSADORSHIP INITIATIVES

# KEY EVENTS

### > JANUARY 2024

Acquisition of the Audical Group, the main national player in the hearing care market in Uruguay. Thanks to this transaction Amplifon now operates in 26 countries worldwide.

### > JANUARY 2024

Acquisition of one of the main Miracle-Ear franchisees in the United States, with around 50 points of sales and annual revenues of around 20 million dollars, further strengthening the Company's position in the largest market worldwide.

### > MARCH 2024

Launch of the Group's new sustainability plan with targets integrated into the business strategy, reflected in the top management remuneration and linked to ESG-linked credit facilities, for an even more responsible and sustainable business growth.

### > APRIL 2024

Growth acceleration in the United States through the acquisition of 35 additional points of sale from a Miracle-Ear franchisee in Pennsylvania, with annual revenues of around 20 million dollars.

### > JULY 2024

Third acquisition in the United States since the beginning of the year, adding further 15 points of sales to Miracle-Ear's direct retail network, which reaches 400 stores.

### > THIRD AND FOURTH QUARTER 2024

Signing of three new sustainability-linked credit facilities for a total amount of €325 million, further optimizing the Group's financial structure, diversifying the sources of funding and extending the average debt maturity.

# CORPORATE CULTURE

Amplifon's purpose is the reason the Company exists and has been serving its customers for 75 years. Helping people rediscover all the emotions of sound motivates and guides Amplifon every day. The Company's values shape how its people act, uniting them and making unique the experience they offer.

## PURPOSE

We empower people to rediscover all the emotions of sound.

## MISSION

We transform the way in which hearing care is perceived and experienced across the world, so that everyone naturally turns to the high-quality service and professionalism offered by our specialists.

Each day we strive to understand the unique needs of each customer, guaranteeing each and every one of them the best solution and a fantastic experience.

We select, develop and grow the best talent who share our ambition to change the lives of millions of people around the world.

## VALUES

### CUSTOMER DEVOTION

We serve our customers' best interests with passion and seek to surprise them by always going the extra-mile.

### PERSONAL IMPACT

We empower our people to think freely, perform and succeed, working together to make a lasting difference.

### EVERYDAY EXCELLENCE

We take accountability for setting and delivering the highest standards of quality, and never give up.

### FORWARD THINKING

We listen to the world around us and embrace every challenge with the ambition to learn, grow and innovate.

### ACTING RESPONSIBLY

We do well by doing good, acting with true integrity, and showing respect to everyone, every time.

# MARKET

The global retail hearing care market is estimated at around **18 billion euros** in 2024, with positive growth expected in the medium and long-term thanks to its solid fundamentals and secular trends. It is a highly fragmented market, although in consolidation, in which Amplifon holds a **global leadership position with around 13% market share**. Currently over 1.5 billion people have some degree of hearing loss across the world. Among those, it is estimated that at least 430 million people have a hearing loss that would require rehabilitation. By 2050 they will be 700 million[4]. The United Nations estimates that the number of people aged above 60 years old will increase from the current 1.1 billion (14% of global population) to 2.1 billion (22%) by 2050[5], determining a considerable increase in the number of seniors who could develop hearing difficulties, both due to **increasing life expectancy** and higher exposure to acoustic pollution (currently over **1 billion young people** are at risk of avoidable hearing loss). Finally, untreated hearing loss can negatively impact people's health, leading to cognitive decline, depression, and falls. Today it represents a global annual cost of approximately **1 trillion US dollars**, linked to health sector spending, lost productivity, and related social costs. Notwithstanding these implications, hearing aids adoption rate (the ratio between how many people use a hearing aid and how many would need one) is still very low, estimated at around 38% in high-income countries and between 5 and 10% in emerging economies[6].

4. Source: «World Report on Hearing», World Health Organization, 2021: https://www.who.int/publications/i/item/9789240020481.
5. Source: United Nations website: https://www.un.org/en/global-issues/population e United Nations Population Fund website: https://www.unfpa.org/ageing.
6. Source: World Health Organization, EuroTrak, MarkeTrak.

**430 mln**

**> PEOPLE WITH HEARING LOSS THAT REQUIRES HEARING CARE**

700 mln

**> BY 2050**

**1.5 bln**

**> PEOPLE WITH SOME DEGREE OF HEARING LOSS WORLDWIDE**

2.5 bln

**> BY 2050**

**1 bln**

**> YOUNG PEOPLE AT RISK OF AVOIDABLE HEARING LOSS**

**$ 1 trillion**

**> ANNUAL COST OF UNTREATED HEARING LOSS**

**KNOW MORE**

HOW HEARING WORKS

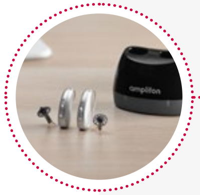
## KEY DRIVERS

### LIFE EXPECTANCY

Increase in life expectancy is a fact. In 2018, for the first time in the history of mankind, the number of people aged over 65 exceeded the number of children under 5 years old. By 2050, it is estimated that 2.1 billion people will be 60 years old or more.

### ACTIVE LIFESTYLE

People nowadays have a much longer life expectancy than the previous generations and their quality of life is much higher. The so-called active agers represent a new generation that won't compromise on quality of life as the years go by.



### TECHNOLOGY

Advances in technology such as miniaturization, connectivity, rechargeability, and artificial intelligence contribute towards the higher intake and accessibility of hearing devices. Thus, more and more people decide to take care of their own hearing

### DIGITALIZATION

The use of digital devices, such as smartphones and tablets, is rapidly increasing also among seniors. This makes it possible to offer personalized and interconnected value-added services through new touchpoints such as apps.

### RESILIENCE

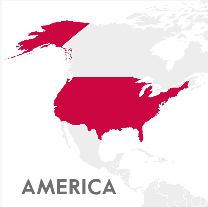
The importance of hearing well for people's overall health makes the reference market resilient even in periods of deep economic crisis. In addition, consumers in many countries, mainly characterized by retirees with fixed incomes, can still rely on both government reimbursement and consumer credit to finalize their purchases.

# STRATEGY

Amplifon's strategy is simple and focused, supported by three important pillars.

## 1. LEADERSHIP CONSOLIDATION AT GLOBAL LEVEL

The Group aims to strengthen its leadership in all core markets, consolidating its position where it is already a leader and achieving leadership in markets where the Company is not leader yet.




The Group is focused on growing in the United States, the largest market worldwide, where it aims to capture an even larger portion of the value chain, leveraging its strategic businesses: Miracle-Ear (both direct retail and franchising) and Amplifon Hearing Health Care.


In Australia the Group aims at consolidating its leadership through three perfectly complementary businesses: Amplifon, Attune, and Bay Audio. In the very attractive Chinese market, destined to grow strongly, Amplifon will continue to pursue its growth path via M&A in new areas, as well as organically around the existing hubs of Beijing, Zhejiang, Shanxi, Jiangsu, Hubei, Shaanxi, Inner Mongolia, Sichuan, Henan, Ningxia, Yunnan, Fujian, Shanghai, Tianjin, Chongqing, Hebei e Anhui.


In EMEA the Group aims at consolidating its leadership position through organic growth supported by significant investments in marketing and in customer experience innovation, with the progressive roll-out of the Amplifon Product Experience and Ampli-care, as well as through targeted M&A to reach optimal scale in France and Germany.

## 2. A UNIQUE AND UNMATCHABLE CUSTOMER PROPOSITION

Amplifon continues to enrich the customer proposition its offers by leveraging three distinctive assets: the undisputed leading brands in the industry; a superior customer knowledge deriving from the quantity and quality of data the Company owns and uses to build the finest customer insights; and an innovative customer experience, in which digital technologies play a key role in enriching the customer journey and enhancing protocols both inside and outside the stores, from the first contact to the after-sales service.

## 3. EFFECTIVE AND TALENTED ORGANIZATION

The Group aims to increase the investments dedicated to its people, both in its stores and in the back-office, with the goal of further improving their skills, fostering the sharing of best practices within the Group, and attracting the best talents every day to better support the implementation of the Company's strategy and become even more competitive every day.

## COMMITMENT TO SUSTAINABLE GROWTH

Listening Ahead, the Group's Sustainability Plan, outlines ambitious targets in line with the United Nations Sustainable Development Goals to continue to grow, every day, in a sustainable way.

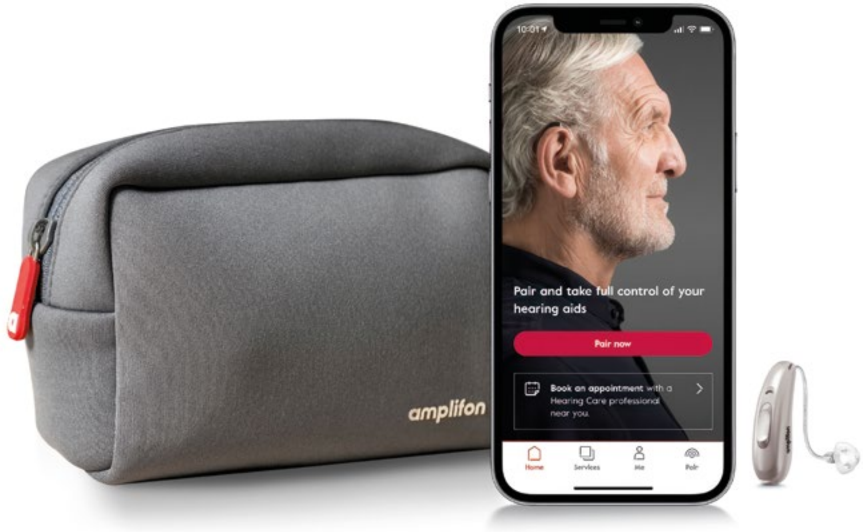
KNOW MORE

SUSTAINABILITY PLAN

# DIGITAL INNOVATION

## AMPLIFON PRODUCT EXPERIENCE

**Amplifon Product Experience, namely the Amplifon Product Line, represents a unique lever to further strengthen the brand identity, differentiate the service offered, and deliver a complete value proposition made of product, service and experience.**




The Amplifon Product Experience, which includes the Amplifon Product Line and the Amplifon multichannel ecosystem, is an integrated system that synergically combines service and product to redefine the entire customer journey by placing people at its center.

The Amplifon multichannel ecosystem is a cutting-edge system that uses digital technologies and big data to collect and analyze information on the use of hearing devices, as well as feedback and needs from consumers, employing them to offer a unique, customized, and distinctive experience. In fact, the Amplifon Product Experience redefines the entire customer journey (also outside our stores), offering fast access to differentiated and high value-added services to further increase customer satisfaction.

Within the ecosystem, the Amplifon App is the first touchpoint for consumers and, with a penetration of 23%, allows them to manage device functions while providing suggestions related to battery replacement or the most suitable program for the surrounding sounds through the use of artificial intelligence.

The Amplifon Product Experience was successfully launched in 12 countries (Italy, France, Germany, Spain, the Netherlands, the United States - Miracle-Ear and Amplifon Hearing Health Care -, Australia, United Kingdom, Belgium, Portugal, New Zealand, and Switzerland), where the penetration rate of the private and paid-up market reached around 95%, and currently represents around 70% of the Group's consolidated revenues.

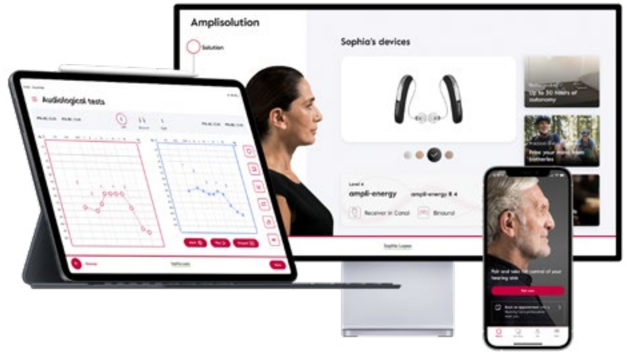
With the aim of making the business even more sustainable, the Company re-imagined the packaging of the Amplifon Product Line as to make it entirely reusable and made by over 70% of recycled materials, bearing in consideration its sustainability footprint and how useful it can be to the final customer. The roll-out of the new packaging has already reached 5 countries: Italy, Spain, Germany, New Zealand and Australia.

KNOW MORE

INNOVATION & TECHNOLOGY

# AMPLI-CARE

## Amplifon's platform to deliver a revolutionary and personalized audiological care experience, within the stores and at every step of the customer journey.




With Ampli-care, a full ecosystem is activated around the customer, in which the unrivaled quantity and quality of data Amplifon possesses, as well as digital technologies play a key role in delivering a unique, innovative, and engaging experience along a seamless audiological care journey across all touchpoints.

## AMPLI-CARE IS BASED ON THREE PILLARS

### IMMERSIVE EXPERIENCE

Within Ampli-care, the stores, the primary touchpoint in the customer journey, are completely revolutionized thanks to the new immersive store format which is being progressively rolled-out as part of our internal renovation program. Currently present in around 500 stores worldwide, the new format aims at offering consumers a unique experience and reinforcing Amplifon's global brand also through an innovative architectural design. It focuses on both the retail area, consisting of the reception and the waiting area, with product displays, as well as the Solution Room, where the customer remains at the center, between the caregiver and the hearing care professional, while enjoying an immersive experience also through visual and digital elements. Thanks to its modular design for a scalable approach, it fits the needs of all the different stores around the world. The stores are also being equipped with an innovative diagnostic tool (the so-called Otopad, the first and only Ipad-based audiometer, developed internally) to provide interactive and engaging touch-based experiences, perform sophisticated audiological tests, as well as standardize the quality of service provided at the highest level and optimize hearing care professionals' time.

### HYPERPERSONALIZED SOLUTIONS

Thanks to the adoption of technologies that foster an in-depth 360° knowledge of the single customer through an omnichannel approach, Ampli-care provides more and more elements to hearing care professionals to offer a hyperpersonalized service and experience.

Ampli-care also supports them in identifying the best solution for each customer through a proprietary system called "solution builder engine", already present in shops across Spain, the United Kingdom, and Belgium.

This technology allows them to identify and propose the most suitable product, service offering and fitting for each customer, based on the audiological profile and personal information gathered during the visit and through other touchpoints.

### ALWAYS CONNECTED SUPPORT

Thanks to a complex remote monitoring and support system, Amplifon hearing care professionals are always connected to intercept hearing solutions usage trends and specific customer needs. Thus, they are able to support customers also when they are not in the store. In the future, assistance will also be provided remotely via videocalls and systems aimed at performing remote fine-tunings to the hearing devices. Moreover, both caregivers and ENTs, crucial influencers in the hearing solution adoption process, will also play a more active role.

## CUSTOMER SATISFACTION

To better understand customers' expectations and offer them an even more satisfactory level of service, Amplifon is committed to a customer feedback collection and management program which foresees the continuous development of tools to measure and monitor customer expectations and satisfaction in a standardized fashion across the main countries where it operates. The surveys are conducted using different contact channels (including call centers, e-mails, and SMS) and provide the Company with customers' satisfaction level throughout the key moments of their relation with Amplifon: the hearing test and the trial, the purchase phase, the follow-up phase, the decision not to proceed with the purchase, and the entire after care phase.

In 2021 the entire process to measure customer satisfaction based on the Net Promoter Score (NPS) was redesigned. Since then, customers evaluate their overall experience, awarding a score on a scale of 0 to 10 on the point of sale, services, and product, by replying to the question "to what extent would you recommend Amplifon to friends and family?". The final NPS value is calculated as the difference between the so-called promoters (who awarded a score of 9 or 10) and the so-called detractors (who gave a score of 6 or less). In 2022 the program was implemented in 11 countries, among which important markets such as Italy, France, Spain, Germany and Australia, and - in the following years - specific actions have been carried out to leverage on promoters' word of mouth, as well as to improve detractors' satisfaction. Finally, in 2024, the survey was further enriched thanks to the inclusion of 4 additional moments of evaluation by clients with a view to gathering as much information as possible in order to improve their satisfaction.

## DIGITAL LEADERS

The Amplifon.com website ranks first in organic traffic in 7 of the 8 major markets within the hearing care industry and the Company continues to invest to consolidate its leadership also online. Customers and their caregivers (friends and family) are also constantly engaged via other digital channels such as social media, leveraging all the brands owned by the Group. In fact, thanks to an in-house team dedicated to content creation, Amplifon's websites and social media are constantly optimized using a data-driven approach and fully integrated with Customer Relationship Management systems to be increasingly effective. Today, more than 25% of the leads come from the Company's digital platforms, and the number of appointments booked online has increased by around 20% globally compared to just one year ago. Finally, thanks to Earpros.com, the Group's unbranded platform available in 10 countries, additional 4.8 million users have been reached, on average 4 years younger than the users reached by the Amplifon sites.

### DIGITAL FOSTERING ACCESSIBILITY

In the same way consumer websites allow customers and potential customers to easily access services such as the store locator and the online hearing test, the Amplifon App also offers high value-added services. In addition to checking hearing device functions in real time, the app services include the online appointment booking, video tutorials to solve small problems, and the "Companion", which provides an essential support in the early stages of the device utilization. In this way, and also thanks to the App's rapid and intuitive navigation paths, customers are supported also remotely, thus increasing the accessibility of our services.

## AMPLIFON X

Amplifon X is the internal start-up entirely dedicated to the Group's digital innovation strategy. It is responsible for the software design and the end-to-end development of highly innovative digital solutions to enhance the service offered in-store and, most importantly, remotely. With a team fully devoted to innovation, Amplifon X enables the Company to continue to redefine the standards of the audiological experience globally, consolidating its significant competitive advantage and creating a unique and unmatchable experience for both customers and hearing care professionals.

# BUSINESS MODEL

Amplifon offers unique hearing care services directly to the end-customer thanks to extensive technical expertise, innovative technologies and, above all, empathy: those who choose Amplifon enjoy an exclusive and fully personalized experience.

## THE AMPLIFON 360 PROTOCOL

The success of hearing solutions relies above all on the hearing care specialist's ability to perform hearing tests, select the most suitable devices among the most advanced technologies by the best manufacturers worldwide, and correctly fit them based on each single person's needs. For this very reason the Company conceived Amplifon 360[7], the patented store protocol that, through its data-driven approach, employs pioneering tools and user-friendly technologies to assess hearing quality and guides Amplifon's hearing care professionals towards the identification of the best hearing solution for each person's needs.

Amplifon 360 increases customers' involvement in the hearing evaluation process, improving the analysis of their needs and individual lifestyles. The protocol is illustrated to the customer with the support of digital applications through a video interface that allows the customer to enjoy an immersive experience, understand their hearing requirements and the benefits of the proposed hearing solution. As evidence of its benefits, the Amplifon 360 protocol was approved by SIAF (the Italian society of audiology and phoniatrics) and patented in the US, Australia, and Europe, thus certifying its uniqueness and novelty as well as demonstrating its importance in the development of hearing care. Amplifon 360, thanks to the free hearing tests offered to anyone entering Amplifon's stores, further increases accessibility to hearing care to countless people thereby generating a considerable economic saving for customers, prospects, and community in general.

KNOW MORE

CUSTOMER-DEVOTED

7. Available in most countries of operation.

## BUSINESS-TO-CONSUMER

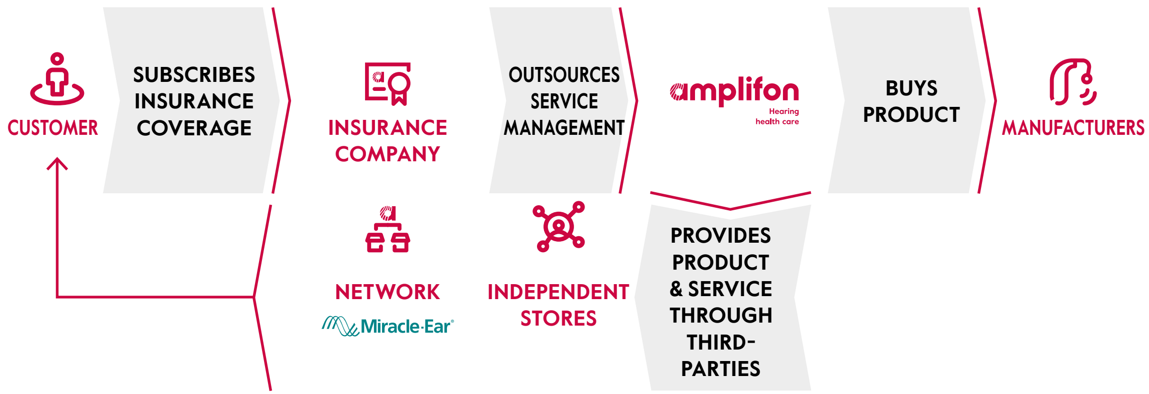
In EMEA, APAC, Canada, and Latin America, Amplifon serves its customers through direct points of sale. In the United States, the Company operates around 400 direct points of sale under the Miracle-Ear brand.


## FRANCHISING

Miracle-Ear operates in the United States mainly through a franchised network. It's around 1,210 points of sales provide hearing care services to end-customers independently while following Amplifon's strategic guidelines.


## MANAGED CARE

Amplifon Hearing Health Care offers hearing care solutions to health plan members in the United State through a distribution network made of the 1,600 Miracle-Ear shops, as well as over 5,400 independent retailers.



# DISTRIBUTION NETWORK

Amplifon is a global leader in terms of geographic coverage and distribution network capillarity, recognized for its quality of service and competencies.

The Group operates under three regions – EMEA, Americas and APAC. Each region corresponds to a business area and is responsible for pursuing the Company's strategy at local level and for sharing its know-how among the various countries.

Thanks to the capillarity of its distribution network, composed of around 5,480 direct points of sale and 1,210 shops in franchising, Amplifon is always close to those suffering from hearing loss, allowing everyone, even those with reduced mobility, to easily access quality audiological service. With around 3,310 shop-in-shops & corners located in third-party premises such as pharmacies, opticians and medical clinics, the Company is able to reach people with hearing loss also in rural areas or in areas that are not as densely populated and, thanks to home visits, it serves customers with reduced mobility who cannot physically get to stores.

**EMEA**

Corporate shops
3,600

Shop-in-shops & corner
3,070

**AMERICA**

Corporate shops
730

Franchisees
1,210

**APAC**

Corporate shops
1,150

Shop-in-shops & corner
240

# STRENGTHS

## > PROFESSIONAL EXPERTISE

Around 8,200 hearing care specialists perform hundreds of thousands of hearing tests and keep up to date by completing around 345,000 hours of training each year. They bring together innovation, scientific knowledge and a highly personalized approach following the exclusive Amplifon 360 protocol to ensure an excellent customer experience.

## > BRANDS

The Group's portfolio of strong, well-known brands allows the Company to drive a real cultural change in the sector, redefining the way in which customers relate to their hearing well-being. United under the Amplifon brand, all trademarks invite people to enjoy unique experiences.

## > INNOVATION

Through Amplifon X, the agile business unit entirely dedicated to developing highly innovative digital solutions, Amplifon expresses its attitude of always looking ahead and pushing its limits. The Amplifon multichannel ecosystem of customer-centric, omni-channel and omni-persona solutions enables data mining activities, thus allowing the Company to develop high value-added services to further differentiate the customer journey and the experience offered.

## > GLOBAL SCALE

The Group's global distribution network, interconnected through systems and databases, allows Amplifon to stay close to its customers, share excellence among its hearing care specialists in 26 Countries and diversify exposure to different markets.

## > EMPLOYER OF CHOICE

Amplifon is the employer of choice thanks to its corporate culture, constant investment in talent and incentives for their professional development, also through assignments within global project.

## > SCIENTIFIC LEADERSHIP

Amplifon's Centre for Research and Studies is a specialist partner for the medical and scientific community in the fields of audiology and ENT since 1971. Its prestige is linked to the contribution of internationally recognized experts, whose innovative contribution is fundamental for the continuous theoretical and practical development of the medical community.

"

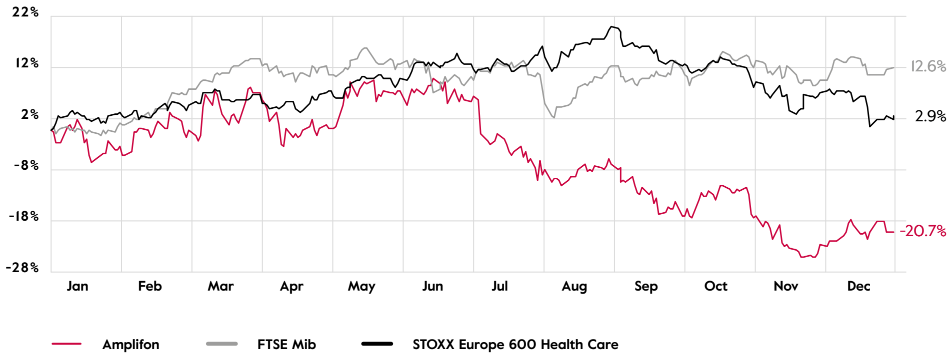
Our global positioning and our 75 years of experience allow us to aspire to be the best at interpreting the needs of people who won't settle for anything else apart from living life to the full.

# INVESTORS' REPORT

## AMPLIFON IN THE STOCK EXCHANGE

Amplifon (Bloomberg ticker: AMP:IM / Reuters ticker: AMPF.MI) is listed on the Euronext Milan market of the Italian Stock Exchange since 2001 and it is part of the Euronext STAR Milan segment since 2008. In December 2018, Amplifon became part of the FTSE MIB index, made of the 40 largest capitalization stocks of the Milan Stock Exchange. Since June 2019, Amplifon is also part of the Stoxx Europe 600 index and since November 2020 it is part of the MSCI Global Standard index as well. Finally, in October 2021 Amplifon was included in the MIB ESG index launched by Euronext and Borsa Italiana, dedicated to the 40 Italian blue chips which demonstrate strong ESG (Environment, Social & Governance) practices.

### 2024 PERFORMANCE



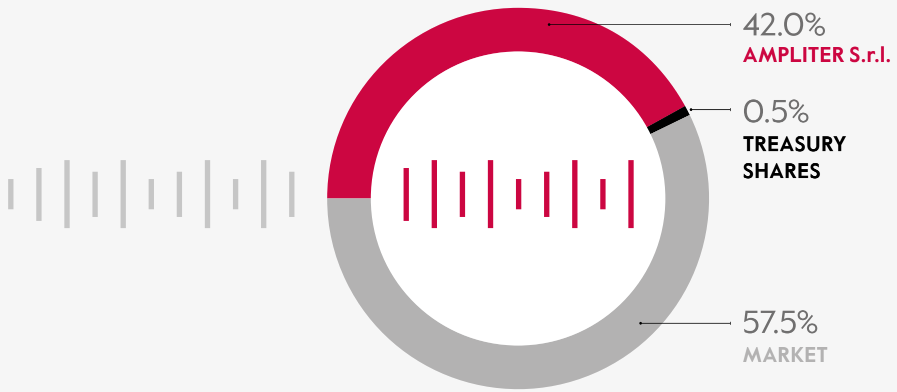

### KEY SHARE DATA

| | |
|---|---|
| **Stock exchange** | EXM |
| **Bloomberg/Reuters ticker** | AMP:IM /AMPF.MI |
| **Share capital**[8] | € 4.528 |
| **N° of shares outstanding**[8,9] | 225,320,371 |

| | |
|---|---|
| **Nominal value** | € 0.02 |
| **Average price**[10] | € 29.663 |
| **Average volumes**[10] | 609,233 |
| **Market capitalization**[8,9] | € 5.599 |

## SHAREHOLDING

### SHAREHOLDER STRUCTURE AS OF DECEMBER 31ST, 2024[11]




## ENHANCED INCREASED VOTING RIGHTS

The possibility of accruing increased voting rights, in place since 2015, was enhanced by the Extraordinary Shareholders' Meeting held on April 30th, 2024 in line with the new legal provisions in Italy, with a view to encouraging a capital structure more supportive of the Company's further growth path in the long-term at global level. The enhanced increased voting rights mechanism gives all shareholders the option to obtain increased voting rights equal to two votes for each share held for at least 24 consecutive months from the registration date shown in the shareholder register prepared by the Company, in continuity with the past, and to accrue the third vote after a further year from such date and the subsequent votes (i.e., fourth, fifth vote and so on) year by year up to a maximum of 10 votes per share, in accordance with current law and regulations. On December 31st, 2024, there were 95,592,712 registered shares with 2 voting rights (59.38% of the Company's voting capital), of which 95,105,392 shares (59.08% of the voting capital) owned by the majority shareholder Ampliter S.r.l..

8. At 31.12.2024, in million euros.
9. Excluding treasury shares.
10. Last 12 months.
11. Percentages refer to the share capital on December 31st, 2024.

# RELATIONS WITH THE FINANCIAL COMMUNITY

## STOCK COVERAGE

As of December 31st, 2024, the Amplifon stock was covered by 19 brokers who followed the Company with specific research and analyses, generally with positive recommendations. Goldman Sachs and Stifel restarted coverage in December 2024, while coverage by Bernstein Research is temporarily suspended.

| | | |
|---|---|---|
| AlphaValue | Citi | JP Morgan |
| Banca Akros | Equita SIM | Kepler Cheuvreux |
| Bank of America | Goldman Sachs | Mediobanca |
| Barclays | HSBC | Morgan Stanley |
| Bernstein Research | Intermonte | Oddo BHF Corporates & Markets |
| BNP Paribas Exane | Intesa Sanpaolo | Stifel |
| Carnegie | Jefferies | |

## RESULTS CONFERENCE CALLS

Amplifon organizes conference calls and audiowebcasts with the financial community (analysts and institutional investors) for the release of its annual, half-year and quarterly results. On average, there were over 150 people connected to each conference call.

## MEETINGS WITH THE FINANCIAL COMMUNITY

During 2024, the Company's management - Chief Executive Officer, Chief Financial Officer and Investor Relator - took part in 8 roadshows, both in person and virtually, with investors in the main international financial centers (London, Milan, Paris, Frankfurt, Edinburg, New York, Boston, Chicago and Toronto), meeting around 140 institutional investors in one-on-one and group meetings. Furthermore, the Company attended 10 international conferences, both in the Healthcare and Hearing Aids sectors, organized by leading institutions such as Bank of America, BNP Paribas Exane, Jefferies, JP Morgan and Kepler Cheuvreux, and conferences dedicated to Italian and/or mid-capitalization companies organized by Borsa Italiana, Equita SIM, Kepler Cheuvreux, Mediobanca and Unicredit. During these conferences, the management met around 350 institutional investors in both one-on-one and group meetings. In addition, management met around 200 institutional investors during company visits, via video or conference calls, leading to a total of more than 400 investors met throughout 2024.

## SHAREHOLDER ENGAGEMENT POLICY

The Investor Relations and Shareholders Engagement Policy describes the principles and practices that Amplifon applies for managing the constant and ongoing relationship with shareholders, potential investors and the Company's main stakeholders, always based on active listening and on principles of fairness and transparency. The policy describes the relationships within the competences of the corporate functions and regulates the engagement activities designed to promote dialogue between the Company and its shareholders, defining the related topics, setting out the procedures and identifying the parties responsible for the engagement activities and the other persons potentially involved.

# DEBT & CREDIT RATING

Amplifon leverages on a solid financial structure capable of supporting its ambitious growth projects and future opportunities also thanks to a strong cash flow generation. In order to ensure consistency between its financial structure and strategic objectives, the Company diversifies the debt composition and maturity.

## FINANCIAL STRUCTURE

Strong cash generation in 2024 with the operating cash flow at 320.9 million euros and free cash flow at 175.9 million euros, after capex of around 145.0 million euros. This result allowed to finance cash-outs for acquisitions for 192.5 million euros, share buybacks for 25.4 million euros, and dividend distribution for 65.6 million euros. As of December 31st, 2024, the Group has liquidity of 288.8 million euros versus gross financial debt, excluding lease liabilities, of 1.250,0 million euros.

The medium to long-term component of debt amounts to 76.8% of the total debt, while the short-term is 23.2%. Around 80% of the debt can be considered fixed-rate debt since most of the variable-rate debt is swapped. During the year, the average cost of debt was around 2.9 %.

Amplifon enjoys an average debt maturity of approximately two and a half years and a strong headroom (available liquidity and committed credit lines) totaling around 1 billion euros.

## BANKING MARKET

In June 2024 the Company signed the last tranche for 50 million euros out of the overall 350-million-euro financing granted by the European Investment Bank, 300 million euros of which were already subscribed in 2023 to support the Group's innovation and digitalization process. Moreover, in September and October, Amplifon signed two new sustainability-linked credit facilities, both amortizing with a 5-year term, for a total amount of 250 million euros. In detail, a 200-million-euro credit facility was signed with UniCredit and Cassa Depositi e Prestiti (CDP), divided as follows: 100 million euros from UniCredit to support the Group's development initiatives and 100 million euros from CDP which co-financed Amplifon's investments in innovation in Italy. Furthermore, Crédit Agricole Italia, backed by SACE's Garanzia Futuro, financed for 50 million euros the international roll-out of Amplifon's new store format, aimed at providing consumers with an immersive and completely personalized experience.

Finally, in December 2024, Amplifon signed a further sustainability-linked credit facility for a total amount of 75 million euros, amortizing with a 5-year term, with Mediobanca.

In line with the Group's sustainability strategy, these new credit lines are linked to specific indicators of the Sustainability Plan, which if reached will activate a margin adjustment mechanism applied to the credit lines. Through these facilities, characterized by particularly favorable conditions, Amplifon further optimizes its financial structure thanks to an even more solid liquidity position, more diversified sources of funding and an extension of the average debt maturity.

## DEBT CAPITAL MARKETS

On February 5th, 2020, Amplifon placed non-convertible bond notes for 350 million euros with 7-year maturity. Amplifon has a public "BB+" corporate credit rating with a stable outlook by S&P Global Ratings Europe Limited ("S&P"), the same rating is also assigned to the bond notes.

# 2025 FINANCIAL CALENDAR

### > APRIL 23RD, 2025

Shareholders' General Meeting (Single Call) to approve Amplifon S.p.A.'s Financial Statement at December 31st, 2024 and the allocation of 2024 Net Result, as well as appoint the new Board of Directors.

### > JULY 29TH, 2025

Board of Directors' meeting to approve the Interim Management Report at June 30th, 2025.

### > MARCH 6TH, 2025

Board of Directors' meeting to approve the Consolidated Financial & Sustainability Statements, the draft of Amplifon S.p.A.'s Financial Statements at December 31st, 2024 and the proposed allocation of 2024 Net Result.

### > MAY 6TH, 2025

Board of Directors' meeting to approve the Interim Financial Report at March 31st, 2025.

### > OCTOBER 29TH, 2025

Board of Directors' meeting to approve the Interim Financial Report at September 30th, 2025.

# REPORT ON OPERATIONS

as at December 31st, 2024

# INDEX

## REPORT ON OPERATIONS AS AT DECEMBER 31ST, 2024

# COMMENTS ON THE FINANCIAL RESULTS

In 2024 Amplifon recorded a significant increase in revenues overall, well balanced between organic growth and the contribution of acquisitions, driven mainly by Americas and Asia Pacific. Profitability was down slightly due to what is still a soft European market and the dilutive effects of the accelerated growth in Miracle-Ear's direct store network in the United States.

The year closed with:

- turnover of €2,409,241 thousand, up 7.0% at constant exchange rates and 6.6% at current exchange rates compared to 2023;
- a recurring gross operating margin (EBITDA) of €567,677 thousand, an increase of €26,090 thousand (+4.8%) with the EBITDA margin at 23.6% (-0.4 p.p. against the comparison period);
- Group net profit on a recurring basis of €151,747 thousand, a decrease of €14,043 thousand (-8.5%) compared to 2023 due to higher amortization, depreciation and financial expenses.

## REVENUES PERFORMANCE

Consolidated revenues from sales and services amounted to €2,409,241 thousand in 2024, an increase of €149,157 thousand (+6.6%) compared to 2023, of which €76,186 thousand (+3.4%) attributable to organic growth.

Acquisitions contributed €82,594 thousand (+3.7%), while the foreign exchange effect was negative for €9,623 thousand (-0.4%).

Revenue growth was very significant in Americas and Asia Pacific, while Europe, albeit higher, continues to be impacted by what is still a soft market.

## PROFITABILITY PERFORMANCE

Gross operating profit (EBITDA) amounted to €561,090 thousand in 2024, an increase against the comparison period of 34,241 thousand (+6.5%). The EBITDA margin stood at 23.3%, in line with 2023.

The result for the reporting period reflects non-recurring expenses of €6,587 thousand explained:

- for €3,447 thousand, by the second phase of the GAES integration;
- for 1,678 thousand, by the costs incurred to implement amendments to the Company's Articles of Association, including relative to the enhanced voting rights, comprising primarily tax, legal and financial consultancies, as well as the expenses related to the organization of the Extraordinary Shareholders' Meeting held on 30 April 2024;
- for €1,282 thousand, by the notional cost of the one-off assignment made by the shareholder Ampliter of 500,000 of its Amplifon shares to the Chief Executive Officer recognized in the reporting period in accordance with IFRS 2 "Share Based Payments";
- for €180 thousand, by the integration of Bay Audio.

Net of these items, EBITDA would have been €26,090 thousand (+4.8% higher than in 2023) with a decrease in the EBITDA margin of -0.4 p.p.

# NET FINANCIAL POSITION CHANGES

Excluding lease liabilities, net financial debt amounted to €961,805 thousand compared to €852,130 thousand at year-end 2023. Free cash flow reached a positive €175,855 thousand, an increase of €15,673 thousand compared to the €160,182 thousand in the prior year). The significant net cash-outs for acquisitions of €192,531 thousand (versus €108,469 thousand in 2023), along with the €65,593 dividend payment (€65,361 thousand in the comparison period), the €25,396 thousand used to purchase treasury shares (no treasury shares were purchased in 2023) and the €5,290 thousand in positive flows generated by financial assets, bring cash flow for the reporting period to negative €104,307 thousand versus a negative €17,532 thousand in 2023.

Gross debt, excluding lease liabilities, amounted to €1,250,639 thousand on 31 December 2024, €960,387 thousand of which long-term. The short-term portion amounted to €290,252 thousand which is offset by cash and cash equivalents and other current financial assets of €288,834 thousand. The latter, along with the €480 million in unutilized irrevocable credit lines, the unutilized portion of the loan signed with the European Investment Bank amounting to €225 million and the €222 million in other available uncommitted credit lines, provide ample headroom and ensure the flexibility needed to take advantage of any opportunities to consolidate and develop business that might materialize.

If the lease liabilities of €514,337 thousand are taken into account, net financial debt totals €1,476,142 thousand (€1,349,561 thousand on 31 December 2023).

# CONSOLIDATED INCOME STATEMENT

| (€ thousands) | FY 2024 | | | | FY 2023 | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Recurring | Non-recurring (*) | Total | % on recurring | Recurring | Non-recurring (*) | Total | % on recurring | Change % on recurring |
| Revenues from sales and services | 2,409,241 | - | 2,409,241 | 100.0% | 2,260,084 | - | 2,260,084 | 100.0% | 6.6% |
| Operating costs | (1,848,006) | (6,587) | (1,854,593) | -76.7% | (1,727,574) | (14,738) | (1,742,312) | -76.4% | -7.0% |
| Other income and costs | 6,442 | - | 6,442 | 0.3% | 9,077 | - | 9,077 | 0.4% | -29.0% |
| **Gross operating profit (loss) (EBITDA)** | **567,677** | **(6,587)** | **561,090** | **23.6%** | **541,587** | **(14,738)** | **526,849** | **24.0%** | **4.8%** |
| Depreciation, amortization and impairment losses on non-current assets | (120,403) | - | (120,403) | -5.0% | (99,371) | - | (99,371) | -4.4% | -21.2% |
| Right-of-use depreciation | (131,586) | - | (131,586) | -5.5% | (119,292) | - | (119,292) | -5.3% | -10.3% |
| **Operating result before the amortization and impairment of PPA related assets (EBITA)** | **315,688** | **(6,587)** | **309,101** | **13.1%** | **322,924** | **(14,738)** | **308,186** | **14.3%** | **-2.2%** |
| PPA related depreciation, amortization and impairment | (50,729) | (1,558) | (52,287) | -2.1% | (48,974) | - | (48,974) | -2.2% | -3.6% |
| **Operating profit (loss) (EBIT)** | **264,959** | **(8,145)** | **256,814** | **11.0%** | **273,950** | **(14,738)** | **259,212** | **12.1%** | **-3.3%** |
| Income, expenses, revaluation and adjustments of financial assets | 225 | - | 225 | - | 555 | - | 555 | - | -59.5% |
| Net financial expenses | (57,062) | - | (57,062) | -2.4% | (48,511) | - | (48,511) | -2.1% | -17.6% |
| Exchange differences, inflation accounting and Fair value valuation | (3,197) | - | (3,197) | -0.1% | (1,509) | - | (1,509) | -0.1% | -111.9% |
| **Profit (loss) before tax** | **204,925** | **(8,145)** | **196,780** | **8.5%** | **224,485** | **(14,738)** | **209,747** | **9.9%** | **-8.7%** |
| Tax | (52,982) | 1,772 | (51,210) | -2.2% | (58,809) | 4,087 | (54,722) | -2.6% | 9.9% |
| **Net profit (loss)** | **151,943** | **(6,373)** | **145,570** | **6.3%** | **165,676** | **(10,651)** | **155,025** | **7.3%** | **-8.3%** |
| Profit (loss) of minority interests | 196 | - | 196 | - | (114) | - | (114) | - | |
| **Net profit (loss) attributable to the Group** | **151,747** | **(6,373)** | **145,374** | **6.3%** | **165,790** | **(10,651)** | **155,139** | **7.3%** | **-8.5%** |

(*) See table at page 32 for details of non-recurring transactions.

| (€ thousands) | Fourth quarter 2024 | | | | Fourth quarter 2023 | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Recurring | Non-recurring (*) | Total | % on recurring | Recurring | Non-recurring (*) | Total | % on recurring | Change % on recurring |
| Revenues from sales and services | 664,408 | - | 664,408 | 100.0% | 615,019 | - | 615,019 | 100.0% | 8.0% |
| Operating costs | (510,246) | (2,166) | (512,412) | -76.8% | (462,774) | (1,517) | (464,291) | -75.2% | -9.8% |
| Other income and costs | 1,282 | - | 1,282 | 0.2% | 3,535 | - | 3,535 | 0.6% | -76.0% |
| **Gross operating profit (loss) (EBITDA)** | **155,444** | **(2,166)** | **153,278** | **23.4%** | **155,780** | **(1,517)** | **154,263** | **25.3%** | **-0.2%** |
| Depreciation, amortization and impairment losses on non-current assets | (36,133) | - | (36,133) | -5.4% | (31,010) | - | (31,010) | -5.0% | -16.5% |
| Right-of-use depreciation | (34,699) | - | (34,699) | -5.3% | (31,383) | - | (31,383) | -5.1% | -10.6% |
| **Operating result before the amortization and impairment of PPA related assets (EBITA)** | **84,612** | **(2,166)** | **82,446** | **12.7%** | **93,387** | **(1,517)** | **91,870** | **15.2%** | **-9.4%** |
| PPA related depreciation, amortization and impairment | (11,614) | (1,558) | (13,172) | -1.7% | (12,327) | - | (12,327) | -2.0% | 5.8% |
| **Operating profit (loss) (EBIT)** | **72,998** | **(3,724)** | **69,274** | **11.0%** | **81,060** | **(1,517)** | **79,543** | **13.2%** | **-9.9%** |
| Income, expenses, revaluation and adjustments of financial assets | (58) | - | (58) | 0.0% | 344 | - | 344 | 0.1% | -116.9% |
| Net financial expenses | (15,428) | - | (15,428) | -2.4% | (15,101) | - | (15,101) | -2.6% | -2.2% |
| Exchange differences, inflation accounting and Fair value valuation | (950) | - | (950) | -0.1% | 2,185 | - | 2,185 | 0.4% | -143.5% |
| **Profit (loss) before tax** | **56,562** | **(3,724)** | **52,838** | **8.5%** | **68,488** | **(1,517)** | **66,971** | **11.1%** | **-17.4%** |
| Tax | (12,133) | 549 | (11,584) | -1.8% | (15,629) | 242 | (15,387) | -2.5% | 22.4% |
| **Net profit (loss)** | **44,429** | **(3,175)** | **41,254** | **6.7%** | **52,859** | **(1,275)** | **51,584** | **8.6%** | **-15.9%** |
| Profit (loss) of minority interests | 61 | - | 61 | - | (117) | - | (117) | - | |
| **Net profit (loss) attributable to the Group** | **44,368** | **(3,175)** | **41,193** | **6.7%** | **52,976** | **(1,275)** | **51,701** | **8.6%** | **-16.2%** |

(*) See table at page 32 for details of non-recurring transactions.

In order to allow for a better understanding of the Group's economic-financial performance, in addition to the standard IFRS indicators, alternative performance indicators are also provided which are not in substitution of the standard IFRS performance indicators.

The criteria used to determine the main alternative performance indicators deemed useful by the Board of Directors for the purposes of understanding the Group's performance and its business are provided below.

- **EBITDA** is the operating result before charging financial gain or loss, taxes, amortization, depreciation, impairment of both tangible and intangible fixed assets and the right of use depreciation.
- **EBITA** is the operating result before charging financial gain or loss, taxes, amortization and impairment of customer lists, trademarks, non-competition agreements and other fixed assets arising from business combinations.
- **EBIT** is the operating result before financial income and charges and taxes.

The costs relating to the non-recurring transactions highlighted above relate specifically to:

- for €3,447 thousand, the second phase of the GAES integration;
- for €1,678 thousand, the costs incurred to define and implement the amendments to the Articles of Association, including the enhanced voting rights, comprising primarily tax, legal and financial consultancies, as well as the expenses related to the organization of the Extraordinary Shareholders Meeting held on 30 April 2024;
- for €1,558 thousand, the writedown of goodwill relating to the equity investment in Pilot Blankenfelde Medizinisch-Elektronische Geräte GmbH, in accordance with IAS 36, operating in a business not directly related to hearing aids;
- for €1,282 thousand, the notional cost of the one-off assignment made in 2023 by the shareholder Ampliter of 500,000 of its Amplifon shares to the Chief Executive Officer;
- for €180 thousand, the Bay Audio integration in Australia.

The impact of the non-recurring transactions referred to above is shown in the following table:

(€ thousands)

| | FY 2024 | FY 2023 |
|---|---|---|
| GAES integration costs | (3,447) | (1,931) |
| Costs incurred to define and implement amendments to the Articles of Association including the enhanced voting rights | (1,678) | - |
| Notional cost of the Amplifon una tantum shares assigned in 2023 by the shareholder Ampliter to the CEO | (1,282) | (12,433) |
| Bay Audio integration costs | (180) | (374) |
| **Impact of the non-recurring items on EBITDA** | **(6,587)** | **(14,738)** |
| Cost relating to the writedown of the equity investment in Pilot Blankenfelde Medizinisch-Elektronische Geräte GmbH | (1,558) | - |
| **Impact of the non-recurring items on EBIT** | **(8,145)** | **(14,738)** |
| **Impact of the non-recurring items on profit before tax** | **(8,145)** | **(14,738)** |
| Impact of the above items on the tax burden for the period | 1,772 | 4,087 |
| **Impact of the non-recurring items on net profit** | **(6,373)** | **(10,651)** |

(€ thousands)

| | Q4 2024 | Q4 2023 |
|---|---|---|
| GAES integration costs | (1,969) | (498) |
| Notional cost of the Amplifon una tantum shares assigned in 2023 by the shareholder Ampliter to the CEO | (144) | (819) |
| Bay Audio integration costs | (53) | (200) |
| Costs incurred to define and implement amendments to the Articles of Association including the enhanced voting rights | - | - |
| **Impact of the non-recurring items on EBITDA** | **(2,166)** | **(1,517)** |
| Cost relating to the writedown of the equity investment in Pilot Blankenfelde Medizinisch-Elektronische Geräte GmbH | (1,558) | - |
| **Impact of the non-recurring items on EBIT** | **(3,724)** | **(1,517)** |
| **Impact of the non-recurring items on profit before tax** | **(3,724)** | **(1,517)** |
| Impact of the above items on the tax burden for the period | 549 | 242 |
| **Impact of the non-recurring items on net profit** | **(3,175)** | **(1,275)** |

# RECLASSIFIED BALANCE SHEET

The reclassified Consolidated Balance Sheet aggregates assets and liabilities according to operating functionality criteria, subdivided by convention into the following three key functions: investments, operations and finance. Items related to the discontinued operation are included in the following table for the comparative period.

(€ thousands)

| | 12/31/2024 | 12/31/2023 | Change |
|---|---|---|---|
| Goodwill | 1,945,495 | 1,799,574 | 145,921 |
| Customer lists, non-compete agreements, trademarks and location rights | 259,447 | 255,683 | 3,764 |
| Software, licenses, other int.ass., wip and advances | 168,913 | 160,906 | 8,007 |
| Tangible assets | 253,925 | 221,516 | 32,409 |
| Right of use assets | 492,064 | 478,153 | 13,911 |
| Fixed financial assets (1) | 24,472 | 16,704 | 7,768 |
| Other non-current financial assets (1) | 41,432 | 43,851 | (2,419) |
| **Total fixed assets** | **3,185,747** | **2,976,387** | **209,360** |
| Inventories | 93,180 | 88,320 | 4,860 |
| Trade receivables | 226,754 | 231,253 | (4,499) |
| Other receivables | 115,304 | 107,042 | 8,262 |
| **Current assets (A)** | **435,238** | **426,615** | **8,623** |
| **Total assets** | **3,620,985** | **3,403,002** | **217,983** |
| Trade payables | (377,100) | (358,955) | (18,145) |
| Other payables (2) | (374,272) | (379,290) | 5,018 |
| Provisions for risks (current portion) | (2,403) | (1,268) | (1,135) |
| **Short term liabilities (B)** | **(753,775)** | **(739,513)** | **(14,262)** |
| **Net working capital (A) - (B)** | **(318,537)** | **(312,898)** | **(5,639)** |
| Derivative instruments (3) | 3,680 | 12,933 | (9,253) |
| Deferred tax assets | 77,332 | 82,701 | (5,369) |
| Deferred tax liabilities | (99,493) | (98,451) | (1,042) |
| Provisions for risks (non-current portion) | (20,925) | (19,379) | (1,546) |
| Employee benefits (non-current portion) | (15,457) | (12,963) | (2,494) |
| Loan fees (4) | 3,452 | 3,007 | 445 |
| Other long-term payables | (189,433) | (180,098) | (9,335) |
| **NET INVESTED CAPITAL** | **2,626,366** | **2,451,239** | **175,127** |
| Shareholders' equity | 1,150,002 | 1,100,919 | 49,083 |
| Third parties' equity | 222 | 759 | (537) |
| **Net equity** | **1,150,224** | **1,101,678** | **48,546** |
| Long term net financial debt (4) | 960,387 | 719,428 | 240,959 |
| Short term net financial debt (4) | 1,418 | 132,702 | (131,284) |
| **Total net financial debt** | **961,805** | **852,130** | **109,675** |
| Lease liabilities | 514,337 | 497,431 | 16,906 |
| **Total lease liabilities & net financial debt** | **1,476,142** | **1,349,561** | **126,581** |
| **NET EQUITY, LEASE LIABILITIES AND NET FINANCIAL DEBT** | **2,626,366** | **2,451,239** | **175,127** |

Notes for reconciling the condensed balance sheet with the statutory balance sheet:
(1) "Fixed financial assets" and "Other non-current financial assets" include equity interests valued by using the net equity method, financial assets at fair value through profit and loss and other non-current assets;
(2) "Other payables" includes other liabilities, accrued liabilities and deferred income, current portion of liabilities for employees' benefits and tax liabilities;
(3) "Derivatives instruments" includes cash flow hedging instruments not included in the item "Net medium and long-term financial indebtedness";
(4) The item "loan fees" is presented in the balance sheet as a direct reduction of the short-term and medium/long-term components of the items "financial payables" and "financial liabilities" for the short-term and long-term portions, respectively.

# CONDENSED RECLASSIFIED CONSOLIDATED CASH FLOW STATEMENT

The condensed consolidated cash flow statement is a summarized version of the reclassified statement of cash flows set out in the following pages and its purpose is, starting from the EBIT, to detail the cash flows from or used in operating, investing and financing activities.

(€ thousands)

| | FY 2024 | FY 2023 |
|---|---|---|
| **EBIT** | **256,814** | **259,212** |
| Amortization, depreciation and write-downs | 304,276 | 267,637 |
| Provisions, other non-monetary items and gain/losses from disposals | 18,103 | 35,871 |
| Net financial expenses | (57,220) | (49,103) |
| Taxes paid | (68,926) | (77,679) |
| Changes in net working capital | (3,198) | (19,711) |
| **Cash flow provided by (used in) operating activities before repayment of lease liabilities** | **449,849** | **416,227** |
| Repayment of lease liabilities | (128,959) | (116,187) |
| **Cash flow provided by (used in) operating activities (A)** | **320,890** | **300,040** |
| Cash flow provided by (used in) operating investing activities (B) | (145,035) | (139,858) |
| **Free Cash Flow (A) + (B)** | **175,855** | **160,182** |
| Net cash flow provided by (used in) acquisitions (C) | (192,531) | (108,469) |
| **Cash flow provided by (used in) investing activities (B+C)** | **(337,566)** | **(248,327)** |
| **Cash flow provided by (used in) in operating and investing activities** | **(16,676)** | **51,713** |
| Dividends | (65,593) | (65,361) |
| Treasury shares | (25,396) | - |
| Fees paid on medium/long-term financing | (1,807) | (1,413) |
| Hedging instruments | - | (1,483) |
| Other changes in non-current assets | 5,290 | (773) |
| Capital increases, third parties' contributions and dividends paid by subsidiaries to third parties | (125) | (215) |
| **Net cash flow from the period** | **(104,307)** | **(17,532)** |
| | | |
| **Net financial indebtedness at the beginning of the period net of lease liabilities** | **(852,130)** | **(829,993)** |
| Effect of exchange rate fluctuations on net financial indebtedness | (5,368) | (4,605) |
| Changes in net indebtedness | (104,307) | (17,532) |
| **Net financial indebtedness at the end of the period net of lease liabilities** | **(961,805)** | **(852,130)** |

The impact of non-recurring transactions on free cash flow in the period is shown in the following table.

(€ thousands)

| | FY 2024 | FY 2023 |
|---|---|---|
| **Free cash flow** | **175,855** | **160,182** |
| Free cash flow generated by non-recurring transactions (see page 65 for details) | (2,444) | (3,731) |
| **Free cash flow generated by recurring transactions** | **178,299** | **163,913** |

# INDICATORS

| | 12/31/2024 | 12/31/2023 |
|---|---|---|
| Net financial indebtedness net of lease liabilities (€ thousands) | 961,805 | 852,130 |
| Lease liabilities (€ thousands) | 514,337 | 497,431 |
| Total lease liabilities & net financial indebtedness (€ thousands) | 1,476,142 | 1,349,561 |
| Net equity (€ thousands) | 1,150,224 | 1,101,678 |
| Group Net Equity (€ thousands) | 1,150,002 | 1,100,919 |
| Net financial indebtedness/Net Equity | 0.84 | 0.77 |
| Net financial indebtedness/Group Net Equity | 0.84 | 0.77 |
| Net financial indebtedness/EBITDA | 1.63 | 1.50 |
| EBITDA/Net financial expenses | 17.77 | 18.03 |
| Earnings per share (EPS) (€) | 0.64384 | 0.69285 |
| Diluted EPS (€) | 0.64214 | 0.68809 |
| EPS (€) adjusted for non-recurring transactions and amortization/depreciation related to purchase price allocations to tangible and intangible assets | 0.86873 | 0.91271 |
| Group Net Equity per share (€) | 5.104 | 4.880 |
| Dividend per share (DPS) (€) (*) | 0.29 | 0.29 |
| Pay out ratio (%) (*) | 45.04% | 41.86% |
| Dividend yield (%) (*) | 1.17% | 0.93% |
| Period-end price (€) | 24.850 | 31.340 |
| Highest price in period (€) | 35.140 | 36.270 |
| Lowest price in period (€) | 22.890 | 24.490 |
| Price/earnings ratio (P/E) | 38.60 | 45.23 |
| Share price/net equity per share | 4.869 | 6.422 |
| Market capitalization (€ millions) | 5,599.21 | 7,074.89 |
| Number of shares outstanding | 225,320,371 | 225,746,472 |

(*) Dividend to be proposed by the Board of Directors to the Shareholders' Meeting convened on 23 April 2025.

- **Net financial indebtedness/net equity** is the ratio of net financial indebtedness, excluding lease liabilities and short-term investments not cash equivalents, to total net equity.
- **Net financial indebtedness/Group net equity** is the ratio of the net financial indebtedness, excluding lease liabilities and short-term investments not cash equivalents, to the Group's net equity.
- **Net financial indebtedness/EBITDA** is the ratio of net financial indebtedness, excluding lease liabilities and short-term investments not cash equivalents, to EBITDA for the last four quarters (determined with reference to recurring operations only, based on pro forma figures in case of significant changes to the structure of the Group).
- **EBITDA/net financial expenses ratio** is the ratio of EBITDA for the last four quarters (determined with reference to recurring operations only, based on restated figures in case of significant changes to the structure of the Group) to net interest payable and receivable of the same last four quarters.
- **Earnings per share (EPS)** is the net profit for the period attributable to the parent's ordinary shareholders divided by the weighted average number of shares outstanding during the period, considering purchases and sales of treasury shares as cancellations or issues of shares, respectively.
- **Diluted earnings per share (EPS)** is the net profit for the period attributable to the parent's ordinary shareholders divided by the weighted average number of shares outstanding during the period adjusted for the dilution effect of potential shares. In the calculation of outstanding shares, purchases and sales of treasury shares are considered as cancellations and issues of shares, respectively.
- **Earnings per share (EPS) adjusted for non-recurring transactions and amortization/depreciation related to purchase price allocations to tangible and intangible assets** is the profit for the period from recurring operations attributable to the parent's ordinary shareholders divided by the weighted average number of outstanding shares in the period adjusted to reflect the amortization of purchase price allocations. When calculating the number of outstanding shares, the purchases and sales of treasury shares are considered cancellations and share issues, respectively.
- **Net Equity per share** is the ratio of Group equity to the number of outstanding shares.
- **Dividend per share (DPS)** is the dividend, paid in the following year, decided by the shareholders' meeting following the approval of the financial statements of the reported year. This ratio is not given in the *interim* reports because it is meaningful only with reference to the full year result.
- **Pay-out ratio (%)** is the ratio of the dividend paid on EPS.
- **Dividend yield (%)** is the ratio of the dividend per share, paid in the following year, on the share price determined on December 31st of the reported year.
- **Period-end price** is the closing price on the last stock exchange trading day of the period.
- **Highest price** and **lowest price** are the highest and lowest prices from 1 January to the end of the period.
- **Price/Earnings ratio (P/E)** is the ratio of the share price determined during the last stock exchange trading day of the period on earnings per share.
- **Share price/Net equity per share** is the ratio of the share closing price on the last stock exchange trading day of the period to net equity per share.
- **Market capitalization** is the closing price on the last stock exchange trading day of the period multiplied by the number of outstanding shares.
- **The number of shares outstanding** is the number of shares issued less treasury shares.


Take care of your hearing aids.
amplifon

# INCOME STATEMENT REVIEW

## CONSOLIDATED INCOME STATEMENT BY SEGMENT AND GEOGRAPHIC AREA

(€ thousands) FY 2024

| | EMEA | Americas | Asia Pacific | Corporate | Total |
|---|---|---|---|---|---|
| Revenues from sales and services | 1,531,284 | 507,269 | 370,346 | 342 | 2,409,241 |
| Operating costs | (1,120,997) | (381,073) | (273,307) | (79,216) | (1,854,593) |
| Other income and costs | 3,027 | 3,372 | (390) | 433 | 6,442 |
| **Gross operating profit (loss) (EBITDA)** | **413,314** | **129,568** | **96,649** | **(78,441)** | **561,090** |
| Depreciation, amortization and impairment of non-current assets | (51,851) | (18,850) | (20,271) | (29,431) | (120,403) |
| Right-of-use depreciation | (84,833) | (14,338) | (30,041) | (2,374) | (131,586) |
| **Operating profit (loss) before the depreciation and amortization of PPA related assets (EBITA)** | **276,630** | **96,380** | **46,337** | **(110,246)** | **309,101** |
| PPA related depreciation, amortization and impairment | (35,777) | (4,347) | (12,098) | (65) | (52,287) |
| **Operating profit (loss) (EBIT)** | **240,853** | **92,033** | **34,239** | **(110,311)** | **256,814** |
| Income, expenses, revaluation and adjustments of financial assets | - | - | - | - | 225 |
| Net financial expenses | - | - | - | - | (57,062) |
| Exchange differences, inflation accounting and Fair value valuation | - | - | - | - | (3,197) |
| **Profit (loss) before tax** | - | - | - | - | **196,780** |
| Tax | - | - | - | - | (51,210) |
| **Net profit (loss)** | - | - | - | - | **145,570** |
| Profit (loss) of minority interests | - | - | - | - | 196 |
| **Net profit (loss) attributable to the Group** | - | - | - | - | **145,374** |

(€ thousands) FY 2024 – Only recurring operations

| | EMEA | Americas | Asia Pacific | Corporate | Total |
|---|---|---|---|---|---|
| Revenues from sales and services | 1,531,284 | 507,269 | 370,346 | 342 | 2,409,241 |
| Gross operating profit (loss) (EBITDA) | 416,761 | 129,568 | 96,829 | (75,481) | 567,677 |
| Operating profit (loss) before the depreciation and amortization of PPA related assets (EBITA) | 280,077 | 96,380 | 46,517 | (107,286) | 315,688 |
| Operating profit (loss) (EBIT) | 244,300 | 92,033 | 34,419 | (105,793) | 264,959 |
| Profit (loss) before tax | - | - | - | - | 204,925 |
| Net profit (loss) of Group and minority | - | - | - | - | 151,943 |
| Net profit (loss) attributable to the Group | - | - | - | - | 151,747 |

(€ thousands) FY 2023

| | EMEA | Americas | Asia Pacific | Corporate | Total |
|---|---|---|---|---|---|
| Revenues from sales and services | 1,485,278 | 429,577 | 344,738 | 491 | 2,260,084 |
| Operating costs | (1,072,587) | (318,249) | (255,571) | (95,905) | (1,742,312) |
| Other income and costs | 4,354 | 3,637 | 304 | 782 | 9,077 |
| **Gross operating profit (loss) (EBITDA)** | **417,045** | **114,965** | **89,471** | **(94,632)** | **526,849** |
| Depreciation, amortization and impairment of non-current assets | (42,666) | (15,785) | (14,858) | (26,062) | (99,371) |
| Right-of-use depreciation | (78,464) | (11,714) | (26,837) | (2,277) | (119,292) |
| **Operating profit (loss) before the depreciation and amortization of PPA related assets (EBITA)** | **295,915** | **87,466** | **47,776** | **(122,971)** | **308,186** |
| PPA related depreciation, amortization and impairment | (33,197) | (4,034) | (11,701) | (42) | (48,974) |
| **Operating profit (loss) (EBIT)** | **262,718** | **83,432** | **36,075** | **(123,013)** | **259,212** |
| Income, expenses, revaluation and adjustments of financial assets | - | - | - | - | 555 |
| Net financial expenses | - | - | - | - | (48,511) |
| Exchange differences, inflation accounting and Fair value valuation | - | - | - | - | (1,509) |
| **Profit (loss) before tax** | - | - | - | - | **209,747** |
| Tax | - | - | - | - | (54,722) |
| **Net profit (loss)** | - | - | - | - | **155,025** |
| Profit (loss) of minority interests | - | - | - | - | (114) |
| **Net profit (loss) attributable to the Group** | - | - | - | - | **155,139** |

(€ thousands) FY 2023 – Only recurring operations

| | EMEA | Americas | Asia Pacific | Corporate | Total |
|---|---|---|---|---|---|
| Revenues from sales and services | 1,485,278 | 429,577 | 344,738 | 491 | 2,260,084 |
| Gross operating profit (loss) (EBITDA) | 418,976 | 114,965 | 89,845 | (82,199) | 541,587 |
| Operating profit (loss) before the depreciation and amortization of PPA related assets (EBITA) | 297,847 | 87,466 | 48,149 | (110,538) | 322,924 |
| Operating profit (loss) (EBIT) | 264,649 | 83,432 | 36,448 | (110,579) | 273,950 |
| Profit (loss) before tax | - | - | - | - | 224,485 |
| Net profit (loss) of Group and minority | - | - | - | - | 165,676 |
| Net profit (loss) attributable to the Group | - | - | - | - | 165,790 |

(€ thousands) Fourth Quarter 2024

| | EMEA | Americas | Asia Pacific | Corporate | Total |
|---|---|---|---|---|---|
| Revenues from sales and services | 429,571 | 140,852 | 93,880 | 105 | 664,408 |
| Operating costs | (323,610) | (103,345) | (70,118) | (15,339) | (512,412) |
| Other income and costs | (43) | 1,059 | (64) | 330 | 1,282 |
| **Gross operating profit (loss) (EBITDA)** | **105,918** | **38,566** | **23,698** | **(14,904)** | **153,278** |
| Depreciation, amortization and impairment of non-current assets | (15,495) | (5,562) | (5,984) | (9,092) | (36,133) |
| Right-of-use depreciation | (22,329) | (3,809) | (7,961) | (600) | (34,699) |
| **Operating profit (loss) before the depreciation and amortization of PPA related assets (EBITA)** | **68,094** | **29,195** | **9,753** | **(24,596)** | **82,446** |
| PPA related depreciation, amortization and impairment | (9,130) | (1,146) | (2,857) | (39) | (13,172) |
| **Operating profit (loss) (EBIT)** | **58,964** | **28,049** | **6,896** | **(24,635)** | **69,274** |
| Income, expenses, revaluation and adjustments of financial assets | - | - | - | - | (58) |
| Net financial expenses | - | - | - | - | (15,428) |
| Exchange differences, inflation accounting and Fair value valuation | - | - | - | - | (950) |
| **Profit (loss) before tax** | - | - | - | - | **52,838** |
| Tax | - | - | - | - | (11,584) |
| **Net profit (loss)** | - | - | - | - | **41,254** |
| Profit (loss) of of minority interests | - | - | - | - | 61 |
| **Net profit (loss) attributable to the Group** | - | - | - | - | **41,193** |

(€ thousands) Fourth quarter 2024 – Only recurring operations

| | EMEA | Americas | Asia Pacific | Corporate | Total |
|---|---|---|---|---|---|
| Revenues from sales and services | 429,571 | 140,853 | 93,880 | 104 | 664,408 |
| Gross operating profit (loss) (EBITDA) | 107,887 | 38,566 | 23,751 | (14,760) | 155,444 |
| Operating profit (loss) before the depreciation and amortization of PPA related assets (EBITA) | 70,063 | 29,195 | 9,806 | (24,452) | 84,612 |
| Operating profit (loss) (EBIT) | 60,933 | 28,049 | 6,949 | (22,933) | 72,998 |
| Profit (loss) before tax | - | - | - | - | 56,562 |
| Net profit (loss) of Group and minority | - | - | - | - | 44,429 |
| Net profit (loss) attributable to the Group | - | - | - | - | 44,368 |

(€ thousands) Fourth Quarter 2023

| | EMEA | Americas | Asia Pacific | Corporate | Total |
|---|---|---|---|---|---|
| Revenues from sales and services | 418,046 | 107,593 | 89,226 | 154 | 615,019 |
| Operating costs | (300,716) | (78,546) | (66,362) | (18,667) | (464,291) |
| Other income and costs | 881 | 1,969 | 316 | 369 | 3,535 |
| **Gross operating profit (loss) (EBITDA)** | **118,211** | **31,016** | **23,180** | **(18,144)** | **154,263** |
| Depreciation, amortization and impairment of non-current assets | (11,897) | (6,865) | (4,528) | (7,720) | (31,010) |
| Right-of-use depreciation | (20,423) | (3,039) | (7,347) | (574) | (31,383) |
| **Operating profit (loss) before the depreciation and amortization of PPA related assets (EBITA)** | **85,891** | **21,112** | **11,305** | **(26,438)** | **91,870** |
| PPA related depreciation, amortization and impairment | (8,463) | (900) | (2,964) | - | (12,327) |
| **Operating profit (loss) (EBIT)** | **77,428** | **20,212** | **8,341** | **(26,438)** | **79,543** |
| Income, expenses, revaluation and adjustments of financial assets | - | - | - | - | 344 |
| Net financial expenses | - | - | - | - | (15,101) |
| Exchange differences, inflation accounting and Fair value valuation | - | - | - | - | 2,185 |
| **Profit (loss) before tax** | - | - | - | - | **66,971** |
| Tax | - | - | - | - | (15,387) |
| **Net profit (loss)** | - | - | - | - | **51,584** |
| Profit (loss) of minority interests | - | - | - | - | (117) |
| **Net profit (loss) attributable to the Group** | - | - | - | - | **51,701** |

(€ thousands) Fourth quarter 2023 – Only recurring operations

| | EMEA | Americas | Asia Pacific | Corporate | Total |
|---|---|---|---|---|---|
| Revenues from sales and services | 418,046 | 107,593 | 89,226 | 154 | 615,019 |
| Gross operating profit (loss) (EBITDA) | 118,710 | 31,016 | 23,380 | (17,326) | 155,780 |
| Operating profit (loss) before the depreciation and amortization of PPA related assets (EBITA) | 86,389 | 21,112 | 11,506 | (25,620) | 93,387 |
| Operating profit (loss) (EBIT) | 77,926 | 20,212 | 8,542 | (25,620) | 81,060 |
| Profit (loss) before tax | - | - | - | - | 68,488 |
| Net profit (loss) of Group and minority | - | - | - | - | 52,859 |
| Net profit (loss) attributable to the Group | - | - | - | - | 52,976 |

# REVENUES FROM SALES AND SERVICES

(€ thousands)

| | FY 2024 | FY 2023 | Change | Change % |
|---|---|---|---|---|
| **Revenues from sales and services** | **2,409,241** | **2,260,084** | **149,157** | **6.6%** |

(€ thousands)

| | Fourth quarter 2024 | Fourth quarter 2023 | Change | Change % |
|---|---|---|---|---|
| **Revenues from sales and services** | **664,408** | **615,019** | **49,389** | **8.0%** |

Consolidated revenues from sales and services amounted to €2,409,241 thousand in 2024, an increase of €149,157 thousand (+6.6%) compared to the prior year.

The increase against 2023 is explained by 76,186 thousand (+3.4%) by organic growth and for €82,594 thousand (+3.6%) by acquisitions, while the foreign exchange effect was negative for €9,623 thousand (-0.4%).

Revenues from the Argentinian subsidiary were impacted by the inflation accounting used in accordance with IAS 29 (Inflation accounting), which contributed positively to Group's organic growth (+0.2%) and did not impact the foreign exchange effect.

The increase in revenues was very significant in Americas and Asia Pacific, while Europe, albeit higher, continues to be impacted by what is still a soft market.

In the fourth quarter of 2024, consolidated revenues from sales and services were €49,389 thousand (+8.0%) higher than in the prior year, coming in at €664,408 thousand. The increase is explained for €5,009 thousand (+8.0%) by organic growth and for €22,691 thousand (+3.7%) by acquisitions. The exchange effect was positive for €21,689 thousand (+3.5%).

Revenues from the Argentinian subsidiary were impacted by the inflation accounting used in accordance with IAS29, which had a negative impact on Group's organic growth (-0.3%) and a positive impact (+0.5%) on the foreign exchange effect.

The breakdown of revenues from sales and services by segment is shown below.

(€ thousands)

| | FY 2024 | % on total | FY 2023 | % on total | Change | Change % | Exchange diff. | Change % in local currency |
|---|---|---|---|---|---|---|---|---|
| EMEA | 1,531,284 | 63.6% | 1,485,278 | 65.7% | 46,006 | 3.1% | 1,247 | 2.9% |
| Americas | 507,269 | 21.1% | 429,577 | 19.0% | 77,692 | 18.1% | (7,397) | 19.8% |
| Asia Pacific | 370,346 | 15.3% | 344,738 | 15.3% | 25,608 | 7.4% | (3,473) | 8.4% |
| Corporate | 342 | - | 491 | - | (149) | -30.3% | - | -30.3% |
| **Total** | **2,409,241** | **100.0%** | **2,260,084** | **100.0%** | **149,157** | **6.6%** | **(9,623)** | **7.0%** |

## EUROPE, MIDDLE-EAST AND AFRICA

(€ thousands)

| Period | 2024 | 2023 | Change | Change % |
|---|---|---|---|---|
| I quarter | 376,058 | 359,707 | 16,351 | 4.5% |
| II quarter | 381,409 | 375,775 | 5,634 | 1.5% |
| **I half** | **757,467** | **735,482** | **21,985** | **3.0%** |
| III quarter | 344,246 | 331,750 | 12,496 | 3.8% |
| IV quarter | 429,571 | 418,046 | 11,525 | 2.8% |
| **II half** | **773,817** | **749,796** | **24,021** | **3.2%** |
| **Total year** | **1,531,284** | **1,485,278** | **46,006** | **3.1%** |

Revenues from sales and services amounted to €1,531,284 thousand in 2024, an increase of €46,006 thousand (+3.1%) compared to the prior year, of which €13,621 thousand is attributable to organic growth (+0.9%). Acquisitions contributed €31,138 thousand (+2.1%) and the foreign exchange effect was positive for €1,247 thousand (+0.1%).

The organic performance has been affected by the overall weakness of the European market, particularly the French market. Additionally, some temporary operational factors in Spain, now resolved, have influenced this result. The other countries in the region have reported good performance.

The contribution made by acquisitions is attributable mainly to the bolt-on acquisitions made in France, Germany and Spain.

In the fourth quarter of 2024, consolidated revenues from sales and services amounted to €429,571 thousand, €11,525 thousand (+2.8%) higher than in the comparison period. The difference is explained for €1,166 thousand (+0.3%) by organic growth and for €9,969 thousand (+2.4%) by acquisitions. The foreign exchange effect had a marginal impact of €390 thousand.

# AMERICAS

(€ thousands)

| Period | 2024 | 2023 | Change | Change % |
|---|---|---|---|---|
| I quarter | 110,821 | 100,865 | 9,956 | 9.9% |
| II quarter | 129,597 | 111,797 | 17,800 | 15.9% |
| **I half** | **240,418** | **212,662** | **27,756** | **13.1%** |
| III quarter | 125,999 | 109,322 | 16,677 | 15.3% |
| IV quarter | 140,852 | 107,593 | 33,259 | 30.9% |
| **II half** | **266,851** | **216,915** | **49,937** | **23.0%** |
| **Total year** | **507,269** | **429,577** | **77,692** | **18.1%** |

Consolidated revenues from sales and services amounted to €507,269 thousand in 2024, an increase of €77,692 thousand (+18.1%) compared to 2023.

This outstanding result is explained for €45,430 thousand by excellent organic growth (+10.6%) fueled by Miracle-Ear and Amplifon Hearing Health Care. Acquisitions, including the first-time consolidation of the subsidiaries in Uruguay, contributed €39,659 thousand (+9.2%); the foreign exchange effect was negative for €7,397 thousand (-1.7%), due mainly to the devaluation of the Argentine and Chilean pesos.

Revenues for the Argentinian subsidiary were affected by the inflation accounting used in accordance with IAS 29 (inflation accounting), which contributed positively to Region's organic growth (+0.9%) and negatively to the foreign exchange effect (-0.1%).

In the fourth quarter of 2024, consolidated revenues from sales and services amounted to €140,852 thousand, an increase of €33,259 thousand (+30.9%) against the comparison period attributable to organic growth for €1,864 thousand (+1.7%), acquisitions for €10,407 thousand (+9.7%), while the foreign exchange effect was positive for €20,988 thousand (+19.5%).

Revenues of the Argentinian subsidiary were affected by the inflation accounting used in accordance with IAS 29 (inflation accounting), which had a negative impact on Region's organic growth (-1.8%) and a positive impact on the foreign exchange effect (+3.0%).

# ASIA PACIFIC

(€ thousands)

| Period | 2024 | 2023 | Change | Change % |
|---|---|---|---|---|
| I quarter | 86,164 | 79,595 | 6,569 | 8.3% |
| II quarter | 93,021 | 85,786 | 7,235 | 8.4% |
| **I half** | **179,185** | **165,381** | **13,804** | **8.3%** |
| III quarter | 97,281 | 90,131 | 7,151 | 7.9% |
| IV quarter | 93,880 | 89,226 | 4,654 | 5.2% |
| **II half** | **191,161** | **179,357** | **11,805** | **6.6%** |
| **Total year** | **370,346** | **344,738** | **25,608** | **7.4%** |

Consolidated revenues from sales and services amounted to €370,346 thousand in 2024, an increase of €25,608 thousand (+7.4%) compared to 2023 explained for €17,284 thousand (+5.0%), by excellent organic growth and for €11,797 thousand (+3.4%), by the acquisitions made in China. The foreign exchange effect was negative for €3,473 thousand (-1.0%).

In the fourth quarter of 2024, consolidated revenues from sales and services amounted to € 93,880 thousand, an increase of €4,654 thousand (+5.2%) explained for €2,028 thousand (+2.3%) by organic growth and for €2,315 thousand (+2.6%) by the acquisitions made in China. The foreign exchange effect was positive for €311 thousand (+0.3%).

# GROSS OPERATING PROFIT (EBITDA)

| (€ thousands) | FY 2024 | | | FY 2023 | | |
|---|---|---|---|---|---|---|
| | Recurring | Non-recurring | Total | Recurring | Non-recurring | Total |
| **Gross operating profit (loss) (EBITDA)** | **567,677** | **(6,587)** | **561,090** | **541,587** | **(14,738)** | **526,849** |

| (€ thousands) | Fourth quarter 2024 | | | Fourth quarter 2023 | | |
|---|---|---|---|---|---|---|
| | Recurring | Non-recurring | Total | Recurring | Non-recurring | Total |
| **Gross operating profit (loss) (EBITDA)** | **155,444** | **(2,166)** | **153,278** | **155,780** | **(1,517)** | **154,263** |

Gross operating profit (EBITDA) amounted to €561,090 thousand in 2024, an increase of €34,241 thousand (+6.5%) with respect to the comparison period. The EBITDA margin came to 23.3%, in line with the comparison period.

The result for the reporting period reflects non-recurring expenses of €6,587 thousand. In 2023 non-recurring expenses of €14,738 thousand were incurred. The breakdown of the non-recurring transactions is shown on page 32.

Net of these items, EBITDA would have been €26,090 thousand (+4.8%) higher than in 2023 with the EBITDA margin down -0.4 p.p. compared to 2023 at 23.6%.

In the fourth quarter of 2024, the gross operating profit (EBITDA) amounted to €153,278 thousand, a decrease of €985 thousand (-0.6%) with respect to the comparison period. The EBITDA margin came to 23.1%, 2.0 p.p. lower than in the comparison period.

The quarter was impacted by non-recurring expenses of €2,166 thousand. In the fourth quarter of 2023 non-recurring expenses of €1,517 thousand were incurred. The breakdown of the non-recurring transactions is shown on page 32.

Net of this item, recurring EBITDA would have been €336 thousand lower (-0.2%) than in 2023 with the EBITDA margin (23.4%) -1.9 p.p. lower than in 2023.

The breakdown of EBITDA by geographic region is shown below.

(€ thousands)

| | FY 2024 | EBITDA Margin | FY 2023 | EBITDA Margin | Change | Change % |
|---|---|---|---|---|---|---|
| EMEA | 413,314 | 27.0% | 417,045 | 28.1% | (3,731) | -0.9% |
| Americas | 129,568 | 25.5% | 114,965 | 26.8% | 14,603 | 12.7% |
| Asia Pacific | 96,649 | 26.1% | 89,471 | 26.0% | 7,178 | 8.0% |
| Corporate (*) | (78,441) | -3.3% | (94,632) | -4.2% | 16,191 | 17.1% |
| **Total** | **561,090** | **23.3%** | **526,849** | **23.3%** | **34,241** | **6.5%** |

(€ thousands)

| | Fourth quarter 2024 | EBITDA Margin | Fourth quarter 2023 | EBITDA Margin | Change | Change % |
|---|---|---|---|---|---|---|
| EMEA | 105,918 | 24.7% | 118,211 | 28.3% | (12,293) | -10.4% |
| Americas | 38,566 | 27.4% | 31,016 | 28.8% | 7,550 | 24.3% |
| Asia Pacific | 23,698 | 25.2% | 23,180 | 26.0% | 518 | 2.2% |
| Corporate (*) | (14,904) | -2.2% | (18,144) | -3.0% | 3,240 | 17.9% |
| **Total** | **153,278** | **23.1%** | **154,263** | **25.1%** | **(985)** | **-0.6%** |

(*) Centralized costs are shown as a percentage of the Group's total sales.

The table below shows the breakdown of the EBITDA by segment with reference to the recurring operations.

(€ thousands)

| | FY 2024 | EBITDA Margin | FY 2023 | EBITDA Margin | Change | Change % |
|---|---|---|---|---|---|---|
| EMEA | 416,761 | 27.2% | 418,976 | 28.2% | (2,215) | -0.5% |
| Americas | 129,568 | 25.5% | 114,965 | 26.8% | 14,603 | 12.7% |
| Asia Pacific | 96,829 | 26.1% | 89,845 | 26.1% | 6,984 | 7.8% |
| Corporate (*) | (75,481) | -3.1% | (82,199) | -3.6% | 6,718 | 8.2% |
| **Total** | **567,677** | **23.6%** | **541,587** | **24.0%** | **26,090** | **4.8%** |

(€ thousands)

| | Fourth quarter 2024 | EBITDA Margin | Fourth quarter 2023 | EBITDA Margin | Change | Change % |
|---|---|---|---|---|---|---|
| EMEA | 107,887 | 25.1% | 118,709 | 28.4% | (10,822) | -9.1% |
| Americas | 38,566 | 27.4% | 31,016 | 28.8% | 7,550 | 24.3% |
| Asia Pacific | 23,751 | 25.3% | 23,380 | 26.2% | 371 | 1.6% |
| Corporate (*) | (14,760) | -2.2% | (17,325) | -2.8% | 2,565 | 14.8% |
| **Total** | **155,444** | **23.4%** | **155,780** | **25.3%** | **(336)** | **-0.2%** |

(*) Centralized costs are shown as a percentage of the Group's total sales.

## EUROPE, MIDDLE-EAST AND AFRICA

Gross operating profit (EBITDA) amounted to €413,314 thousand in 2024, a decrease of €3,731 thousand (-0.9%) with respect to the comparison period. The EBITDA margin, which was impacted by the extreme weather event (so-called "DANA") that struck Spain in October 2024, came to 27.0%, 1.1 p.p. lower than in 2023.

The result for the reporting period reflects non-recurring expenses of €3,447 thousand attributable to the second phase of GAES integration. In 2023 non-recurring expenses of €1,931 thousand were also incurred.

Net of this item, recurring EBITDA would have been €2,215 thousand lower (-0.5%) than in 2023 with the EBITDA margin down -1.0 p.p. against 2023 at 27.2%.

In the fourth quarter of 2024, gross operating profit (EBITDA) amounted to €105,918 thousand, a decrease of €12,293 thousand (-10.4%) with respect to the comparison period. The EBITDA margin was -3.6 p.p. lower than in the comparison period, coming in at 24.7%.

The result for the reporting period reflects non-recurring expenses of €1,969 thousand attributable to the second phase of the GAES integration. In the fourth quarter of 2023 non-recurring expenses of €498 thousand were also incurred.

Net of this item, recurring EBITDA would have been €10,822 thousand (-9.1%) lower than in the fourth quarter of 2023 with the EBITDA margin down -3.3 p.p. against fourth quarter 2023 at 25.1%.

## AMERICAS

Gross operating profit (EBITDA) amounted to €129,568 thousand in 2024, an increase of €14,603 thousand (+12.7%) with respect to the comparison period. The EBITDA margin, which was impacted by the dilutive effects of the accelerated growth in Miracle-Ear's direct store network in the United States, came to 25.5 %, 1.3 p.p. lower than in 2023.

In the fourth quarter of 2024, the gross operating profit (EBITDA) amounted to €38,566 thousand, an increase of €7,550 thousand (+24.3%) with respect to the comparison period. The EBITDA margin came to 27.4%, a decrease of 1.4 p.p. against the fourth quarter of 2023.

## ASIA PACIFIC

Gross operating profit (EBITDA) amounted to €96,649 thousand in 2024, an increase of €7,178 thousand (+8.0%) with respect to the comparison period. The EBITDA margin came to 26.1%, 0.1 p.p. higher than in 2023.

The result reflects non-recurring expenses of €180 thousand linked to the Bay Audio integration. In 2023 non-recurring expenses of €374 thousand were also incurred.

Net of this item, EBITDA would have been €6,984 thousand higher (+7.8%) than in 2023, with the EBITDA margin in line with 2023 at 26.1%.

In the fourth quarter of 2024 gross operating profit (EBITDA) amounted to €23,698 thousand, an increase of €518 thousand (+2.2%) with respect to the comparison period. The EBITDA margin was 0.8 p.p. lower than in the comparison period, coming in at 25.2%.

The result for the reporting period reflects non-recurring costs of €53 thousand linked to the Bay Audio integration. In the fourth quarter of 2023 non-recurring expenses of €200 thousand were also incurred.

Net of this item, the EBITDA of the 2024 fourth quarter would have been €371 thousand higher (+1.6%) with the EBITDA margin down 0.9 p.p. against fourth quarter 2023 at 25.3%.

## CORPORATE

In 2024 the net cost of centralized corporate functions (corporate bodies, general management, business development, procurement, treasury, legal affairs, human resources, IT systems, global marketing and internal audit) which do not qualify as operating segments under IFRS 8 ("Operating segments") amounted to €78,441 thousand (3.3% of the revenues generated by the Group's sales and services), compared to €94,632 thousand (-4.2% of the revenues generated by the Group's sales and services).

The EBITDA for the reporting period reflects the non-recurring expenses of €2,960 thousand stemming from the costs incurred to define and implement the amendments to the Articles of Association, including enhanced voting rights, as well as the notional cost recognized in the reporting period in accordance with IFRS 2 "Share Based Payments". In 2023 non-recurring expenses amounted to €12,433 thousand.

Net of these items, EBITDA improved by €6,718 thousand (-8.2%) against 2023, with the margin up 0.5 p.p.

In the fourth quarter of 2024 EBITDA was negative for €14,904 thousand (-2.2% of the revenues generated by the Group's sales and service), compared to €18,144 thousand in the fourth quarter of 2023 ( -2.8% of the revenues generated by the Group's sales and services).

The result for the fourth quarter of 2024 reflects the non-recurring expenses of €144 thousand stemming from the notional cost of the shares assigned as described above. In 2023 non-recurring expenses amounted to €819 thousand.

Net of these items, EBITDA improved by €2,565 thousand (-14.8%) against the fourth quarter of 2023 with margin up 0.6 p.p.

# OPERATING PROFIT (EBIT)

| (€ thousands) | FY 2024 | | | FY 2023 | | |
|---|---|---|---|---|---|---|
| | Recurring | Non-recurring | Total | Recurring | Non-recurring | Total |
| **Operating profit (loss) (EBIT)** | **264,959** | **(8,145)** | **256,814** | **273,950** | **(14,738)** | **259,212** |

| (€ thousands) | Fourth quarter 2024 | | | Fourth quarter 2023 | | |
|---|---|---|---|---|---|---|
| | Recurring | Non-recurring | Total | Recurring | Non-recurring | Total |
| **Operating profit (loss) (EBIT)** | **72,998** | **(3,724)** | **69,274** | **81,060** | **(1,517)** | **79,543** |

Operating profit (EBIT) amounted to €256,814 thousand in 2024, a decrease of €2,398 thousand (-0.9%) with respect to the comparison period. The EBIT margin came to 10.7%, a decrease of 0.8 p.p. against the comparison period.

The result for the reporting period reflects €8,145 thousand in non-recurring expenses which, in addition to those already described in the section on EBITDA, include the writedown of the goodwill recognized for Pilot Blankenfelde Medizinisch-Elektronische Geräte GmbH, operating in a business not directly related to hearing aids. For a more complete description of these non-recurring expenses, refer to p. 14.

FY 2023 was also impacted by non-recurring expenses of €14,738 thousand. Net of these items, recurring EBIT would have been €8,991 thousand lower (-3.3%) than in 2023, with the EBIT margin down 1.1 p.p. against 2023 at 11.0%.

With respect to the gross operating profit (EBITDA), EBIT was also impacted by an increase in depreciation and amortization as a result of the strong growth in investments made over the last few years in network stores, digitalization, IT systems, and acquisitions resulting in the temporary allocation of the price paid to intangible assets, as well as higher amortization for right-of-use assets.

In the fourth quarter of 2024 operating profit (EBIT) amounted to €69,274 thousand, a decrease of €10,269 thousand (12.9%) against the comparison period. The EBIT margin was 2.2 p.p. lower than in 2023, coming in at 10.4%.

The 2024 fourth quarter result was impacted for €3,724 thousand by non-recurring expenses. In the fourth quarter of 2023 non-recurring expenses of €1,517 thousand were also recorded.

Net of this item, recurring EBIT would been €8,062 thousand (-9.9%) lower than in the fourth quarter of 2023 with the margin down -2.2 p.p. at 11.0%.

The breakdown of EBIT by sector/geographic area is shown below.

(€ thousands)

| | FY 2024 | EBIT Margin | FY 2023 | EBIT Margin | Change | Change % |
|---|---|---|---|---|---|---|
| EMEA | 240,853 | 15.7% | 262,718 | 17.7% | (21,865) | -8.3% |
| Americas | 92,033 | 18.1% | 83,432 | 19.4% | 8,601 | 10.3% |
| Asia Pacific | 34,239 | 9.2% | 36,075 | 10.5% | (1,836) | -5.1% |
| Corporate (*) | (110,311) | -4.6% | (123,013) | -5.4% | 12,702 | 10.3% |
| **Total** | **256,814** | **10.7%** | **259,212** | **11.5%** | **(2,398)** | **-0.9%** |

(€ thousands)

| | Fourth quarter 2024 | EBIT Margin | Fourth quarter 2023 | EBIT Margin | Change | Change % |
|---|---|---|---|---|---|---|
| EMEA | 58,964 | 13.7% | 77,428 | 18.5% | (18,464) | -23.8% |
| Americas | 28,049 | 19.9% | 20,212 | 18.8% | 7,837 | 38.8% |
| Asia Pacific | 6,896 | 7.3% | 8,341 | 9.3% | (1,445) | -17.3% |
| Corporate (*) | (24,635) | -3.7% | (26,438) | -4.3% | 1,803 | 6.8% |
| **Total** | **69,274** | **10.4%** | **79,543** | **12.9%** | **(10,269)** | **-12.9%** |

(*) Centralized costs are shown as a percentage of the Group's total sales.

The following table shows the breakdown of EBIT by segment with reference to the recurring transactions:

(€ thousands)

| | FY 2024 | EBIT Margin | FY 2023 | EBIT Margin | Change | Change % |
|---|---|---|---|---|---|---|
| EMEA | 244,300 | 16.0% | 264,649 | 17.8% | (20,349) | -7.7% |
| Americas | 92,033 | 18.1% | 83,432 | 19.4% | 8,601 | 10.3% |
| Asia Pacific | 34,419 | 9.3% | 36,449 | 10.6% | (2,030) | -5.6% |
| Corporate (*) | (105,793) | -4.4% | (110,580) | -4.9% | 4,787 | 4.3% |
| **Total** | **264,959** | **11.0%** | **273,950** | **12.1%** | **(8,991)** | **-3.3%** |

(€ thousands)

| | Fourth quarter 2024 | EBIT Margin | Fourth quarter 2023 | EBIT Margin | Change | Change % |
|---|---|---|---|---|---|---|
| EMEA | 60,933 | 14.2% | 77,926 | 18.6% | (16,993) | -21.8% |
| Americas | 28,049 | 19.9% | 20,212 | 18.8% | 7,837 | 38.8% |
| Asia Pacific | 6,949 | 7.4% | 8,541 | 9.6% | (1,592) | -18.6% |
| Corporate (*) | (22,933) | -3.5% | (25,619) | -4.2% | 2,686 | 10.5% |
| **Total** | **72,998** | **11.0%** | **81,060** | **13.2%** | **(8,062)** | **-9.9%** |

(*) Centralized costs are shown as a percentage of the Group's total sales.

## EUROPE, MIDDLE-EAST AND AFRICA

Operating profit (EBIT) amounted to €240,853 thousand in 2023, a decrease of €21,865 thousand (-8.3%) with respect to the comparison period. The EBIT margin came to 15.7% (-2.0 p.p. compared to 2023).

EBIT was impacted for €3,447 thousand by non-recurring expenses. In FY 2023 non-recurring expenses amounted to €1,931 thousand.

Net of these items, recurring EBIT would have been €20,349 thousand lower (-7.7%) than in 2023, with the EBIT margin down -1.8 p.p. against 2023 at 16.0%.

In the fourth quarter of 2024 operating profit (EBIT) amounted to €58,964 thousand, a decrease of €18,464 thousand (-23.8%) against the comparison period with the EBIT margin down 4.8 p.p. against the comparison period at 13.7%.

The result for the fourth quarter of 2024 was impacted for €1,969 thousand by non-recurring expenses. In the fourth quarter of 2023 non-recurring expenses amounted to €498 thousand.

Net of this item, EBIT would have been €16,993 thousand lower (-21.8%) than in the fourth quarter of 2023, with the EBIT margin down -4.4 p.p. against fourth quarter 2023 at 14.2%.

## AMERICAS

Operating profit (EBIT) amounted to €92,033 thousand in 2023, an increase of €8,601 thousand (+10.3%) with respect to the comparison period. The EBIT margin came to 18.1%, 1.3 p.p. lower than in 2023.

In the fourth quarter of 2024 perating profit (EBIT) amounted to €28,049 thousand, an increase of €7,837 thousand (+38.8%) with respect to the comparison period. The EBIT margin was 1.1 p.p. higher, coming in at 19.9%.

## ASIA PACIFIC

Operating profit (EBIT) amounted to €34,239 thousand in 2023, a decrease of €1,836 thousand (-5.1%) with respect to the comparison period. The EBIT margin came to 9.2%, 1.3 p.p. lower than in 2023.

The result for the reporting period was impacted for €180 thousand by non-recurring expenses. In FY 2023 non-recurring expenses amounted to €374 thousand.

Net of this item, EBIT would have been €2,030 thousand lower (-5.6%) with the EBIT margin -1.3 p.p. lower than in 2023, coming in at 9.3%.

In the fourth quarter of 2024 operating profit (EBIT) amounted to €6,896 thousand, a decrease of €1,445 thousand (-17.3%) against the comparison period with the EBIT margin down 2.0 p.p. against the comparison period at 7.3%.

The result for the fourth quarter of 2024 was impacted for €53 thousand by non-recurring expenses. In the fourth quarter of 2023 non-recurring expenses amounted to €200 thousand.

Net of this item, EBIT would have been €1,592 thousand lower (-18.6%) than in the fourth quarter of 2023, with the EBIT margin down -2.2 p.p. against the fourth quarter of 2023 at 7.4%.

## CORPORATE

The net Corporate costs at the EBIT level amounted to €110,311 thousand in 2024 (4.6% of the revenues generated by the Group's sales and services), compared to €123,013 thousand in 2023 (5.4% of the revenues generated by the Group's sales and services).

EBIT was impacted for €4,518 thousand by non-recurring expenses which, in addition to those already described in the section on EBITDA, include the writedown of the goodwill recognized for Pilot Blankenfelde Medizinisch-Elektronische Geräte GmbH, operating in a business not directly related to hearing aids. In FY 2023 non-recurring expenses amounted to €12,433 thousand.

Net of this item, corporate EBIT would have been €4,787 thousand (+4.3%) higher compared to 2023 with the margin at 4.4%, an improvement of 0.5 p.p. against 2023.

In the fourth quarter of 2024 the net Corporate costs at the EBIT level amounted to €24,635 thousand (3.7% of the revenues generated by the Group's sales and services), compared to €26,438 in 2023 (4.3% of the revenues generated by the Group's sales and services).

The fourth quarter of 2024 was impacted for €1,702 thousand by non-recurring expenses. Non-recurring expenses amounted to €819 thousand in the fourth quarter of 2023.

Net of these items, corporate EBIT would have improved by €2,686 thousand (+10.5%) with the margin lower by 0.7 p.p.

# PROFIT BEFORE TAX

| (€ thousands) | FY 2024 | | | FY 2023 | | |
|---|---|---|---|---|---|---|
| | Recurring | Non-recurring | Total | Recurring | Non-recurring | Total |
| **Profit (loss) before tax** | **204,925** | **(8,145)** | **196,780** | **224,485** | **(14,738)** | **209,747** |

| (€ thousands) | Fourth quarter 2024 | | | Fourth quarter 2023 | | |
|---|---|---|---|---|---|---|
| | Recurring | Non-recurring | Total | Recurring | Non-recurring | Total |
| **Profit (loss) before tax** | **56,562** | **(3,724)** | **52,838** | **68,488** | **(1,517)** | **66,971** |

Profit before tax amounted to €196,780 thousand in 2024, a decrease of €12,967 thousand (-6.2%) against the comparison period, with a gross profit margin of 8.2% (-1.1 p.p. with respect to the comparison period).

The 2024 profit before tax was also impacted for €8,145 thousand by non-recurring expenses. In 2023 non-recurring expenses amounted to €14,738 thousand.

Net of these items, the profit before tax would have been €19,560 thousand (-8.7%) lower.

In addition to the change in EBIT described above, the profit before tax was also impacted by an increase in financial expenses of €10,569 thousand. The increase in market rates with respect to the 2023 average and the refinancing maturing portions of loans (which were subscribed in 2020-2021 with more favorable interest rates) at current rates caused costs to rise by €8,054 thousand, net the higher interest received on liquidity investments. Interest recognized based on lease accounting was €4,330 thousand higher, including as a result of the increased number of network stores. An increase of €449 thousand in the interest payable on factoring and other working capital management transactions was also recorded. The impact of inflation accounting on the Argentinian subsidiary and currency management was slightly higher than in the prior year, even though was more than offset by the financial income stemming from the recognition of acquisitions with deferred payments using tax credits arising from concessions contained in and regulated by Articles 119 and 121 of Law Decree No. 34/2020 (Decreto Rilancio).

In the fourth quarter of 2024 profit before tax amounted to €52,838 thousand, a decrease of €14,133 thousand (-21.1%) against the comparison period, with a gross profit margin of 8.0% (-2.9 p.p. against 2023).

The result recorded in the fourth quarter of 2024 was impacted for €3,724 thousand by non-recurring expenses. In the fourth quarter of 2023 non-recurring expenses amounted to €1,517 thousand. Net of this item, profit before tax would have been €11,926 thousand (-17.4%) lower than in the fourth quarter of 2023.

# GROUP NET RESULT

| (€ thousands) | FY 2024 | | | FY 2023 | | |
|---|---|---|---|---|---|---|
| | Recurring | Non-recurring | Total | Recurring | Non-recurring | Total |
| **Group net result** | **151,747** | **(6,373)** | **145,374** | **165,790** | **(10,651)** | **155,139** |

| (€ thousands) | Fourth quarter 2024 | | | Fourth quarter 2023 | | |
|---|---|---|---|---|---|---|
| | Recurring | Non-recurring | Total | Recurring | Non-recurring | Total |
| **Group net result** | **44,368** | **(3,175)** | **41,193** | **52,976** | **(1,275)** | **51,701** |

The Group's net profit came to €145,374 thousand in 2024, a decrease of €9,765 thousand (-6.3%) against the comparison period, with a profit margin of 6.0% (-0.9 p.p. against the comparison period).

The result for the reporting period was impacted for €6,373 thousand by the same non-recurring expenses described above, net of the tax effect. In 2023 non-recurring expenses amounted to €10,651 thousand.

On a recurring basis, there would have been a decrease of €14,043 thousand (-8.5%) with respect to 2023, with the profit margin down 1.0 p.p.

The tax rate was 26.0% in the reporting period, compared to 26.1% in 2023.

In the fourth quarter of 2024 the Group's net profit came to €41,193 thousand (6.2% of revenues from sales and services), a decrease of €10,508 thousand (-20.3%) against the comparison period with the profit margin down -2.2 p.p.

The result recorded in the quarter reflects €3,175 thousand in non-recurring expenses, net of the tax effect. In 2023 the non-recurring expenses amounted to €1,275 thousand.

Net of the non-recurring expenses, net profit would have been €8,608 thousand lower, with the profit margin down -1.9 p.p.

# BALANCE SHEET REVIEW

## CONSOLIDATED BALANCE SHEET BY GEOGRAPHICAL AREA(*)

| (€ thousands) | 12/31/2024 | | | | |
|---|---|---|---|---|---|
| | EMEA | Americas | Asia Pacific | Eliminations | Total |
| Goodwill | 1,031,163 | 313,631 | 600,701 | - | 1,945,495 |
| Non-competition agreements, trademarks, customer lists and lease rights | 176,203 | 31,101 | 52,143 | - | 259,447 |
| Software, licenses, other intangible fixed assets, fixed assets in progress and advances | 127,637 | 32,008 | 9,268 | - | 168,913 |
| Tangible assets | 168,319 | 41,075 | 44,530 | - | 253,924 |
| Right-of-use assets | 381,119 | 49,770 | 61,175 | - | 492,064 |
| Financial fixed assets | 17,326 | 6,890 | 256 | - | 24,472 |
| Other non-current financial assets | 36,942 | 2,640 | 1,850 | - | 41,432 |
| **Non-current assets** | **1,938,709** | **477,115** | **769,923** | - | **3,185,747** |
| Inventories | 71,792 | 11,777 | 9,611 | - | 93,180 |
| Trade receivables | 233,432 | 66,043 | 15,120 | (87,841) | 226,754 |
| Other receivables | 93,370 | 16,633 | 5,489 | (188) | 115,304 |
| **Current assets (A)** | **398,594** | **94,453** | **30,220** | **(88,029)** | **435,238** |
| **Operating assets** | **2,337,303** | **571,568** | **800,143** | **(88,029)** | **3,620,985** |
| Trade payables | (343,885) | (70,137) | (50,919) | 87,841 | (377,100) |
| Other payables | (287,489) | (45,154) | (41,817) | 188 | (374,272) |
| Provisions for risks and charges (current portion) | (1,787) | (616) | - | - | (2,403) |
| **Current liabilities (B)** | **(633,161)** | **(115,907)** | **(92,736)** | **88,029** | **(753,775)** |
| **Net working capital (A) - (B)** | **(234,567)** | **(21,454)** | **(62,516)** | **-** | **(318,537)** |
| Derivative instruments | 3,680 | - | - | - | 3,680 |
| Deferred tax assets | 56,435 | 5,762 | 15,135 | - | 77,332 |
| Deferred tax liabilities | (66,211) | (23,234) | (10,048) | - | (99,493) |
| Provisions for risks and charges (non-current portion) | (18,896) | (1,158) | (871) | - | (20,925) |
| Liabilities for employees' benefits (non-current portion) | (14,753) | - | (704) | - | (15,457) |
| Loan fees | 3,452 | - | - | - | 3,452 |
| Other non-current liabilities | (171,840) | (14,740) | (2,853) | - | (189,433) |
| **NET INVESTED CAPITAL** | **1,496,008** | **422,291** | **708,067** | **-** | **2,626,366** |
| Group net equity | | | | | 1,150,002 |
| Minority interests | | | | | 222 |
| **Total net equity** | | | | | **1,150,224** |
| Net medium and long-term financial indebtedness | | | | | 960,387 |
| Net short-term financial indebtedness | | | | | 1,418 |
| **Total net financial indebtedness** | | | | | **961,805** |
| Lease liabilities | 398,120 | 53,845 | 62,372 | - | 514,337 |
| **Total lease liabilities & net financial indebtedness** | | | | | **1,476,142** |
| **NET EQUITY, LEASE LIABILITIES AND NET FINANCIAL INDEBTEDNESS** | | | | | **2,626,366** |

(*) The balance sheet items are analyzed by geographical area without separation of the Corporate structures that are natively included in EMEA.

| (€ thousands) | | | 12/31/2023 | | |
|---|---|---|---|---|---|
| | EMEA | Americas | Asia Pacific | Eliminations | Total |
| Goodwill | 955,383 | 237,178 | 607,013 | - | 1,799,574 |
| Non-competition agreements, trademarks, customer lists and lease rights | 176,887 | 21,126 | 57,670 | - | 255,683 |
| Software, licenses, other intangible fixed assets, fixed assets in progress and advances | 123,344 | 29,520 | 8,042 | - | 160,906 |
| Tangible assets | 148,081 | 29,929 | 43,506 | - | 221,516 |
| Right-of-use assets | 373,293 | 44,949 | 59,911 | - | 478,153 |
| Financial fixed assets | 3,629 | 12,841 | 234 | - | 16,704 |
| Other non-current financial assets | 39,701 | 2,440 | 1,710 | - | 43,851 |
| **Non-current assets** | **1,820,318** | **377,983** | **778,086** | **-** | **2,976,387** |
| Inventories | 70,314 | 8,729 | 9,277 | - | 88,320 |
| Trade receivables | 231,870 | 56,961 | 27,187 | (84,765) | 231,253 |
| Other receivables | 85,597 | 14,464 | 7,176 | (195) | 107,042 |
| **Current assets (A)** | **387,781** | **80,154** | **43,640** | **(84,960)** | **426,615** |
| **Operating assets** | **2,208,099** | **458,137** | **821,726** | **(84,960)** | **3,403,002** |
| Trade payables | (327,768) | (70,879) | (45,073) | 84,765 | (358,955) |
| Other payables | (293,855) | (43,725) | (41,905) | 195 | (379,290) |
| Provisions for risks and charges (current portion) | (586) | (682) | - | - | (1,268) |
| **Current liabilities (B)** | **(622,209)** | **(115,286)** | **(86,978)** | **84,960** | **(739,513)** |
| **Net working capital (A) - (B)** | **(234,428)** | **(35,132)** | **(43,338)** | **-** | **(312,898)** |
| Derivative instruments | 12,933 | - | - | - | 12,933 |
| Deferred tax assets | 63,112 | 7,307 | 12,282 | - | 82,701 |
| Deferred tax liabilities | (62,023) | (19,725) | (16,703) | - | (98,451) |
| Provisions for risks and charges (non-current portion) | (17,668) | (896) | (815) | - | (19,379) |
| Liabilities for employees' benefits (non-current portion) | (12,119) | (143) | (701) | - | (12,963) |
| Loan fees | 3,007 | - | - | - | 3,007 |
| Other non-current liabilities | (160,811) | (12,853) | (6,434) | - | (180,098) |
| **NET INVESTED CAPITAL** | **1,412,321** | **316,541** | **722,377** | **-** | **2,451,239** |
| Group net equity | | | | | 1,100,919 |
| Minority interests | | | | | 759 |
| **Total net equity** | | | | | **1,101,678** |
| Net medium and long-term financial indebtedness | | | | | 719,428 |
| Net short-term financial indebtedness | | | | | 132,702 |
| **Total net financial indebtedness** | | | | | **852,130** |
| Lease liabilities | 387,130 | 48,433 | 61,868 | - | 497,431 |
| **Total lease liabilities & net financial indebtedness** | | | | | **1,349,561** |
| **NET EQUITY, LEASE LIABILITIES AND NET FINANCIAL INDEBTEDNESS** | | | | | **2,451,239** |




# INVESTMENTS

In 2024 Amplifon Group continued with its growth strategy and invested more than €145 million.

In 2024 the Group continued and accelerated its program to invest in innovation and digitalization. The constant focus on the customer and the desire to increase control of operations fueled the significant work done on both technological infrastructures through the Symphony project, centered around providing customers with a highly personalized experience, as well as on the optimization of in-store systems and tools to support the Amplifon Product Experience, which has redefined Amplifon's entire customer journey including by renewing stores. Work was also done on the operating and back-office processes, as well as on systems designed to streamline the Group's procurement and centralize purchasing. The investments made totaled more than €39 million.

In addition, the Group continued and accelerated development of the distribution network by opening new stores, as well as renewing others, and relocating existing points of sale for a total investment of almost €66 million.

# NON-CURRENT ASSETS

Non-current assets amounted to €3,185,747 thousand on 31 December 2024, an increase of €209,360 thousand with respect to the €2,976,387 thousand recorded on 31 December 2023.

The changes in the period are explained (i) for €223,871 thousand by acquisitions; (ii) for €146,555 thousand by capital expenditure; (iii) for €144,616 thousand by the recognition of right-of-use assets acquired in the period; (iv) for €304,276 thousand by depreciation, amortization and impairment which includes the amortization of the right-of-use assets and the depreciation and amortization of PPA related assets; (v) for a negative amount of €1,406 thousand by foreign exchange differences and the early terminations of rent contracts due to store relocations, partially offset by the recognition of tax credits for the deferred payment of acquisitions contained in and regulated by Articles 119 and 121 of Legislative Decree n. 34/2020 (Decreto Rilancio).

The following table shows the breakdown of non-current assets by geographical region:

(€ thousands)

| | | 12/31/2024 | 12/31/2023 | Change |
|---|---|---|---|---|
| EMEA (*) | Goodwill | 1,031,163 | 955,383 | 75,780 |
| | Non-competition agreements, trademarks, customer lists and lease rights | 176,203 | 176,887 | (684) |
| | Software, licenses, other intangible fixed assets, fixed assets in progress and advances | 127,637 | 123,344 | 4,293 |
| | Tangible assets | 168,319 | 148,081 | 20,238 |
| | Right-of-use assets | 381,119 | 373,293 | 7,826 |
| | Financial fixed assets | 17,326 | 3,629 | 13,697 |
| | Other non-current financial assets | 36,942 | 39,701 | (2,759) |
| | **Non-current assets** | **1,938,709** | **1,820,318** | **118,391** |
| Americas | Goodwill | 313,631 | 237,178 | 76,453 |
| | Non-competition agreements, trademarks, customer lists and lease rights | 31,101 | 21,126 | 9,975 |
| | Software, licenses, other intangible fixed assets, fixed assets in progress and advances | 32,008 | 29,520 | 2,488 |
| | Tangible assets | 41,075 | 29,929 | 11,146 |
| | Right-of-use assets | 49,770 | 44,949 | 4,821 |
| | Financial fixed assets | 6,890 | 12,841 | (5,951) |
| | Other non-current financial assets | 2,640 | 2,440 | 200 |
| | **Non-current assets** | **477,115** | **377,983** | **99,132** |
| Asia Pacific | Goodwill | 600,701 | 607,013 | (6,312) |
| | Non-competition agreements, trademarks, customer lists and lease rights | 52,143 | 57,670 | (5,527) |
| | Software, licenses, other intangible fixed assets, fixed assets in progress and advances | 9,268 | 8,042 | 1,226 |
| | Tangible assets | 44,530 | 43,506 | 1,024 |
| | Right-of-use assets | 61,175 | 59,911 | 1,264 |
| | Financial fixed assets | 256 | 234 | 22 |
| | Other non-current financial assets | 1,850 | 1,710 | 140 |
| | **Non-current assets** | **769,923** | **778,086** | **(8,163)** |
| **Total** | | **3,185,747** | **2,976,387** | **209,360** |

(*) The balance sheet items are analyzed by geographical area without separation of the Corporate structures that are natively included in EMEA.

## EUROPE, MIDDLE-EAST AND AFRICA

Non-current assets amounted to €1,938,709 thousand on 31 December 2024, an increase of €118,391 thousand against the €1,820,318 thousand recorded on 31 December 2023.

This increase is explained:

- for €125,853 thousand, by acquisitions made in the reporting period;
- for €87,721 thousand, by right-of-use assets acquired in the year as a result of the renewal of existing leases and network expansion;
- for €53,491 thousand, by investments in plant, property and equipment, relating primarily to the opening of new stores and the renewal of existing ones, as well as the purchase of hardware needed to implement Group Information Technology projects detailed below;
- for €47,360 thousand, by investments in intangible assets, relating to new front office solutions and the expansion of the sales network, as well as continuous implementation and standardization of the Group ERP cloud system;
- for €204,331 thousand, by amortization and depreciation, including amortization of the right-of-use assets and the depreciation and amortization of PPA related assets;
- for €8,297 thousand, by other increases, relating primarily to the recognition of acquisitions with deferred payments using tax credits arising from concessions contained in and regulated by Articles 119 and 121 of Law Decree No. 34/2020 (Decreto Rilancio) and the early terminations of rent contracts due to store relocations.

## AMERICAS

Non-current assets amounted to €477,115 thousand on 31 December 2024, an increase of €99,132 thousand against the €377,983 thousand recorded on 31 December 2023.

This change is explained:

- for €75,913 thousand, by acquisitions made in the reporting period;
- for €16,226 thousand, by investments in plant, property and equipment, relating primarily to the opening of new stores and the renewal of existing ones;
- for €8,646 thousand, by investments in intangible assets relating mainly to the development of front office IT systems at the US subsidiaries;
- for €18,184 thousand, by right-of-use assets acquired in the year as a result of the renewal of existing leases and network expansion;
- for €37,535 thousand, by amortization and depreciation, including amortization of the right-of-use assets and the depreciation and amortization of PPA related assets;
- for €9,270 thousand, other increases, relating mainly to revaluations stemming from inflation accounting at the Argentine subsidiary which mainly impacted goodwill;
- for €8,428 thousand, to positive exchange difference which mainly impacted goodwill.

## ASIA PACIFIC

Non-current assets amounted to €769,923 thousand on 31 December 2024, a decrease of €8,163 thousand against the €778,086 thousand recorded on 31 December 2023.

This change is explained:

- for €38,711 thousand, by right-of-use assets acquired during the year as a result of the renewal of existing leases and network expansion;
- for €22,105 thousand, by acquisitions made in the reporting period;
- for €15,253 thousand, by investments in property, plant and equipment, relating mainly to the opening of stores and the renewal of existing ones, as well as the purchase of the hardware needed to implement IT projects;
- for €5,579 thousand, by investments in intangible assets relating mainly to the development of IT systems;
- for €62,410 thousand, by amortization and depreciation, including the amortization of the right of-use assets and the depreciation and amortization of PPA related assets;
- for €27,401 thousand, by other decreases relating to the early terminations of rent contracts due to store relocations and the foreign exchange differences which mainly affected goodwill.

# NET INVESTED CAPITAL

Net invested capital came to €2,626,366 thousand on 31 December 2024, an increase of €175,127 thousand against the €2,451,239 thousand recorded on 31 December 2023.

The increase is related to the above-mentioned change in net invested capital partially offset by a decrease in working capital, a decrease both in derivatives and in deferred tax assets, and an increase in other long-term debts.

The breakdown of net invested capital by geographical region is shown below.

(€ thousands)

| | 12/31/2024 | 12/31/2023 | Change |
|---|---|---|---|
| EMEA (*) | 1,496,008 | 1,412,321 | 83,687 |
| Americas | 422,291 | 316,541 | 105,750 |
| Asia Pacific | 708,067 | 722,377 | (14,310) |
| **Total** | **2,626,366** | **2,451,239** | **175,127** |

(*) The balance sheet items are analyzed by geographical area without separation of the Corporate structures that are natively included in EMEA.

## EUROPE, MIDDLE EAST AND AFRICA

Net invested capital came to €1,496,008 thousand on 31 December 2024, an increase of €83,687 thousand against the €1,412,321 thousand recorded on 31 December 2023.

The change in non-current assets was partially offset by a decrease in working capital, a decrease in derivatives and an increase in deferred tax assets and other long-term debt.

Factoring without recourse in the period involved trade receivables with a face value of €228,341 thousand (€232,575 thousand in the same period of the prior year) and VAT credits with a face value of €19,771 thousand (€23,755 thousand in the prior year).

## AMERICAS

Net invested capital amounted to €422,291 thousand on 31 December 2024, an increase of €105,750 thousand against the €316,541 thousand recorded on 31 December 2023.

In addition to the change in non-current assets referred to above, there was a slight increase in working capital and a decrease in deferred tax liabilities.

Factoring without recourse in the period involved trade receivables with a face value of €5,239 thousand (€1,543 thousand in the same period of the prior year).

## ASIA PACIFIC

Net invested capital came to €708,067 thousand on 31 December 2024, a decrease of €14,310 thousand against the €722,377 thousand recorded on 31 December 2023.

In addition to the decrease in non-current assets described above, there was also a decrease in working capital, partially offset by a decrease in deferred tax liabilities.

Factoring without recourse in the period involved trade receivables with a face value of €5,766 thousand (€5,679 thousand in the same period of the prior year).

# NET FINANCIAL POSITION

(€ thousands)

| | 12/31/2024 | 12/31/2023 | Change |
|---|---|---|---|
| Net medium and long-term financial indebtedness | 960,386 | 719,428 | 240,958 |
| Net short-term financial indebtedness | 290,253 | 326,733 | (36,480) |
| Cash and cash equivalents | (288,834) | (194,031) | (94,803) |
| **Net financial indebtedness (A)** | **961,805** | **852,130** | **109,675** |
| Lease liabilities – current portion | 126,740 | 113,523 | 13,217 |
| Lease liabilities – non-current portion | 387,597 | 383,908 | 3,689 |
| **Lease liabilities (B)** | **514,337** | **497,431** | **16,906** |
| **Total lease liabilities & net financial indebtedness (A+B) (C)** | **1,476,142** | **1,349,561** | **126,581** |
| Group net equity (D) | 1,150,002 | 1,100,919 | 49,083 |
| Minority interests | 222 | 759 | (537) |
| **Net Equity (E)** | **1,150,224** | **1,101,678** | **48,546** |
| **Financial indebtedness /Group net equity (A/D)** | **0.84** | **0.77** | |
| **Financial indebtedness /Net equity (A/E)** | **0.84** | **0.77** | |
| **Financial indebtedness/EBITDA (*)** | **1.63** | **1.50** | |

(*) Net financial indebtedness/EBITDA is the ratio of net financial indebtedness, excluding lease liabilities and short-term investments not cash equivalents, to EBITDA for the last four quarters (determined with reference to recurring operations only, based on pro forma figures in case of significant changes to the structure of the Group).

Net financial debt, excluding lease liabilities, amounted to €961,805 thousand on 31 December 2024, an increase of €109,675 thousand against 31 December 2023.

Net financial debt, excluding lease liabilities, amounted to €961,805 thousand on 31 December 2024, compared to €852,130 thousand on 31 December 2023, with free cash flow positive for €175,855 thousand (compared to €160,182 thousand in the prior year). The significant net cash-out for acquisitions (€192,531 thousand versus €108,469 thousand in 2023), along with the dividends paid (€65,593 thousand versus €65,361 thousand in the comparison period) and the purchase of treasury shares (€25,396 thousand, while no treasury shares were purchased in 2023) and the positive flows generated by financial assets (€5,290 thousand) bring cash flow for the reporting period to a negative €104,307 thousand versus negative €17,532 thousand in 2023.

The financial structure was strengthened by a few important transactions in 2024:

- In June 2024 Amplifon S.p.A. subscribed the last €50 million tranche of the €350 million loan granted by the European Investment Bank (EIB) to support innovation and digitalization. €300 million of this loan had already been subscribed in 2023.
- In September 2024 Amplifon S.p.A. signed a €50 million ESG-linked facility, backed by SACE's Garanzia Futuro, which will be used to finance the international rollout of Amplifon's new store format which aims to provide consumers with an immersive and highly personalized experience, thanks to the visual and digital elements integrated in an innovative and sustainable design.
- In October 2024 Amplifon S.p.A. signed a 5-year €200 million ESG linked credit facility with UniCredit and Cassa Depositi e Prestiti (CDP) comprising 2 tranches: €100 million granted by UniCredit, to support the Group's development initiatives and €100 million granted by CDP which co-financed Amplifon's investments in innovation in Italy that are already supported by the above-mentioned loan with EIB.
- In December 2024, Amplifon S.p.A. signed another €75 million ESG-linked credit facility with Mediobanca - Banca di Credito Finanziario to support the Group's development initiatives.
- During the year, as agreed with the lenders and based on the original loan agreements, the ESG KPI relative to the €560 million in ESG-linked lines of credit were updated to reflect the KPIs and targets included in the new sustainability plan.

On 31 December 2024, the Group had cash and cash equivalents of €288,834 thousand with respect to a financial debt of €1,250 million, net of lease liabilities.

Long-term debt amounts to €960,386 thousand, €5,885 thousand of which refers to the long- term portion of deferred payments for acquisitions. The increase in the period of €240,958 thousand is attributable mainly to the new facilities stipulated during the year which were used to refinance short-term debt, net the reclassification of portions of long-term bank debt expiring in the next 12 months, from long-to short-term.

Short-term debt amounts to €290,253 thousand, a decrease of €36,480 thousand. The available liquidity (€288,834 thousand), is close to the overall value of short-term debt which comprises primarily the short-term portion of long-term bank debt (€131,949 thousand), the hot money accounts used to support treasury activities and other short-term credit lines (€139,765 thousand), the interest payable on the Eurobond (€3,474 thousand) and on other bank loans (€1,929 thousand) and, lastly, the best estimate of the deferred payments for acquisitions (€11,510 thousand).

The chart below shows the debt maturities compared to:

- the €288 million in cash and cash equivalents;
- the unutilized portions of irrevocable credit lines which amount to €480 million;
- the unutilized portion of the loan received from EIB to support investments in innovation and digitalization which amounts to €225 million.

Together the above provide ample headroom and ensure the flexibility needed to take advantage of any opportunities to consolidate and develop business that might materialize.

The other uncommitted lines of credit amount to €343 million, of which €222 million unutilized.

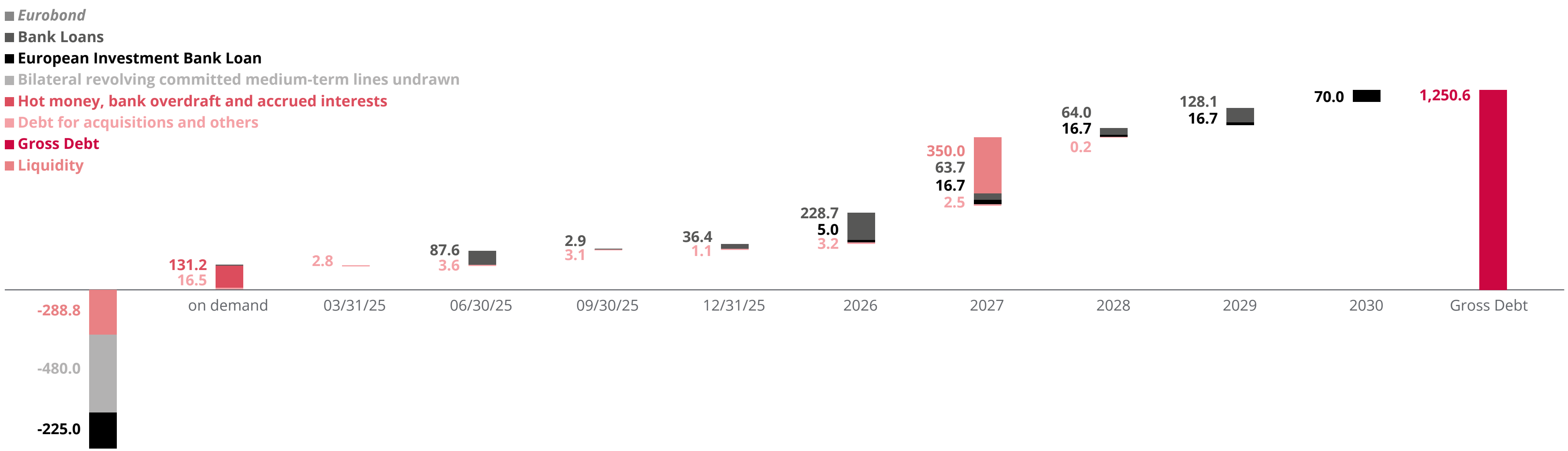
Interest payable on financial indebtedness amounted to €38,618 thousand on 31 December 2024, compared to €29,814 thousand on 31 December 2023.

Interest payable on leases recognized in accordance with IFRS 16 amounted to €19,138 thousand versus €14,808 thousand on 31 December 2023.

Interest receivable on bank deposits amounted to €3,878 thousand on 31 December 2024 versus €2,077 thousand on 31 December 2023.

The reasons for the changes in net indebtedness are described in the next section on the statement of cash flows.

### Debt Maturity & Cash Equivalents at 12.31.2024



# CASH FLOW STATEMENT

The reclassified statement of cash flow shows the change in net financial indebtedness from the beginning to the end of the period.

Pursuant to IAS 7, the consolidated financial statements include a statement of cash flows that shows the change in cash and cash equivalents from the beginning to the end of the period.

(€ thousands)

| | FY 2024 | FY 2023 |
|---|---|---|
| **OPERATING ACTIVITIES:** | | |
| Net profit (loss) attributable to the Group | 145,374 | 155,139 |
| Minority interests | 196 | (114) |
| *Amortization, depreciation and impairment:* | | |
| *- Intangible fixed assets* | *108,446* | *93,506* |
| *- Tangible fixed assets* | *62,686* | *54,839* |
| *- Right-of-use assets* | *131,586* | *119,292* |
| *- Goodwill* | *1,558* | *-* |
| Total amortization, depreciation and impairment | 304,276 | 267,637 |
| Provisions, other non-monetary items and gain/losses from disposals | 18,103 | 35,871 |
| Group's share of the results of associated companies | (221) | (550) |
| Financial income and charges | 60,255 | 50,017 |
| Current and deferred income taxes | 51,210 | 54,720 |
| *Change in assets and liabilities:* | | |
| *- Utilization of provisions* | *(2,837)* | *(10,871)* |
| *- (Increase) decrease in inventories* | *(2,465)* | *(11,361)* |
| *- Decrease (increase) in trade receivables* | *3,133* | *(49,121)* |
| *- Increase (decrease) in trade payables* | *6,681* | *24,152* |
| *- Changes in other receivables and other payables* | *(7,710)* | *27,490* |
| Total change in assets and liabilities | (3,198) | (19,711) |
| Dividends received | 147 | 198 |
| Net interest charges | (57,367) | (49,301) |
| Taxes paid | (68,926) | (77,679) |
| **Cash flow provided by (used in) operating activities before repayment of lease liabilities** | **449,849** | **416,227** |
| Repayment of lease liabilities | (128,959) | (116,187) |
| **Cash flow generated from (absorbed) by operating activities** | **320,890** | **300,040** |
| **INVESTING ACTIVITIES:** | | |
| Purchase of tangible fixed assets | (61,451) | (66,313) |
| Purchase of intangible fixed assets | (84,970) | (75,340) |
| Consideration from sale of tangible fixed assets and businesses | 1,386 | 1,795 |
| **Cash flow generated from (absorbed) by investing activities** | **(145,035)** | **(139,858)** |
| **Cash flow generated from operating and investing activities (Free cash flow)** | **175,855** | **160,182** |
| Business combinations (*) | (192,531) | (108,469) |
| **Net cash flow generated from acquisitions** | **(192,531)** | **(108,469)** |
| **Cash flow generated from (absorbed) by investing activities and acquisitions** | **(337,566)** | **(248,327)** |

| | FY 2024 | FY 2023 |
|---|---|---|
| **FINANCING ACTIVITIES:** | | |
| Dividends | (65,593) | (65,361) |
| Treasury shares | (25,396) | - |
| Fees paid on medium/long-term financing | (1,807) | (1,413) |
| Other non-current assets | 5,290 | (773) |
| Hedging instruments | - | (1,483) |
| Capital increases, third parties' contributions and dividends paid by subsidiaries to third parties | (125) | (215) |
| **Cash flow generated from (absorbed) by financing activities** | **(87,631)** | **(69,245)** |
| **Changes in net financial indebtedness net of lease liabilities** | **(104,307)** | **(17,532)** |
| Net financial indebtedness at the beginning of the period | (852,130) | (829,993) |
| Effect of exchange rate fluctuations on net financial indebtedness | (5,368) | (4,605) |
| Changes in net indebtedness | (104,307) | (17,532) |
| **Net financial indebtedness at the end of the period net of lease liabilities** | **(961,805)** | **(852,130)** |

(*) The item refers to the net cash flows used in the acquisition of businesses and equity investments.

The change in net financial indebtedness of €104,307 thousand is attributable to:

(i) Investing activities:
- capital expenditure on property, plant and equipment and intangible assets of €146,421 thousand relating to the new Front-Office solutions and network expansion, as well as the ongoing implementation and standardization of the Group's cloud-based ERP system;
- acquisitions amounting to €192,531 thousand, including the impact of the acquired companies' debt and the best estimate of the earn-out linked to sales and profitability targets payable over the next few years;
- net proceeds from the disposal of assets of €1,386 thousand.

(ii) Operating activities:
- interest payable on financial indebtedness, on leases after application of IFRS16 and other net financial expenses amounting to €57,367 thousand;
- payment of €68,926 thousand in taxes;
- payment of principle on lease obligations of €128,959 thousand;
- cash flow generated by current operations of €576,142 thousand.

(iii) Financing activities:
- distribution of €65,593 thousand in dividends to shareholders;
- purchase of €25,396 thousand in treasury shares;
- collection of €5,290 thousand in other non-current receivables;
- payment of commissions on medium/long term financing of €1,807 thousand;
- payment of €125 thousand in dividends to third parties.

(iv) Net debt was also impacted by exchange losses of €5,368 thousand.

Non-recurring transactions had a negative impact on cash flow of €2,444 thousand in 2024 attributable for €1,560 thousand to the costs incurred for the GAES Integration, for €678 thousand to the costs incurred to define and implement the amendments to the Articles of Incorporation and for €206 thousand to the integration of Bay Audio.

# ACQUISITION OF COMPANIES AND BUSINESSES

The Group continued with external growth in 2024 and acquired 393 points of sale, primarily as a result of the acquisitions made in China, the US (where two important acquisitions of franchisees were finalized), and Uruguay for a total investment of €192,531 thousand, including the debt consolidated and the best estimate of the earn-out linked to sales and profitability targets payable over the next few years.

In 2024:

- 109 points of sale were acquired in China;
- 98 points of sale were acquired in the United States;
- 58 points of sale were acquired in Germany;
- 50 points of sale were acquired in France;
- 36 points of sale were acquired in Spain;
- 23 points of sale were acquired in Uruguay;
- 12 points of sale were acquired in Canada;
- 6 points of sale were acquired in Italy;
- 1 point of sale was acquired in Argentina.

# STATEMENT OF CHANGES BETWEEN THE NET EQUITY AND THE RESULTS OF THE PARENT COMPANY AMPLIFON S.P.A. AND THE NET EQUITY AND THE RESULTS OF THE GROUP FOR THE PERIOD AS AT DECEMBER 31ST, 2024

(€ thousands)

| | Net equity | Net result |
|---|---|---|
| **Net equity and year-end result as reported in the Parent company's financial statements** | **760,769** | **95,180** |
| **Elimination of carrying amount of consolidated investments:** | | |
| - Difference between carrying amount and the pro-quota value of net equity | 273,743 | - |
| - pro-quota results reported by the subsidiaries | 136,386 | 136,386 |
| - pro-quota results reported by investments valued at equity | 2,298 | 221 |
| **Elimination of the effects of intercompany transactions:** | | |
| - Elimination of impairment net of reversals of investments and intercompany receivables | - | 2,836 |
| - Intercompany dividends | - | (99,573) |
| - Intercompany profits included in the year-end value of inventories net of fiscal effect | (22,624) | 8,597 |
| - Exchange differences and other changes | (348) | 1,923 |
| **Net equity and year-end result as stated in the consolidated financial statements** | **1,150,224** | **145,570** |
| Minority equity and result for the year | 222 | 196 |
| **Group net equity and result for the year** | **1,150,002** | **145,374** |

# RISK MANAGEMENT

Considering the importance of creating sustainable value for the stakeholders, we ensure that the way we carry out our business is consistent with our mission and our strategic, operational and compliance objectives, by promoting an adequate risk management process as part of our business management. Sound risk management allows for better informed business decisions, reduces the gaps between actual results and targets, and can create a competitive advantage.

Our Enterprise Risk Management (ERM) model, updated and in line with the best practices and international standards (e.g., *Committee of Sponsoring Organization of Treadway Commission*), as well as with the recommendations of the Corporate Governance Code, is aimed - through a structured and systematic risk assessment, monitoring and reporting process - at the effective management of the Group's main risks, as well as providing adequate information to the stakeholders involved.

The methodology is formalized within the Company regulations through specific policies and procedures (*"Enterprise Risk Management Policy" approved by the Board of Directors*) that promote the proactive and integrated management of risks, leveraging on existing management systems and allowing an adequate information flow to the administrative and control bodies.

The methodology provides for the integration, within the ERM model and in line with the most recent regulatory developments (e.g., *Corporate Sustainability Reporting Directive* - CSRD), of the risks related to the main sustainability topics, including those associated with climate change. These risks have been included in the financial materiality activities as part of the Double Materiality analysis, aimed at identifying the relevant sustainability topics for Amplifon for the purposes of the Consolidated Sustainability Statement. The goal is to provide a complete overview of the organization, supporting its resilience and ESG (Environmental, Social and Governance) performance.

The Group's *Enterprise Risk Management framework* has six components:

- *Risk Governance*: structure through which the organization leads, conducts, and reports its risk management activities by defining the roles and responsibilities of the functions and bodies involved.
- *Risk Culture*: values and attitude consistent with the organization's risk management culture.
- *Risk Appetite*: guidelines and indicators intended to support the achievement of the Group's objectives.
- *Risk Assessment & Measurement*: the process of identifying and assessing the Group's main risks.
- *Risk Management & Monitoring*: activities aimed at mitigating, managing, monitoring or accepting risks.
- *Risk Reporting*: reporting of risks and related information to the main internal and external stakeholders, including the Chief Executive Officer, the Risk, Control and Sustainability Committee, and the Board of Directors.

The risk management activities are coordinated and facilitated by the Group Risk Management Function, which supports the involved stakeholders (Countries, Regional Executive Vice Presidents, Corporate Executive Officers, selected Directors) in the identification, assessment, management and monitoring of the Group's main risks.

The Enterprise Risk Assessment process, outlined in the Enterprise Risk Management framework, is carried out annually, taking into account the Group's strategic guidelines, and includes a half-yearly review to incorporate any updates regarding the risks to which the Company might be exposed, while also integrating the results of any specific analyses carried out by other company functions (e.g., Climate Change Risk Assessment executed by the Investor Relations & Sustainability Function in 2023[1]).

The process also involves the integration of medium/long-term analyses (3-5 years and 10-years) into the Enterprise Risk Assessment activities. The Group pays attention to monitoring possible trends and changes in the reference context, which could potentially impact the business or the industry.

The Group's main risks, classified by relevance within the *Risk Model* categories, as well as, if present, the related ESRS Topical Standard[2] for ESG purposes, are reported below.

## CONTEXTUAL BACKDROP

During the year, Amplifon continued to carefully monitor the developments related to the macroeconomic and geopolitical situation, with particular focus on the inflation and interest rates trends and the related impact on demand, as well as on the overall slowdown in global economic activities, despite uneven signs of recovery across the different geographical areas.

As for climate change, given that the Group's business model is based on providing retail hearing solutions, the goals related to the transition to alternative sources of energy and to the actions addressing climate change are pursued through the improvement in the energy supply from renewable sources and the energy efficiency of its business activities. In this regard, the company annually reports its carbon footprint based on its own emissions (Scope 1), those related to energy supply (Scope 2) and the indirect emissions from the value chain (Scope 3).

1. In accordance with the recommendations of the *Task Force on Climate-related Financial Disclosure* (TCFD).
2. For further information, refer to Section "Amplifon's Double Materiality" of the Consolidated Sustainability Statement. Please note that, for the purposes of the Consolidated Sustainability Statement all ESG risks identified as material from the Double Materiality analysis have been taken into account (i.e., not only the ones presented in the Section below).

## EXTERNAL RISKS

*External risks derive from factors exogenous to the Group.*

| | | |
|---|---|---|
| **RISKS CONNECTED TO THE MACROECONOMIC AND GEOPOLITICAL CONTEXT** | **Details** | The current macroeconomic and geopolitical context, affected by conflicts and political elections in different countries, continues to be characterized by uncertainty and volatility. Although inflation and interest rates showed signs of a progressive reduction at the end of the year, at varying speeds across the different geographies, these factors could continue to influence demand and various cost categories (e.g., cost of debt). In general, the hearing aid market has historically proven significant resilience even in times of economic crisis. This resilience is attributable to the importance and the non-discretionary nature of hearing care, which remains a priority for consumers regardless of economic conditions, as well as to the presence of public and private reimbursement systems and consumer loans, which support access to hearing aids and services; this helps stabilizing demand even in times of economic uncertainty. The persistent uncertainty and volatility, particularly in certain geographical areas (e.g., Europe), could generally influence consumer confidence, potentially leading to the postponement of the purchase of a device that would still be necessary in the medium term. |
| | **Management Measures** | Although Amplifon operates in a market segment that has historically proven a lower sensitivity to fluctuations in the general economic cycle, albeit in not directly comparable contexts, the Group continues to monitor the evolution of the macroeconomic and geopolitical environment[3] and the relative impact on the business.<br>Regarding the possible direct impact of interest rates and inflation[4] on different cost categories, in addition to the Group's considerable negotiation power in direct and indirect procurement, as well as in the negotiation of fixed rate financing agreements, various efficiency and productivity improvement actions on, for example, labor cost and marketing expenses are underway.<br>Lastly, with regard to the ongoing conflicts, Amplifon Group has around 24 stores in Israel which generate sales less than approximately 1% of annual consolidated revenues and has no business in Ukraine and Russia. |
| **COMPETITION** | **Details** | The retail hearing care market is expected to grow over the medium/long-term, considering the increasing average age of the population, the rising penetration of hearing solutions in the market, as well as greater consumers healthcare awareness. The market, while still fragmented, is showing a trend of consolidation due to both vertical and horizontal integration of hearing aid manufacturers, as well as growth of market players (including Amplifon). For these reasons, also in light of the current macroeconomic context, the market may experience increased competition.<br>The Group's main competitors are specialty retailers (which include the manufacturers of hearing aids, and, in specific counties, local independent players), non-specialty retailers (like optical chains, pharmacies and big box stores) which are generally low-cost providers, as well as new emerging players with innovative technologies. It's possible that these competitors may continue to pursue an expansion strategy, with a potential impact on market share, sales margins, as well as competition in the recruitment and retention of hearing aid professionals and qualified store personnel. |
| | **Management Measures** | Amplifon's strategy continues to focus on strong brand recognition, high quality service, as well as on a deep understanding of the consumer, thanks also to the quality of the available data which enables a very unique and innovative customer experience. Toward this end, the Group applies sales protocols aimed at excellence in customer service (e.g., Amplifon 360, Ampli-Care), also through training and awareness programs for store personnel and continuous after-sales assistance. An increasingly customer-centric approach enhances the Amplifon Product Experience (APE), comprising Amplifon-branded products and a multichannel ecosystem characterized by an increasingly functional App. Moreover, Amplifon continues to strengthen its leadership in core markets by consolidating its role, also through an approach of continuous inorganic expansion. |

3. In the context of the geopolitical landscape, it is also important to consider the recent developments in trade tariff policies affecting the United States, which could potentially involve some of the Group's suppliers. In this regard, the Company continues to closely monitor the evolving business environment and can also rely on significant negotiating power, the diversification of supply sources, the relative flexibility of suppliers in the logistics of the production process, and, last but not least, the Group's geographical diversification.
4. Despite the improvement in the economic environment compared to the previous year, the Argentine subsidiary continues to operate in a high-inflation context; however, its size remains non-significant relative to the overall scale of the Group.

## STRATEGIC RISKS

*Strategic risks are typical of any given business. If managed correctly they can be the source of a competitive advantage or, conversely, they can compromise the ability to reach targets.*

| | | |
|---|---|---|
| **MARKETING INVESTMENTS** | **Details** | Consistent with its strategy, Amplifon continues to make significant investments in marketing in order to strengthen its brands and increase the penetration rate of hearing aids with a view to an organic growth of the organization. In the face of scenario characterized by an uncertain and volatile macroeconomic context, a conceivable evolution of competition, and an increase in media cost, these goals require activities and instruments increasingly focused on positive return on investment, leveraging on both cost containment and the effectiveness of the initiative. |
| | **Management Measures** | Marketing initiatives focus on offline media advertising (e.g., television campaigns) and digital channels (e.g., Paid Advertising, Search Engine Optimization, messaging architecture, social media). The Group also invests in advanced Customer Relationship Management (CRM) campaigns to ensure unique and personalized experiences for its customers, as well as in the technological innovation program, which comprises Amplifon-branded products and the multi-channel eco-system (the “Amplifon Product Experience”) to provide a complete value proposition, comprising product, service and experience.<br>Amplifon works to ensure that the global marketing investments are efficient and effective, monitoring the costs and returns and assessing different investment strategies, as well as the selected media mix. |
| **TECHNOLOGICAL CHANGES IN PRODUCTS AND/OR THE OPERATING MODEL** | **Details** | The development of innovative technologies, specifically alternative solutions to the hearing aid for core customers with moderate to severe hearing loss (e.g., new technologies, new pharmaceutical products, surgical techniques), as well as potential relevant transformations in terms of service and operating model, even if considered remote, would possibly lead to significant impacts, also in terms of accessibility of services provided to its customer base. The quality of the service and the continuous customer care provided, both during the sales process and throughout the hearing aid’s life cycle, are in fact the distinctive elements that characterize Amplifon. The customization of the hearing aid itself is done on the basis of the specific needs of each customer, combining technical and relational aspects, in order to provide the best service possible and, at the same time, constitute a strong element of differentiation. |
| | **Management Measures** | Investments continue with the aim of finding the best resources for the development of technologies, in order to both anticipate and better respond to any change in the business. Moreover, with a view to monitoring and increasing the service and customer satisfaction, the Group invests significant resources in developing its own line of products and digital technologies, like the Amplifon App, and in redefining its customers audiological experience through Ampli-Care and integrating new services and features. These investments make it possible to maintain an ongoing relationship with clients and provide a better customer experience, both inside and outside the Group’s stores, also through experiments with self and remote care solutions in an omnichannel perspective. |
| | **Related ESRS Topical Standard** | **ESRS S4 – Consumers and end-users**<br>*(Sub-topic: Social inclusion of consumers and/or end-users)* |
| **COMMUNICATION** | **Details** | In light of the increasing relevance of the Company and stakeholders’ expectations, in addition to the mandatory financial and sustainability disclosures, the Amplifon Group is increasingly involved in initiatives of public interest and in communication activities focused on relevant/emerging topics. |
| | **Management Measures** | Amplifon proceeds with the timely implementation of regulatory standards and continuously monitors potential evolutions of the legislations. The Group also adopts internal measures (e.g., specific procedures) to manage external communication activities. |
| | **Related ESRS Topical Standard** | **ESRS G1 – Business Conduct**<br>*(Sub-topic: Corporate culture)* |

## OPERATIONAL RISKS

*Operational risks are those inherent in the business' organization, processes and systems, which could impact the efficiency and effectiveness of the Group's operations.*

| | | |
|---|---|---|
| **CYBER SECURITY** | **Details** | The strong reliance on technology and the gradual acceleration toward digitalization continue to expose companies to different types of internal and external IT risks, including third party vulnerabilities. The cyber-attacks, which have become more widespread and relevant globally, also considering the changes in the geopolitical scenario, pose a constant threat from which Amplifon must protect itself. |
| | **Management Measures** | Amplifon constantly monitors potential threats and any possible changes, including regulatory evolutions, with a view to preventing as well as minimizing the impact that these attacks could have on the Group. The continuous monitoring carried out aims at guaranteeing business continuity, as well as preventing the loss of data/information or financial resources, through activities focused on the security of processes, people and systems (e.g., training, phishing simulation, multi-factor authentication, business impact analysis, specific insurance policies). |
| | **Related ESRS Topical Standard** | *Risk not associated with any ESRS Topical Standard but deemed relevant and considered* ***Entity Specific***. |
| **IMPLEMENTATION AND INTEGRATION OF NEW IT SYSTEMS** | **Details** | In line with its development goals, the Group works on different projects for the implementation and integration of new IT systems, including the centralization of purchasing activities and the release of the ERP system within Group companies, as well as the implementation of the new front-end system for stores.<br>These projects continue to be highly complex and relevant, also considering the Group's expansion path, particularly with respect to the management of unique, local characteristics, the roll-out phases and change management. |
| | **Management Measures** | Taking the experience and lessons learned as reference, Amplifon dedicates the necessary resources to these projects, focusing particularly on developing and increasing the know-how of internal resources, as well as including a robust training program aimed at training system users and assisting them with change management. |
| **HUMAN RESOURCES** | **Details** | Consistent with the goal of sustainable growth in the medium/long-term, to address the organizational needs and complexity of the business (with particular reference to specific countries), and considering also the evolution of the external environment, the Group confirms its commitment to attracting, developing and retaining the best talents, including internationally, above all with respect to key managerial positions and qualified store personnel.<br>With the aim of being the "employer of choice", Amplifon invests significantly in both the development of a unique and innovative Employer Branding as well as in its talents through specific recruiting initiatives and professional development programs designed to ensure the availability of key competencies. The Group has also developed and maintains structured channels, which facilitate the recruiting of talents with specific expertise.<br>The current context, characterized by growing competition, could have an impact on the attraction and retention of qualified store personnel, considering also the high level of qualification of the audiologists available to the Group. |
| | **Management Measures** | Amplifon continues to dedicate great attention to training activities and professional development of both store and back-office personnel, maintaining also productive partnerships with universities and reference organizations. Performances are assessed based on "ad hoc" compensation mechanisms and incentives.<br>In order to guarantee success in the medium/long-term, talent mapping and succession planning activities are carried out regularly, analyzing and anticipating future needs for key roles, also in view of the growth of the business and changes in core markets. The level of efficiency achieved by the Group in relation to these elements is constantly monitored through KPIs related to succession planning, recruiting and retention.<br>Amplifon pays particular attention to the workplace environment, its people and the organization. This commitment is recognized through the international certifications received for human resources management (e.g., Top Employer[5], Top 100 global Most Loved Workplaces, Global Leading Employer). |
| | **Related ESRS Topical Standard** | **ESRS S1 – Own workforce**<br>*(Sub-topic: Working conditions)* |

5. Region Europe (Italy, Spain, the Netherlands, Portugal, Germany, France, Belgium), Region Americas (United States, Canada and Panama), Region LATAM (Colombia, Argentina, Chile and Ecuador), New Zealand and Australia.

## REGULATORY RISKS

*Regulatory risk stems from compliance with the laws and regulations within the different markets in which the Company operates.*

| | | |
|---|---|---|
| **INDUSTRY REGULATIONS** | **Details** | Amplifon operates in a medical sector which is regulated differently in the countries where it is present. The main areas of interest for the Group relate to: i) reimbursement conditions from national healthcare systems and/or third parties, such as insurance companies; ii) selling requirements/conditions for the distribution of hearing aids; iii) requisites and qualifications of the professionals authorized to select, apply and sell hearing solutions. Therefore, a change in regulations (e.g., in reimbursement conditions - their amount or accessibility to the national healthcare service - in the role of otolaryngologists and, above all, of hearing aid specialists, in the requirements needed to sell hearing aids and related services, in sustainability standards) could have a direct, even significant, impact on the market (considering also the possible attention from local authorities and the influence by health insurance companies) and, consequently, on performance.<br>In this context, the market evolution includes the sale of "Over the Counter (OTC)" as well as "Direct to Consumer (DTC)" devices; the Group continues to monitor the relevant regulations as well as possible investments by new players.<br>More specifically, with reference to the entry into force of the regulation governing the sale of OTC devices in the United States in 2022, it is noted that is having a limited impact on the business, given the importance of the service component and the consumers involved (with mild to moderate hearing loss versus the Group's current core customers with moderate to severe hearing loss), considering also Amplifon's uniqueness in terms of products and services offered. |
| | **Management Measures** | Amplifon continues to monitor the evolution of the global regulatory landscape, including with respect to sustainability and the sale of OTC and DTC hearing aids. The Group continues with its monitoring in order to detect any potential changes in the current scenario (e.g., possible new entries, the role of large retail players), while also considering the potential benefits for Amplifon in terms of hearing aid penetration, as a greater number of potential customers become interested in the sector, thanks also to the investments and the global campaigns to raise awareness about hearing loss and the importance of hearing care.<br>Overall, considering the current macroeconomic context, Amplifon constantly monitors regulatory topics in the countries in which operates and the implementation of possible actions (e.g., processes/procedures update) in order to promptly react to potential changes in the regulatory landscape. |
| | **Related ESRS Topical Standard** | **ESRS S4 – Consumers and end-users**<br>*(Sub-topic: Social inclusion of consumers and/or end-users)* |
| **PRIVACY & DATA PROTECTION** | **Details** | Given the nature of its business, Amplifon manages personal data, and in some circumstances sensitive data, of customers, employees and job candidates. The possibility that the processing of personal data does not comply with the relevant regulations, also due to potential data breaches and incidents as well as in consideration of the expansion and the investments in innovation, could lead to possible sanctions by Privacy Authorities. |
| | **Management Measures** | The Group continues to maintain adequate security standards and is committed to protecting any personal data processed, in order to guarantee compliance with data protection laws. Toward this end, Amplifon continuously monitors potential legislative changes and amendments that could materialize over the next few years, takes the necessary measures (e.g., appointing a Data Protection Officer, policies), and provides training activities. |
| | **Related ESRS Topical Standard** | **ESRS S4 – Consumers and end-users**<br>*(Sub-topic: Information-related impacts for consumers and/or end-users)* |

# FINANCIAL RISK MANAGEMENT

With a view to structured management of treasury activities and financial risks, the Group had already adopted a Treasury Policy in 2012 which contains guidelines for the management of:

- currency risk;
- interest rate risk;
- credit risk;
- price risk;
- liquidity risk.

This policy is updated periodically in order to guarantee proactive risk management.

| | | |
|---|---|---|
| **CURRENCY RISK** | **Details** | Currency Risk includes the following types of risk:<br>- foreign exchange transaction risk, that is the risk that the value of a financial asset or liability, a forecasted transaction or a firm commitment, fluctuates due to changes in exchange rates;<br>- foreign exchange translation risk, that is the risk that the translation of the assets, liabilities, costs and revenues relating to net investment in a foreign operation into the reporting currency gives rise to an exchange gain or loss.<br>The Amplifon Group's foreign exchange transaction risk relates to:<br>- the currency risk stemming from the Procurement and Supply Chain activities carried out by the parent company which involves the direct management of the purchase of hearing aids and accessories, which are then resold to the subsidiaries. The purchases from suppliers are generally made in the same currency used in the subsidiaries' invoices with payment terms that are similar to those negotiated with the suppliers, which limits the exchange risk. However, the amounts can be significant and the risk significant, particularly with respect to year-end adjustments;<br>- other transactions in which the purchase costs or sales revenue are denominated in currencies other than the local currency as is the case in a few countries of lesser importance (Israel, Canada and the Central and Latin American subsidiaries), where the purchasing costs are incurred in Euros and US dollars;<br>- other intercompany transactions (medium/long-term and short-term loans, charge backs based on intercompany service agreements, other centralized, intercompany dividends, etc.) which result in currency risk for the companies operating in currencies other than that of the intercompany transaction;<br>- the period between the signing and closing of any commitments to purchase equity interests.<br>Foreign exchange translation risk arises from investments in the United States and Canada, the United Kingdom, Switzerland, Hungary, Poland, Israel, Australia, New Zealand, India, China, Chile, Argentina, Ecuador, Colombia, Panama, Mexico and Egypt. |
| | **Management Measures** | *Foreign Exchange transaction risk*<br>The Group's strategy aims to minimize the impact of currency volatility on the income statement and calls for risks stemming from significant positions in currencies other than the currency used in the financial statements of each company to be hedged.<br>Regarding operational transactions, including those stemming from the Parent Company's Global Procurement activities, the intercompany services provided and cash-pooling, the risk is covered, when possible, by using a natural hedge which aims to balance active and passive positions for each company by maintaining currency deposits which can be used to cover any differences. Any risk exposure linked to differences in assets and liabilities that cannot be managed using bank deposits in foreign currency will be adequately hedged using instruments deemed adequate. These include, for example, currency forwards.<br>Any exposures to exchange risks stemming from financial transactions are hedged using derivatives.<br><br>The risks arising from other intercompany transactions (both operational and financial) worth less than €1 million (or the equivalent if denominated in another currency) are not hedged as the amounts are not material.<br><br>*Foreign Exchange Translation Risk*<br>The foreign exchange translation risk, in accordance with the Group Treasury Policy, is not hedged.<br>Overall, the impact of the foreign exchange translation risk can be seen in the Group's Euro denominated EBITDA which was around €3 million lower than the Group's total EBITDA. Approximately €1 million of this difference is attributable to the Argentinian subsidiary. The latter operates in a high-inflation country but, as the size of the subsidiary is immaterial, the impact on the Group is not significant. |

| | | |
|---|---|---|
| **INTEREST RATE RISK** | **Details** | Interest rate risk involves the following situations:<br>- fair value risk, namely the risk that the value of a fixed rate financial asset or liability changes due to fluctuations in market interest rates;<br>- cash flow risk, namely the risk that the future cash flows of a floating rate financial asset or liability fluctuate due to changes in market interest rates.<br>In the Amplifon Group fair value risk arises on the issue of €350 million Eurobonds, the €125 million tranche disbursed as part of the European Investment (EIB) loan, the €100 million tranche disbursed by Cassa Depositi e Prestiti (CDP) as part of the pool facility subscribed by CDP and Unicredit.<br>The cash flow risk stems from floating rate bank loans. |
| | **Management Measures** | The Group's strategy is to minimize cash flow risk, especially with respect to long-term exposures, through a balanced mix of fixed- and floating-rate loans and assessing whether to switch floating rate borrowings to fixed-rate when each loan is taken out, as well as over the life of the loans included in light of the current market rates. On 31 December 2024, the Group's medium/ long- term debt amounted to €1,250 million, of which €988 million at fixed rate or has been swapped to fixed rate debt.<br><br>In accordance with company strategy, hedging instruments are used by the Group exclusively to mitigate interest rate and currency risk and consist solely in financial derivatives. In order to maximize the effectiveness of these hedges the Group's strategy calls for:<br>- large counterparties with excellent credit standing and transactions which fall within the limits determined in the treasury policy in order to minimize counterparty risk;<br>- the use of instruments which match, to the extent possible, the characteristics of the risk hedged;<br>- monitoring of the adequacy of the instruments used in order to check and, possibly, optimize the structure of the instruments used to achieve the purposes of the hedge.<br><br>The Group's Treasury Policy also defines the rigorous criteria to be used when selecting counterparties.<br><br>The derivatives used by the Group are generally plain vanilla financial instruments. More in detail, the types of derivatives used include:<br>- interest rate swaps;<br>- foreign exchange forwards.<br><br>On initial recognition these instruments are measured at fair value. At subsequent reporting dates the fair value of derivatives must be re-measured and:<br>(i) If these instruments fail to qualify for hedge accounting, any changes in fair value that occur after initial recognition are taken to profit and loss;<br>(ii) If these instruments subsequently qualify as fair value hedges, from that date any changes in the fair value of the derivative are taken to profit and loss; at the same time, any fair value changes due to the hedged risk are recorded as an adjustment to the book value of the hedged item and the same amount is recorded in profit and loss; any ineffectiveness of the hedge is taken to profit and loss;<br>(iii) If these instruments qualify as cash flow hedges, from that date any changes in the fair value of the derivative are taken to net equity. Changes in the fair value of the derivative that are recognized in net equity are subsequently reclassified in the income statement in the period in which the hedged transaction affects profit and loss. When the object of the hedge is the purchase of a non-financial asset, changes to the fair value of the derivative taken to net equity are reclassified to adjust the purchase cost of the asset hedged (basis adjustment). Any ineffectiveness of the hedge is recognized in profit and loss.<br><br>The Group's hedging strategy is reflected in the accounts described above as of the moment the following conditions are satisfied:<br><br>- the hedging relationship, its purpose and the overall strategy are formally defined and documented; the documentation includes the identification of the hedging instrument, the hedged item, the nature of the risk to be neutralized and the procedures whereby the entity will assess the effectiveness of the hedge;<br>- the effectiveness of the hedge may be reliably assessed and there is a reasonable expectation, confirmed by evidence, that the hedge will be highly effective for the period in which the hedged risk exists;<br>- the hedged risk relates to changes in cash flow connected to a future transaction, the latter is highly probable and entails exposure to changes in cash flow which could affect profit and loss.<br><br>Derivatives are recognized as assets if their fair value is positive and as liabilities if their fair value is negative. These balances are shown under current assets or liabilities if related to derivatives which do not qualify for hedge accounting, conversely, they are classified consistently with the hedged item.<br>More specifically, if the hedged item is classified as a current asset or liability, the positive or negative fair value of the hedging instrument is included under current assets or liabilities; if the hedged item is classified as a non-current asset or liability, the positive or negative fair value of the hedging instrument is included under non-current assets or liabilities.<br><br>The Group does not have any net investment hedges. |

| | | |
|---|---|---|
| **CREDIT RISK** | **Details** | Credit risk is the risk that the issuer of a financial instrument defaults on its obligations resulting in a financial loss for the investor.<br><br>In the Amplifon Group credit risk arises from:<br><br>(i) sales made as part of ordinary business operations, when client default can be verified;<br>(ii) the use of financial instruments that require settlement of positions with other counterparties which could fail to honor their obligations;<br>(iii) the loans granted to members of the indirect channel and commercial partners in the United States for investments and business development which could fail to be repaid. |
| | **Management Measures** | Regarding the risk (i) above, the only positions with a high unit value are amounts due from Italian public-sector entities for which the risk of insolvency, while it exists, is remote and further mitigated by the fact that each quarter they are factored without recourse by specialized factoring companies. Conversely, there is credit risk associated with the sales to private individuals based on instalment payment plans and arising from sales to US indirect channel operators (franchisees). This credit risk, however, is spread out over a number of partners and the amount owed by any single individual is limited. The largest of these amounts does not exceed a few million US dollars. Due to typical business risks, some may not be able to honor their debts. This would result in higher working capital and credit losses. While each subsidiary is responsible for collection of receivables, the Group, through its Corporate functions, has set up a centralized system of monthly reporting relative to trade receivables in order to monitor the composition and due dates for each country, and shares credit recovery initiatives and commercial policies with local management. Payment options like installment plans or loans (with terms limited to a few months) are offered to private customers, the majority of which do, however, use cash. These are managed by external finance companies which advance the whole amount of the sale to Amplifon, while the situation of the indirect channel in the US is closely monitored by local management.<br>The risk referred to in (ii) above, notwithstanding the inevitable uncertainties linked to sudden and unforeseeable counterparty default, is managed by making diversified investments with the main national and international investment grade financial institutions and through the use of specific counterparty limits with regard to both liquidity invested and/or deposited and to the notional amount of the derivatives. The counterparty limits are determined based on the short-term ratings of each counterparty or, if a public rating is not available, on capital ratios (Tier 1).<br><br>The risk referred to in (iii) above refers to receivables that are typically guaranteed personally by the loan beneficiaries and repayments are generally made when the invoices for the purchases of hearing aids are paid or settled at the time the Group acquires the business of the franchisee. |

| | | |
|---|---|---|
| **PRICE RISK** | **Details** | This arises from the possibility that the value of a financial asset or liability may change due to fluctuations in market prices (other than those caused by currency or interest rate fluctuations). These fluctuations may be caused by:<br>- characteristics specific to the financial asset or liability or the issuer of the financial liability,<br>- independent market factors not connected to the specific asset or liability.<br>This risk is typical of financial assets not listed on an active market, which may not be easy to liquidate quickly at a level close to their fair value. The Amplifon Group does not have investments in these kinds of instruments and, therefore, this risk currently does not exist. |
| | **Management Measures** | The Amplifon Group does not have investments in these kinds of instruments and, therefore, this risk currently does not exist. |

| | | |
|---|---|---|
| **LIQUIDITY RISK** | **Details** | Liquidity Risk typically arises when an entity is experiencing difficulty finding sufficient funds to meet its obligations and includes the risk that the counterparties that have granted loans and/or “uncommitted” short-term lines of credit may request repayment, as well as difficulty in refinancing long-term loans which have reached maturity.<br><br>The current interest rate environment, which in the last few years has been characterized by a significant increase in rates, followed by a slight decrease/stabilization in the last few months. These increases impact refinancing costs, making the refinanced debt more costly than the loans being refinanced which were originally taken out in 2020-2021. |
| | **Management Measures** | At the end of 2024, the Group Net Financial position displays a gross debit of €1,250 million, and approximately 80% of the Group’s debt had maturities beyond 12 months. The liquidity for € 289 million and the irrevocable credit lines and the unutilized portion of the EIB loan amount to €705 million which provides ample headroom. This suggests that the Group’s liquidity risk is immaterial. The Group also has short-term revocable credit lines which amounted to €343 million on 31 December 2024, of which only €121 million has been utilized. |


# TREASURY SHARES

On 31 December 2024 the share capital comprised 226,388,620 ordinary shares with a par value of €0.02 fully paid in and subscribed, unchanged with respect to 31 December 2023.

In 2024 920,000 treasury shares were purchased and 456,399 shares were transferred following the exercise of performance stock grants.

During the reporting period 37,500 shares were transferred as the second deferred payment for the Otohub S.r.l. acquisition made in 2019.

A total of 1,068,249 treasury shares, equal to 0.472% of the share capital, were held on 31 December 2024.

Movements in the treasury shares held are shown in the following table.

| | N. of shares | Average purchase price (Euro)<br>FV of transferred rights (Euro) | Total amount (€ thousand) |
|---|---|---|---|
| **Held at 12/31/2023** | **642,148** | **27.245** | **17,495** |
| Purchases | 920,000 | 27.605 | 25,396 |
| Transfer due to exercise of performance stock grant | (456,399) | 27.396 | (12,503) |
| Transfer due to exercise of Otohub S.r.l. acquisition's deferred payment | (37,500) | 27.457 | (1,030) |
| **Total at 12/31/2024** | **1,068,249** | **27.482** | **29,358** |

# RESEARCH AND DEVELOPMENT

While the Group does not typically carry out any research and development in relation to hearing aids (insofar as this is carried out by the manufacturers), it does invest important resources in both innovation and technology through the" Amplifon Product Experience", as well as other innovative digital marketing solutions and front-office systems and processes, in order to provide its customers with an excellent "Customer Experience".

Moreover in 2024 Group continued in roll-out of project "Otopad" that will give the opportunity to increase in efficiency of hearing-test process and in its operation phase, progressively replacing traditional devices.

# TRANSACTIONS WITHIN THE GROUP AND WITH RELATED PARTIES

Pursuant to and in accordance with the Consob Regulation n. 17221 issued on 12 March 2010 and after having received a favorable opinion from the Independent Directors' Committee for Related Parties transactions, on 3 November 2010 Amplifon S.p.A.'s Board of Directors adopted a new version of the regulations of procedures and fulfillments for related party transactions which has been updated several times. The regulation currently in force was approved by the Board of Directors on 29 April 2021 with entry into force on 1 July 2021.

The transactions with related parties, including intercompany transactions, do not qualify as atypical or unusual, and fall within the Group's normal course of business and are managed at arm's length, given the nature of the goods and of the services provided.

Information on transactions with related parties is provided in Note 39 of the consolidated financial statements and in Note 37 of the separate financial statements.

# CONTINGENT LIABILITIES

Currently the Group is not exposed to any particular risks, uncertainties or legal disputes which exceed the provisions already made in the financial statements, shown in Note 19 and 25. There are currently underway usual tax audits. These audits are presently in the preliminary phase and no findings have been reported so far. The Group is confident in the correctness of its actions.

# ATYPICAL/UNUSUAL TRANSACTIONS

Please note that in 2024 the Group carried out no atypical and/or unusual transactions as defined in the Consob Bulletin of 28 July 2006.

# OUTLOOK

In 2024, despite a market environment characterized by different performances across the various geographies, the Group continued along its path of strong, above market, revenue growth, supported by the strengthening of its competitive positioning in the core countries.

At the same time, the Group made significant investments to consolidate the leadership of its brands, expand the distribution network and strengthen the audiologist capacity to prepare for the anticipated recovery of the European market in 2025.

In 2025 the Group expects another positive year for the hearing care market in the United States, despite the challenging comparison base, and a progressive return to growth in the European market after three years of flattish demand, thanks, above all, to the Rest-à-Charge Zéro regulatory reform anniversary in France.

In light of the above and assuming that there are no further slowdowns in global economic activity due to, among others, the well-known inflation related issues and the geopolitical situation, for 2025 Amplifon expects:

- Consolidated revenues expected to grow mid to high single-digit at constant exchange rates, supported by an above-market performance and bolt-on acquisitions, with a contribution of the latter of 2% to the growth;
- Recurring EBITDA margin of almost 24%, thanks mainly to an improved operating leverage in EMEA.

In further detail, the Group expects an acceleration in revenue growth especially from the second quarter onwards, as the French market is anticipated to gain momentum from the second quarter and also in consideration of the challenging comparison base with the first quarter of 2024.

In the medium term, the Group remains extremely positive on its prospects for sustainable growth in sales and profitability, thanks to the secular fundamentals of the hearing care market and its even stronger competitive positioning.

# COMMENTS ON THE ECONOMIC-FINANCIAL RESULTS OF AMPLIFON S.P.A.

## RECLASSIFIED INCOME STATEMENT

| (€ thousands) | FY 2024 | | | | FY 2023 | | | |
|---|---|---|---|---|---|---|---|---|
| | Recurring | Non-recurring | Total | % on recurring | Recurring | Non-recurring | Total | % on recurring |
| **Total revenues** | **409,687** | **-** | **409,687** | **100.0%** | **480,539** | **-** | **480,539** | **100.0%** |
| Operating costs | (297,172) | (2,960) | (300,132) | -72.5% | (329,415) | (12,433) | (341,848) | -68.6% |
| Other income and costs | (31,489) | - | (31,489) | -7.7% | (70,537) | - | (70,537) | -14.7% |
| **Gross operating profit (loss) (EBITDA)** | **81,026** | **(2,960)** | **78,066** | **19.8%** | **80,587** | **(12,433)** | **68,154** | **16.8%** |
| Depreciation, amortization and impairment losses on non-current assets | (30,214) | - | (30,214) | -7.4% | (27,598) | - | (27,598) | -5.7% |
| Right-of-use depreciation | (2,782) | - | (2,782) | -0.7% | (3,153) | - | (3,153) | -0.7% |
| **Operating profit (loss) (EBIT)** | **48,030** | **(2,960)** | **45,070** | **11.7%** | **49,836** | **(12,433)** | **37,403** | **10.0%** |
| Income, expenses, valuation and adjustments of financial assets | 89,361 | (3,178) | 86,183 | 21.8% | 86,472 | - | 86,472 | 18.0% |
| Net financial expenses | (35,656) | - | (35,656) | -8.7% | (28,693) | - | (28,693) | -6.0% |
| Exchange differences and FV adjustments | (283) | - | (283) | -0.1% | (822) | - | (822) | -0.2% |
| **Profit (loss) before tax** | **101,452** | **(6,138)** | **95,314** | **24.8%** | **106,793** | **(12,433)** | **94,360** | **22.2%** |
| Tax | (989) | 855 | (134) | -0.2% | (7,225) | 3,492 | (3,733) | -1.5% |
| **Net profit (loss)** | **100,463** | **(5,283)** | **95,180** | **24.5%** | **99,568** | **(8,941)** | **90,627** | **20.7%** |

EBITDA: operating result before interest, taxes, depreciation and write-down of tangible and intangible fixed assets and usage rights on lease agreements.

EBIT: operating result before financial income and charges and taxes.

The table below shows the impact of the non-recurring transactions referred to in the statements above, for the periods 2024 and 2023:

- for €1,678 thousand, by the costs incurred to implement amendments to the Company's Articles of Association, including relative to the enhanced voting rights, comprising primarily tax, legal and financial consultancies, as well as the expenses related to the organization of the Extraordinary Shareholders' Meeting held on 30 April 2024;
- for €1,282 thousand, by the notional cost of the one-off assignment made by the shareholder Ampliter of a portion of of its Amplifon shares to the Chief Executive Officer recognized 2023 in accordance with IFRS 2 "Share Based Payments";
- Write-down for € 3,178 thousand of investments in Pilot Blankenfelde Medizinisch-Elektronische Geräte GmbH – Germania (€ 1,558 thousand) e Amplifon Cell – Malta (€ 1,620 thousand) operating in a business not directly related to hearing aids.

(€ thousands)

| | FY 2024 | FY 2023 |
|---|---|---|
| Imputed cost of assignment by Ampliter shareholder of Amplifon shares to the CEO | (1,282) | **(12,433)** |
| Donation to UNHCR | (1,678) | - |
| **Impact of the non-recurring items on EBITDA** | **(2,960)** | **(12,433)** |
| **Impact of the non-recurring items on EBIT** | **(2,960)** | **(12,433)** |
| Write-down of investments in Pilot Blankenfelde Medizinisch-Elektronische Geräte GmbH and Amplifon Cell | (3,178) | - |
| **Impact of the non-recurring items on profit before tax** | **(6,138)** | **(12,433)** |
| Impact of the above items on the tax burden of the period | 855 | 3,492 |
| **Impact of the non-recurring items on net profit** | **(5,283)** | **(8,941)** |

# RECLASSIFIED CONDENSED BALANCE SHEET

The reclassified Condensed Balance Sheet aggregates assets and liabilities according to operating functionality criteria, subdivided by convention into the following three key functions: investments, operations and finance.

(€ thousands)

| | 12/31/2024 | 12/31/2023 | Change |
|---|---|---|---|
| Goodwill | 8,025 | 8,025 | - |
| Other intangible fixed assets | 79,078 | 80,712 | (1,634) |
| Buildings, plants and machinery | 4,174 | 6,133 | (1,959) |
| Right-of-use assets | 10,819 | 18,540 | (7,721) |
| Fixed financial assets | 1,924,246 | 1,837,302 | 86,944 |
| Other non-current financial assets | 8,980 | 3,519 | 5,461 |
| **Total fixed assets** | **2,035,322** | **1,954,231** | **81,091** |
| Inventories | 420 | 520 | (100) |
| Trade receivables (1) | 171,342 | 231,647 | (60,305) |
| Other receivables (2) | 50,146 | 33,099 | 17,047 |
| **Current assets (A)** | **221,908** | **265,266** | **(43,358)** |
| **Total assets** | **2,257,230** | **2,219,497** | **37,733** |
| Trade payables (3) | (237,891) | (269,671) | 31,780 |
| Other payables (4) | (52,282) | (35,750) | (16,532) |
| **Short term liabilities (B)** | **(290,173)** | **(305,421)** | **15,248** |
| **Net working capital (A)+(B)** | **(68,265)** | **(40,155)** | **(28,110)** |
| Derivative instruments (5) | 4,836 | 12,933 | (8,097) |
| Deferred tax assets | 11,639 | 16,711 | (5,072) |
| Provisions for risks (non-current portion) | (89) | (92) | 3 |
| Employee benefits (non-current portion) | (586) | (773) | 187 |
| Loan fees (6) | 3,452 | 3,006 | 446 |
| Other long-term payables | (12,294) | (5,221) | (7,073) |
| **NET INVESTED CAPITAL** | **1,974,016** | **1,940,640** | **33,376** |
| **Net equity** | **760,769** | **748,861** | **11,908** |
| Short term net financial debt | 247,123 | 453,842 | (206,719) |
| Long term net financial debt | 954,118 | 716,805 | 237,313 |
| **Total net financial debt** | **1,201,241** | **1,170,647** | **30,594** |
| Lease liabilities | 12,006 | 21,132 | (9,126) |
| **Total lease liabilities & net financial debt** | **1,213,247** | **1,191,779** | **21,468** |
| **NET EQUITY, LEASE LIABILITIES AND NET FINANCIAL DEBT** | **1,974,016** | **1,940,640** | **33,376** |

(1) The item “Trade receivables” includes “Receivables from suppliers of acoustic solutions for chargebacks” and “Receivables from subsidiaries and parent company deriving from the sale of goods and services”.
(2) The item “Other receivables” includes “Other receivables” and “Other receivables from subsidiaries and parent company”.
(3) The item “Trade payables” includes “Trade payables from suppliers” and “Payables to subsidiaries and parent company”.
(4) “Other payables” includes other liabilities, accrued liabilities and deferred income, current portion of liabilities for employees’ benefits and tax liabilities.
(5) “Derivatives instruments” includes cash flow hedging instruments not included in the item “Net medium and long-term financial indebtedness”.
(6) The item “loan fees” is presented in the balance sheet as a direct reduction of the short-term and medium/long-term components of the items “financial payables” and “financial liabilities” for the short-term and long-term portions, respectively.

# CONDENSED RECLASSIFIED CASH FLOW STATEMENT

The condensed reclassified cash flow statement, starting from the operating result, presents an indication of the monetary flows generated or absorbed by the operating, investment and financing functions.

(€ thousands)

| | FY 2024 | FY 2023 |
|---|---|---|
| **Amortization, depreciation and write-down** | **45,070** | **37,403** |
| Provisions, other non-monetary items and gain/losses from disposals | 32,996 | 30,751 |
| Net financial expenses | 10,031 | 24,627 |
| Dividends collected | (37,321) | (30,780) |
| Taxes paid | 90,500 | 88,524 |
| Changes in net working capital | 823 | (10,038) |
| Amortization, depreciation and write-down | 39,947 | 60,284 |
| **Cash flow provided by (used in) operating activities before repayment of lease liabilities** | **182,046** | **200,771** |
| Repayment of lease liabilities | (2,673) | (2,086) |
| **Cash flow provided by (used in) operating activities (A)** | **179,373** | **198,685** |
| **Cash flow provided by (used in) operating investing activities (B)** | **(27,248)** | **(34,772)** |
| ***Free Cash Flow (A+B)*** | **152,125** | **163,913** |
| Net cash flow provided by (used in) acquisitions equity investments/ capital increases in related parties (C) | (90,705) | (75,426) |
| (Purchase) sale of other investment and securities, liquidation of subsidiary (D) | 880 | 9,331 |
| **Cash flow provided by (used in) investing activities (B+C+D)** | **(117,073)** | **(100,867)** |
| **Cash flow provided by (used in) operating activities and investing activities** | **62,300** | **97,818** |
| Other non-current assets | (98) | (18) |
| Hedging instruments | - | (1,483) |
| Fees paid on medium/long-term financing | (1,807) | (1,413) |
| Dividends distribution | (65,593) | (65,361) |
| Purchases of treasury shares | (25,396) | - |
| Capital increases | - | - |
| **Net cash flow from the period** | **(30,594)** | **29,543** |
| **Net financial indebtedness at the beginning of the period net of lease liabilities** | **(1,170,647)** | **(1,200,190)** |
| Change in net financial position | (30,594) | 29,543 |
| **Net financial indebtedness at the end of the period net of lease liabilities** | **(1,201,241)** | **(1,170,647)** |

# REVENUES FROM SALES AND SERVICES

(€ thousands)

| | FY 2024 | FY 2023 | Change | Change % |
|---|---|---|---|---|
| **Revenues from sales and services to subsidiaries** | **409,687** | **480,539** | **(70,852)** | **(14.7%)** |
| **Total** | **409,687** | **480,539** | **(70,852)** | **(14.7%)** |

Revenues for services rendered to subsidiaries include the sale of hearing aids and related accessories (Amplifon S.p.A. acts as the Group's procurement center), and the recharge of centralized services provided, including human resources management, marketing, implementation of shared IT systems.

The decrease of €70,852 thousands with respect to the previous year results is attributable to the lowering of transfer prices, in compliance with applicable tax and accounting regulations, and the creation of efficiencies that reduced centralized costs, thus lowering the amount invoiced to the subsidiaries.

# GROSS OPERATING PROFIT (EBITDA)

| (€ thousands) | FY 2024 | | | FY 2023 | | |
|---|---|---|---|---|---|---|
| | Recurring | Non-recurring | Total | Recurring | Non-recurring | Total |
| **Gross operating profit (loss) (EBITDA)** | **81,026** | **(2,960)** | **78,066** | **80,587** | **(12,433)** | **68,154** |

Gross operating profit (EBITDA) amounted to €78,066 thousands (19.1% of the revenues generated by sales and services) compared to €68,154 thousands on 31 December 2023.

In the comparing period the gross operating profit (EBITDA) was affected for €12,433 thousand by the notional cost of the one-off assignment made by the shareholder Ampliter of 500,000 of its Amplifon shares to the Chief Executive Officer in accordance with IFRS 2 "Share Based Payments", while the reporting period was affected not only by the current amount related to the previous mentioned assignment for €1,282 thousand, but also by the costs incurred to implement amendments to the Company's Articles of Association for €1,678 thousand, including the enhanced voting rights, comprising primarily tax, legal and financial consultancies, as well as the expenses related to the organization of the Extraordinary Shareholders' Meeting held on 30 April 2024.

Net of these non-recurring items, the increase of gross operating profit (EBITDA) amounted to €439 thousand (+0.5%) and the impact on revenues was up to 19.8%.

# OPERATING PROFIT (EBIT)

| (€ thousands) | FY 2024 | | | FY 2023 | | |
|---|---|---|---|---|---|---|
| | Recurring | Non-recurring | Total | Recurring | Non-recurring | Total |
| **Operating profit (loss) (EBIT)** | **48,030** | **(2,960)** | **45,070** | **49,836** | **(12,433)** | **37,403** |

Operating profit (EBIT) amounted to €45,070 thousands (11.0% of the revenues generated by sales and services).

In 2023 the operating profit (EBIT) was impacted for €12,433 thousands by non-recurring costs, while in 2024 non-recurring costs amounted to €2,960, as described in the section related to the gross operating profit (EBITDA).

Net of these non-recurring items, the operating result (EBIT) decreased by €1,806 thousands (-3.6%) and the incidence on revenues from sales and services referring only to recurring operations stood at 11.7%. The slight increase in the gross operating result (EBITDA) was in fact more than absorbed by the greater amortization resulting from the important investments made in innovation and digital transformation, in operating systems with reference to front-office solutions for the hyper-personalization of the customer experience, and the continuous implementation of the Group cloud ERP system. These were only partially offset by the transfer of some assets to the French subsidiary Amplifon France SAS following the closure process of the French branch.

# PROFIT BEFORE TAX

| (€ thousands) | FY 2024 | | | FY 2023 | | |
|---|---|---|---|---|---|---|
| | Recurring | Non-recurring | Total | Recurring | Non-recurring | Total |
| **Profit (loss) before tax** | **101,452** | **(6,138)** | **95,314** | **106,793** | **(12,433)** | **94,360** |

Profit before tax amounted to €95,314 thousands in 2024 compared to €94,360 thousands in 2023, an increase of €954 thousands.

In 2023 the profit before tax was impacted by €12,433 thousands in non-recurring costs, while in 2024 non-recurring costs amounted to €6,138, as described in the section related to the gross operating profit (EBITDA) they include the write-down of two investments in sectors not directly related to hearing aids amounting to €3,178 thousands.

Net of these non-recurring items, profit before tax decreased by €5,338 thousands compared to 2023.

The increase in market rates with respect to the 2023 average and the refinancing maturing portions of loans (which were subscribed in 2020-2021 with more favorable interest rates) at current rates caused costs to rise by €9,441 thousand, partially adjusted by the higher interest received on liquidity investments and by the net amount of interest recognized and collected by subsidiaries on the cash pooling and financing arrangements, and from higher dividends received from subsidiaries.

# NET PROFIT ATTRIBUTABLE TO THE GROUP

| (€ thousands) | FY 2024 | | | FY 2023 | | |
|---|---|---|---|---|---|---|
| | Recurring | Non-recurring | Total | Recurring | Non-recurring | Total |
| **Net profit** | **100,463** | **(5,283)** | **95,180** | **99,568** | **(8,941)** | **90,627** |

Net profit amounted to €95,180 thousands in 2024 compared to €90,627 thousands in 2023, due to the changes mentioned above.

Taking into consideration only recurring activities the increase in net profit has amounted to €895 thousands.

The small incidence of taxes was determined by the amount of dividends form subsidiaries that composed the profit before tax (around €90 millions) which have a tax rate of only 5%. Furthermore, the benefits related to the Patent box and other tax credits from R&D and Industry 4.0, further contributed to lower taxes.

Excluding the impact of dividends, non-deductible write-down of investments and benefits from Patent box, the tax rate would have reached 24%.

# NON-CURRENT ASSETS

(€ thousands)

| | 12/31/2024 | 12/31/2023 | Change |
|---|---|---|---|
| Goodwill | 8,025 | 8,025 | - |
| Other intangible fixed assets | 79,078 | 80,712 | (1,634) |
| Tangible assets | 4,174 | 6,133 | (1,959) |
| Right-of-use assets | 10,819 | 18,540 | (7,721) |
| Financial fixed assets | 1,924,246 | 1,837,302 | 86,944 |
| Other non-current financial assets | 8,980 | 3,519 | 5,461 |
| **Non-current assets** | **2,035,322** | **1,954,231** | **81,091** |

Non-current assets amounted to €2,035,322 thousands on 31 December 2024 versus €1,945,231 thousands on 31 December 2023, an increase of €81,091 thousands mainly attributable to:

- the capital increases and other cash contributions related to investments in the Chinese and American subsidiaries for a total of €73,988 thousands;
- an increase in financial fixed assets of €19,078 thousands following the acquisition in January 2024 of 100% of the capital of the companies Audical S,A,S,, Centro Auditivo del Uruguay S,A,S, and Ikako S,A, based in Uruguay;
- the decrease of the investment in the company Amplifon Cell – Malta for a total of €2,500 thousands as a result of its liquidation;
- the write-down of the investment in the company Pilot Blankenfelde Medizinisch-Elektronische Geräte GmbH for €1,558 thousands;
- the adjustment of the value of the Israeli shareholding following the revaluation of the related put and call option for €119 thousands and of the Chinese shareholding following the extinction of the related put and call option for €2,361 thousands;
- the increase in other non-current financial assets following the subscription of €7,243 thousands of tax credits deriving from superbonus discounts in accordance with articles 119 and 121 of Legislative Decree 34/2020 purchased from a primary financial institution for a nominal value of €46,263 thousands against a consideration of €43,149 thousands to be paid according to timescales in line with the forecasts for the use of the credits themselves. In compliance with current tax legislation, these credits are used as compensation for the payment of taxes, withholdings and contributions;
- the decrease in right-of-use assets following the transfer of certain assets to the French subsidiary Amplifon France SAS, resulting from the process of closing the French branch.

# NET INVESTED CAPITAL

Net invested capital came to €1,974,016 thousands at 31st December 2024, an increase of €33,376 thousands against the €1,940,640 thousands recorded at 31st December 2023.

The change in net invested capital has been partially offset by the changes in working capital, the decrease of deferred tax credits and derivatives, and the increase of other long-term debt.

# NET FINANCIAL POSITION

(€ thousands)

| | 12/31/2024 | 12/31/2023 | Change |
|---|---|---|---|
| Net medium and long-term financial indebtedness | 954,118 | 716,805 | 237,313 |
| Net short-term financial indebtedness | 516,898 | 566,775 | (49,877) |
| Cash and cash equivalents, other financial activities and short-term financial receivables | (269,775) | (112,933) | (156,842) |
| **Net financial indebtedness (A)** | **1,201,241** | **1,170,647** | **30,594** |
| Lease liabilities – current portion | 2,780 | 2,993 | (213) |
| Lease liabilities – non-current portion | 9,226 | 18,139 | (8,913) |
| **Lease liabilities (B)** | **12,006** | **21,132** | **(9,126)** |
| **Total lease liabilities & net financial indebtedness (A+B) (C)** | **1,213,247** | **1,191,779** | **21,468** |

Net financial debt, excluding lease liabilities, amounted to €1,201,241 thousand on 31 December 2024 and €1,170,647 thousand on 31 December 2023, with free cash flow positive for €152,127 thousand (compared to €163,913 thousand in the prior year). The significant net cash-out for acquisitions (€89,825 thousand versus €66,095 thousand in 2023), along with the dividends paid (€65,593 thousand versus €65,361 thousand in the comparison period), the purchase of treasury shares (€25,396 thousand, while no treasury shares were purchased in 2023), the commissions paid on loans and other variations in financial assets (€1,905 thousand versus €2,914 in 2023) bring cash flow for the reporting period to a negative €30,588 thousand versus positive €29,543 thousand in 2023.

The financial structure was strengthened by a few important transactions in 2024:

- In June 2024 Amplifon S.p.A. subscribed the last €50 million tranche of the €350 million loan granted by the European Investment Bank (EIB) to support innovation and digitalization. €300 million of this loan had already been subscribed in 2023.
- In September 2024 Amplifon S.p.A. signed a €50 million ESG-linked facility, backed by SACE's Garanzia Futuro, which will be used to finance the international rollout of Amplifon's new store format which aims to provide consumers with an immersive and highly personalized experience, thanks to the visual and digital elements integrated in an innovative and sustainable design.
- In October 2024 Amplifon S.p.A. signed a 5-year €200 million ESG linked credit facility with UniCredit and Cassa Depositi e Prestiti (CDP) comprising 2 tranches: €100 million granted by UniCredit, to support the Group's development initiatives and €100 million granted by CDP which co-financed Amplifon's investments in innovation in Italy that are already supported by the above-mentioned loan with EIB.
- In December 2024, Amplifon S.p.A. signed another €75 million ESG-linked credit facility with Mediobanca - Banca di Credito Finanziario to support the Group's development initiatives.
- During the year, as agreed with the lenders and based on the original loan agreements, the ESG KPI relative to the €560 million in ESG-linked lines of credit were updated to reflect the KPIs and targets included in the new sustainability plan.

Long-term debt amounts to €954,118 thousand and includes the Eurobond debt (€350 million) and the other long-term bank debts (€604,118 thousand). The increase in the period is attributable mainly to the new facilities stipulated during the year which were used to refinance short-term debt, net the reclassification of portions of long-term bank debt expiring in the next 12 months, from long-to short-term.

Short-term debt amounts to €516,898 thousand, with a decrease of €49,877 thousand which comprises primarily the short-term portion of long-term bank debt (€131,949 thousand), the hot money accounts used to support treasury activities and other short-term credit lines (€128,214 thousand), the interest payable on the Eurobond (€3,474 thousand) and on other bank loans (€2,358 thousand), financial debts towards subsidiaries of €274,721 and, lastly, the best estimate of the deferred payments for acquisitions (€1,989 thousand).

Gross debt, excluding lease liabilities, amounted to €1,201,241 thousand on 31 December 2024, €954,118 thousand of which long-term. The short-term portion amounted to €516,898 thousand which is partially offset by cash and cash equivalents and other current financial assets of €269,775 thousand. The latter, along with the €480 million in unutilized irrevocable credit lines, the unutilized portion of the loan signed with the European Investment Bank amounting to €225 million and the €216 million in other available uncommitted credit lines, provide ample headroom and ensure the flexibility needed to take advantage of any opportunities to consolidate and develop business that might materialize.

# NET EQUITY

(€ thousands)

| | 12/31/2024 | 12/31/2023 | Change |
|---|---|---|---|
| **Net Equity** | **760,769** | **748,861** | **11,908** |

Net equity amounted to €760,769 thousands on 31 December 2024 versus €748,861 thousands on 31 December 2023, an increase of €11,908 thousands, explained by the net profit for the year and the recognition of Stock Grant plans net of the decrease explained by the payment of dividends and the share buyback for €25,396 thousands.

# RECLASSIFIED CONDENSED CASH FLOW STATEMENT

(€ thousands)

| | FY 2024 | FY 2023 |
|---|---|---|
| **Operating profit (loss) (EBIT)** | **45,070** | **37,403** |
| Amortization, depreciation and write-down | 32,996 | 30,751 |
| Provisions, other non-monetary items and gain/losses from disposals | 10,031 | 24,627 |
| Net financial expenses | (37,321) | (30,780) |
| Dividends collected | 90,500 | 88,524 |
| Taxes paid | 823 | (10,038) |
| Changes in net working capital | 39,947 | 60,284 |
| **Cash flow provided by (used in) operating activities before repayment of lease liabilities** | **182,046** | **200,771** |
| Repayment of lease liabilities | (2,673) | (2,086) |
| **Cash flow provided by (used in) operating activities (A)** | **179,373** | **198,685** |
| Cash flow provided by (used in) operating investing activities (B) | (27,248) | **(34,772)** |
| ***Free Cash Flow (A+B)*** | 152,125 | **163,913** |
| Net cash flow provided by (used in) equity investments/ capital increases in related parties (C) | (90,705) | (75,426) |
| (Purchase) sale of other investment and securities, liquidation of subsidiary (D) | 880 | 9,331 |
| **Cash flow provided by (used in) investing activities (B+C+D)** | **(117,073)** | **(100,867)** |
| **Cash flow provided by (used in) operating activities and investing activities** | **62,300** | **97,818** |
| Other non-current assets | (98) | (18) |
| Hedging instruments and other changes in non-current assets | - | (1,483) |
| Fees paid on medium/long-term financing | (1,807) | (1,413) |
| Dividends distribution | (65,593) | (65,361) |
| Purchases of treasury shares | (25,396) | - |
| Capital increases | - | - |
| **Net cash flow from the period** | **(30,594)** | **29,543** |
| **Net financial indebtedness at the beginning of the period net of lease liabilities** | **(1,170,647)** | **(1,200,190)** |
| Change in net financial position | (30,594) | 29,543 |
| **Net financial indebtedness at the end of the period net of lease liabilities** | **(1,201,241)** | **(1,170,647)** |

The change in net financial debt of €30,588 thousands is attributable mainly to:

a) investing activities:
- the net increase in property, plant and equipment and intangible assets of €27,248 thousands, mainly attributable to investments in digitalization and information technology. In particular, the constant focus on the customer and the aim of increasing control over operational activities have driven a significant effort in the development of technological infrastructures through the Symphony project, focused on offering highly personalized experiences to customers, and in the optimization of store systems and equipment to support the Amplifon Product Experience, which has redefined the entire Amplifon customer journey. At the same time, investments in back-office systems and operational processes have continued.
- Capital increases of subsidiaries for €89,825 thousands, of which capital increases and other cash contributions made to the shareholdings in the Chinese and American subsidiaries for a total amount of €73,988 thousands, an increase of €19,078 thousands following the acquisition in January 2024 of 100% of the capital of the companies Audical S.A.S., Centro Auditivo del Uruguay S.A.S. and Ikako S.A. (Audical Group), a national leader in the hearing care sector based in Uruguay, a benefit of €2,361 thousands for the failure to exercise the put and call option on the company Soundbridge and a decrease of €880 thousands following the reimbursement received with the liquidation of the company Amplifon Cell, which took place on 30 December 2024.

b) operating activities:
- interest expense on financial indebtedness and other net financial charges of €37,321 thousands, of which €636 thousands relative to imputed interest on leases;
- dividends received from subsidiaries amounting to €90,500 thousands;
- payment of principal portions of leasing debts for €2,673 thousands.

c) financing activities:
- payment of €65,593 thousands in dividends;
- shares buyback amounting to €25,396 thousands;
- payment of commissions on medium-long term financing for €1,807 thousands;
- other disbursements for non-recurring activities which amount to €98 thousands.

# DATA CONTROLLER

The Board of Directors, held on May 7th, 2019, appointed the Chief Executive Officer as representative of "Data Controller" for all processing of personal data relating to the purposes of Amplifon S.p.A., as well as for data processing of personal data deriving from the management of the world market and from the governance of the Group.

# SUBSIDIARIES

Amplifon S.p.A. detains a branch office, Amplifon Succursale de Paris, with offices at 9 Boulevard Romain Rolland, Paris. On October 30, 2024, the Board of Directors of Amplifon S.p.A. decided to close this branch. The activities for the closure are ongoing, and it is expected that they will be completed in the first part of 2025.

# OUTLOOK

In 2024 Amplifon S.p.A. will also continue with the direction and management of the Group, as well as its role in centralizing procurement for the whole Group. The operating performance of the Company is connected to the Group expectations, where growth results are anticipated.

# YEARLY REPORT ON CORPORATE GOVERNANCE AND OWNERSHIP STRUCTURE AS AT DECEMBER 31ST 2024

**(PURSUANT TO ART. 123-BIS TUF)**

The report on Corporate Governance and Ownership Structure is available on the company's website at https://corporate.amplifon.com/en/governance/governance-system/corporate-governance-reports.

# 2024 CONSOLIDATED SUSTAINABILITY STATEMENT

AS AT DECEMBER 31ST 2024

# INDEX

## 2024 CONSOLIDATED SUSTAINABILITY STATEMENT

# GENERAL DISCLOSURES (ESRS 2)

# METHODOLOGICAL NOTE

### [BP-1] GENERAL BASIS FOR PREPARATION OF SUSTAINABILITY STATEMENTS

The Consolidated Sustainability Statement (hereinafter also "Sustainability Statement", "Statement") of the Amplifon Group (hereinafter also "Group" or "Amplifon") has been prepared on a consolidated basis and includes in its scope the parent company Amplifon S.p.A. (hereinafter also "Company") and all *legal entities* consolidated in the financial statements, with the exclusion of *legal entities* consolidated using the equity method, as they are joint ventures and associates over which the Group has no operational control.

The information contained in this document is the result of the double materiality assessment, which identifies the relevant impacts, risks, and opportunities (hereinafter also "IROs") for Amplifon. Details on the double materiality analysis can be found in "Amplifon's double materiality" paragraph of this chapter. The definition and assessment of IROs have taken into account the Group's own operations, the upstream and downstream value chain in which the Group operates, and its business relationships. Amplifon does not omit information relating to intellectual property, know-how, or the outcomes of innovation.

### [BP-2] DISCLOSURES IN RELATION TO SPECIFIC CIRCUMSTANCES

## TIME HORIZONS

The definition of time horizons adopted by Amplifon and its application reflect the practices historically adopted within the company's *Enterprise Risk Management* system, in particular, they are defined as follows:

- Short-term = 1 year;
- Medium-term = 1-3 years;
- Long-term = 3-10 years.

## VALUE CHAIN ESTIMATION

The definition of the contents of the 2024 Sustainability Statement involved key corporate functions, which worked in close collaboration under the coordination of the Investor Relations & Sustainability function (hereinafter also "IR & Sustainability). Performance indicators were selected based on the double materiality assessment and collected annually through a structured process of data collection, aggregation, and transmission at Group level. This process is governed by a specific procedure for drafting and approving the Sustainability Statement, which standardises the collection and validation of data. The process is managed through dedicated IT platforms for the collection and consolidation of sustainability data. For the sake of accurately representing performance and ensuring the reliability of the data, the use of estimates has been minimised as much as possible. Where estimates are present, they are based on the best available methodologies and are duly indicated. In particular, it is specified that Scope 1, 2, and 3 emissions have included the use of estimations.

## SOURCES OF ESTIMATION AND OUTCOME UNCERTAINTY

Amplifon has not identified any quantitative metrics and/or monetary amounts subject to a high level of measurement uncertainty.

## CHANGES IN PREPARATION OR PRESENTATION OF SUSTAINABILITY INFORMATION

Regarding changes in preparation of sustainability information, it should be noted that the 2023 carbon footprint has been revised following the refinement of the calculation methodology for the various categories that make up Scope 3 emissions. The affected categories are:

- 3.1 Purchased goods and services;
- 3.2 Capital goods;
- 3.4 Upstream transportation and distribution;
- 3.6 Business travel.

Furthermore, it should be noted that the Sustainability Plan has been slightly revised in some of its targets and supplemented with three new targets. For more details, please refer to the "Sustainability Strategy" paragraph of this chapter.

## REPORTING ERRORS IN PRIOR PERIODS

This document does not report any changes due to material reporting errors in previous reference periods.

## DISCLOSURES STEMMING FROM OTHER LEGISLATION OR GENERALLY ACCEPTED SUSTAINABILITY REPORTING PRONOUNCEMENTS

The information contained within this document is reported in accordance with European Sustainability Reporting Standards (hereinafter also "ESRS"). For further details on the requirements stemming from other European legislations, please refer to the "List of datapoints in cross-cutting and topical standards that derive from other EU legislation" section.

## INCORPORATION BY REFERENCE

Some elements of the reporting also refer to other sections of this document, more details are given below:

- Explanatory notes 4 "Intangible fixed assets with useful life", 5 "Property, plant and equipment" and 6 "Right-of-use assets" within the Consolidated Financial Statements and Related Notes, which show the values of changes in investments in tangible and intangible assets and assets with right of use, including those arising from business combinations;
- Explanatory Note 29 "Revenues from Sales and Services" within the Consolidated Financial Statements and Related Notes section, which shows the Group's revenues;
- Explanatory Note 30 "Operating Costs" within the section Consolidated Financial Statements and Related Notes, which shows the operating costs for the year 2024;
- Explanatory Note 44 section "Segment Information" within the Consolidated Financial Statements and Related Notes, which shows the Group's revenue broken down by region;
- Section "Risk Management" within the Management Report for information on the Group's ERM methodology.

# SUSTAINABILITY GOVERNANCE

## [GOV-1] THE ROLE OF THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

Amplifon's Corporate Governance structure is based on the principles outlined in the Italian Corporate Governance Code of January 2020, promoted by the Corporate Governance Committee of Borsa Italiana. The Company has adhered to the Code since its first version in 2001, promptly aligning with subsequent updates. The Board of Directors of Amplifon S.p.A.[1] (hereinafter also "BoD" or "Board"), is characterised by a well-balanced mix of professional backgrounds and competencies, including business leaders, executives from other industries, financial experts, and professionals with international experience, as well as professionals with experience in hearing care and Environmental, Social and Governance (hereinafter also "ESG") matters. Furthermore, more than half of the Board members are women, and the average age of directors has significantly decreased from 72 in 2011 to 62 today, with the youngest director being 41 and the oldest 76. Finally, approximately 80% of the Board consists of independent directors, with only one executive director - the Chief Executive Officer. In 2024, the Board of Directors met six times, with an attendance rate of 98.1%. The average meeting duration was two hours and forty-five minutes.

| Role | Name | Executive | Independent[2] | RCSC[3] | CRN[4] | Gender | Year of first appointment | Attendance rate | Competencies |
|---|---|---|---|---|---|---|---|---|---|
| Chairperson | **Susan Carol Holland** | | | ● | ● | F | 1988 | 100% | Business development and strategic planning, Risk, crisis and audit management, Finance, Governance, legal and regulatory, International context |
| Chief Executive Officer | **Enrico Vita** | ● | | | | M | 2015 | 100% | Business development and strategic planning, Finance, International context, Governance, legal and regulatory, HR and organisational change |
| Director | **Maurizio Costa** | | ● | | ● | M | 2007 | 100% | Business development and strategic planning, Finance, Governance, legal and regulatory, HR and organisational change, International context |
| Director | **Veronica Diquattro** | | ● | | ● | F | 2022 | 100% | Business development and strategic planning, Risk, crisis and audit management, IT, digital and cyber, ESG and climate change, HR and organisational change, International context |
| Director | **Laura Donnini** | | ● | ● | | F | 2016 | 100% | Business development and strategic planning, Risk, crisis and audit management, Finance, IT, digital and cyber, ESG and climate change, HR and organisational change, International context |
| Director | **Maria Patrizia Grieco** | | ● | | ● | F | 2016 | 83,3% | Business development and strategic planning, Risk, crisis and audit management, Finance, ESG and climate change, Governance, legal and regulatory, International context |
| Director | **Lorenza Morandini[5]** | | ● | ● | | F | 2022 | 100% | Business development and strategic planning, Finance, IT, digital and cyber, ESG and climate change, HR and organisational change, International context |
| Director | **Lorenzo Pozza** | | ● | ● | | M | 2016 | 100% | Business development and strategic planning, Risk, crisis and audit management, Finance, ESG and climate change, Governance, legal and regulatory, HR and organisational change, International context |
| Director | **Giovanni Tamburi** | | ● | | | M | 2013 | 100% | Business development and strategic planning, Finance, Governance, legal and regulatory, HR and organisational change, International context |

Business development and strategic planning

Finance

ESG and climate change

HR and organisational change

Risk, crisis and audit management

IT, digital and cyber

Governance, legal and regulatory

International context

1. The Board of Directors was appointed by the Shareholders' Meeting on 22 April 2022 and will remain in office until the approval of the financial statements as of 31 December 2024. The CVs of the BoD members are available on the Company's corporate website.
2. Directors that declare they qualify as independent in accordance with current regulations and the Italian Corporate Governance Code (Codice di Corporate Governance di Borsa Italiana).
3. RCSC: Members of the Risk, Control and Sustainability Committee.
4. CRN: Members of the Remuneration and Appointment Committee.
5. Directors appointed by the the minority list and independent pursuant to the Italian Corporate Governance Code (Borsa Italiana).

Amplifon's Board of Directors, appointed by the Shareholders' Meeting on 22 April 2022, consists of a total of 9 members, of whom: 1 is an executive director (11.1%), 8 are non-executive directors (88.9%), 2 are non-independent directors (22.2%) and 7 are independent directors (77.8%). Demonstrating the Group's strong commitment to diversity, the BoD includes four men (44.4%) and five women (55.6%)[6]. The Board of Statutory Advisors, on the other hand, is composed of one man and two women, for a total of three members. Furthermore, within the Board of Directors, the Chief Executive Officer and the members of three committees have been appointed to support its activities: Risk, Control and Sustainability Committee (hereinafter also "RCSC"), Remuneration and Appointment Committee (hereinafter also "RAC") and Related-Party Transactions Committee.

## BOARD OF STATUTORY ADVISORS[7]

| Role | Name |
|---|---|
| Chairperson | Gabriella Chersicla[8] |
| Standing | Patrizia Arienti |
| Standing | Alfredo Malguzzi |
| Alternate | Mario Stella Richter[8] |
| Alternate | Riccardo Foglia Taverna |

## REMUNERATION AND APPOINTMENT COMMITTEE

| Role | Name | Attendance rate |
|---|---|---|
| Chairperson | Maurizio Costa | 100% |
| Member | Susan Carol Holland | 100% |
| Member | Veronica Diquattro | 100% |
| Member | Maria Patrizia Grieco | 100% |

## RISK, CONTROL AND SUSTAINABILITY COMMITTEE

| Role | Name | Attendance rate |
|---|---|---|
| Chairperson | Lorenzo Pozza | 100% |
| Member | Susan Carol Holland | 60% |
| Member | Laura Donnini | 80% |
| Member | Lorenzo Morandini | 100% |

## RELATED-PARTY TRANSACTIONS COMMITTEE

| Role | Name |
|---|---|
| Chairperson | Laura Donnini |
| Member | Maurizio Costa |
| Member | Lorenza Morandini |

## SUPERVISORY BODY

| Role | Name |
|---|---|
| Chairperson | Lorenzo Pozza |
| Member | Laura Donnini |
| Member | Laura Ferrara<br>(Chief Internal Audit & Risk Management Officer) |

## EXECUTIVE RESPONSIBLE FOR FINANCIAL AND SUSTAINABILITY REPORTING

| Name |
|---|
| Gabriele Galli |

## SECRETARY OF THE BOARD OF DIRECTORS

| Name |
|---|
| Federico Dal Poz |

## EXTERNAL AUDITORS

| Firm |
|---|
| KPMG S.p.A. |

## LEAD INDEPENDENT DIRECTOR

| Name |
|---|
| Lorenzo Pozza |

6. The gender diversity within the Board of Directors, calculated as the average ratio of female to male board members, is 1.25.
7. The Board of Statutory Advisors was appointed by the Shareholders' Meeting on 24 April 2024 and will remain in office until the approval of the financial statements as of 31 December 2026.
8. Member of the supervisory body nominated from the minority list.

# SHAREHOLDERS' MEETING

The Shareholders' Meeting (hereinafter also "Meeting") has the authority, in an ordinary session, to approve the financial statements, appoint and dismiss Directors and Statutory Auditors, determine their remuneration, and deliberate on matters within its competence as provided by law. In extraordinary sessions, the Shareholders' Meeting resolves on amendments to the Articles of Association and other matters falling within its competence under legal provisions.

The Company's Articles of Association stipulate that, unless otherwise resolved by the Shareholders' Meeting at the time of appointment, the Board of Directors is granted, within the limits established by law, the broadest powers of ordinary and extraordinary administration and management, as well as full disposal powers without limitation.

# ENHANCED INCREASED VOTING RIGHTS

Following the adoption of Law 116/2014, which introduced the principle of increased voting rights into the Italian legal framework, on 29 January 2015, the Extraordinary Shareholders' Meeting amended the Articles of Association to allow shareholders to request two votes per each share held continuously for at least 24 months from the date of registration in the dedicated shareholder register prepared by the Company.

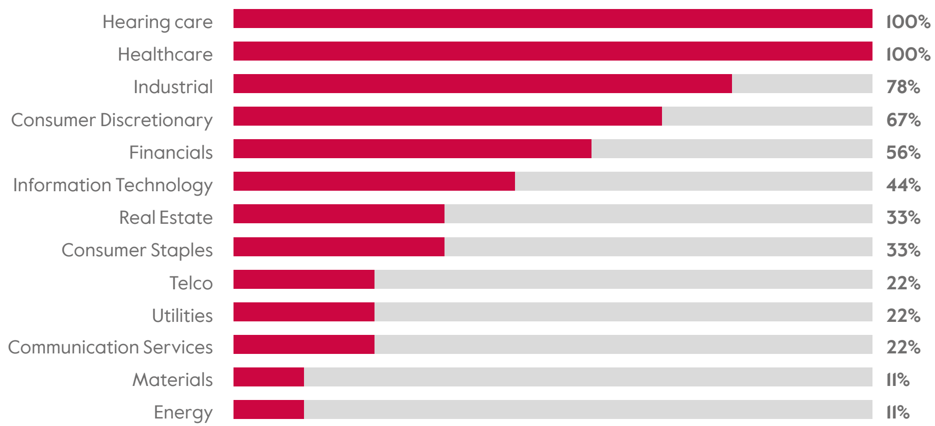
In line with the decision taken in 2015 and following the entry into force of Italian Law No. 21/2024 (the so-called "Capital Law"), on 30 April 2024, the Extraordinary Shareholders' Meeting adopted the enhanced increased voting rights mechanism to encourage a capital structure more supportive of the Group's further growth path in the long-term at a global level while more effectively and incisively rewarding long-term shareholders. This mechanism allows shareholders to accrue an increased voting right, starting with two votes per share if the share has been held continuously for at least 24 months from the date of registration in the Company's shareholder register. An additional voting right is accrued - resulting in a third vote per share - after a further year, with subsequent voting rights (i.e., fourth, fifth vote, and so on) up to a maximum of 10 votes per share, in compliance with applicable laws and regulations.

As of 31 December 2024, 95,592,712 shares (representing 59.38% of the Company's voting capital) were registered in the dedicated list with two voting rights. Of these, 95,105,392 shares (59.08% of the voting capital) were held by the majority shareholder, Ampliter S.r.l..

In line with the Italian Corporate Governance model, Amplifon does not provide for formal and direct employee or worker representation within its administrative, management, and supervisory bodies. This reflects a governance structure in which workers involvement is regulated through other mechanisms, such as trade unions, company trade union representatives (RSA), or unitary trade union representatives (RSU), rather than through direct presence on boards or decision-making bodies.

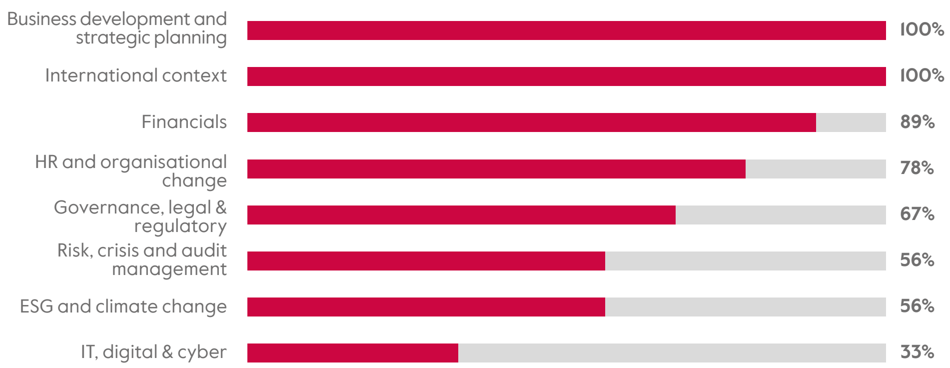
Amplifon's Board of Directors possesses adequate and diverse experience and competencies to effectively fulfil its role in overseeing the processes, controls, and governance procedures used to monitor, manage, and control impacts, risks, and opportunities. A detailed analysis of the competencies of the Board of Directors members is provided through the charts below, illustrating their areas of expertise and personal skills, ensuring transparency and completeness in assessing their suitability to manage the Company's strategic and operational challenges.

## BOD MEMBERS BY AREA OF EXPERTISE[9]




9. The areas of expertise have been identified based on the MSCI Global Industry Classification Standard: http://www.msci.com/our-solutions/indexes/gics.

## BOD MEMBERS BY COMPETENCY




The administrative, management, and supervisory bodies possess, or where necessary update, the necessary expertise to effectively address sustainability-related topics. In particular, the Board of Directors has direct sustainability expertise, with members bringing specific experience gained through dedicated training programmes. Over the past three years, the members of the Board of Directors have participated to induction sessions on sustainability topics to gain deeper insights into the Group's ESG-related risks and sustainability reporting. As per standard practice, a dedicated discussion on the Sustainability Plan was conducted, ensuring a thorough understanding of its objectives and targets. These activities are complemented by dedicated sessions on corporate policies (e.g., DEIB Policy, Supplier Code of Conduct, Whistleblowing Policy, etc.) when updated, ensuring a coherent and structured approach. This enables the members of the administrative, management, and supervisory bodies to gain not only a deep understanding of ESG principles and best practices, but also familiarity with relevant corporate policies. The synergy between these efforts ensures a comprehensive vision and effective management of sustainability-related impacts, risks, and opportunities.

The monitoring of sustainability impacts, risks, and opportunities is also ensured through the Sustainability Plan, which is reviewed and monitored in dedicated sessions by the responsible Committee. This role is assigned to the RCSC, which, as part of its support activities for the BoD, is responsible for overseeing sustainability-related activities and the management of ESG topics. Moreover, this commitment is clearly expressed and integrated within the Group's policies, which establish the strategic guidelines for the responsible and sustainable management of corporate activities.

The Board of Directors approves the Sustainability Statement, ensuring that it is prepared and published in compliance with Italian Legislative Decree 125/24. The Group policies, including the Sustainability Policy (which formalises the four areas of commitment for the Group), play a key role in guiding its sustainability strategy. Furthermore, following the review and validation of the ESG strategic guidelines (including the Sustainability Plan) by the RCSC and the BoD, the Group ensures oversight of the impacts, risks, and opportunities across all areas of sustainability. Supporting the BoD, the Risk, Control and Sustainability Committee is responsible for supervising internal control and risk management matters, including ESG-related issues affecting the Company's operations and stakeholder interactions. Additionally, the RCSC monitors the adequacy and effectiveness of the internal control system.

### [ESRS G1 - GOV-1] THE ROLE OF THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

Amplifon has a Code of Ethics that, in line with its corporate culture, defines the principles, values, and rules of conduct that guide the Group and its employees. The Code of Ethics is distributed across all the countries where the Group operates to ensure its local dissemination and effective implementation. Its provisions apply to all employees and all Amplifon companies, as well as to third parties whose actions are attributable to the Group.

The Group's Code of Ethics is approved by the Board of Directors, which promotes its implementation and compliance, ensuring alignment with industry best practices. The Board of Directors plays a central role in ensuring that the Company's conduct adheres to the principles of ethics, honesty, integrity, fairness, and good faith, fostering a corporate culture based on compliance with applicable regulations and best governance practices. For more details on the Board of Directors responsibilities regarding corporate conduct, please refer to the previous section.

## [GOV-2] INFORMATION PROVIDED TO AND SUSTAINABILITY MATTERS ADDRESSED BY THE UNDERTAKING'S ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

To enhance awareness of ESG topics and risks, regular updates on impacts, risks, opportunities, and sustainability initiatives are provided, if necessary, during meetings of the Board of Directors and the Risk, Control and Sustainability Committee, which take place five times a year. These updates include insights into efforts related to climate change mitigation and adaptation. At these governance meetings, reports on the activies performed in preparation for the Sustainability Statement are presented, including developments (such as the double materiality analysis, which was also validated by the BoD in 2024). Updates are shared on new projects and key milestones achieved in relation to the objectives set out in the Sustainability Plan (for further details, see the "Sustainability Strategy" paragraph of this chapter). Communication and engagement activities are also discussed, covering interactions with the financial community, ESG rating agencies, and all relevant stakeholders. The Internal Control and Risk Management System (ICRMS) consists of rules, procedures, and organisational structures designed to ensure sound corporate management by facilitating an effective risk identification and management process. Through the adoption of the *Enterprise Risk Management (hereinafter also "ERM")* model, Amplifon promotes a structured and systematic process of risk assessment, monitoring and reporting, aimed at the correct management of the main risks of the Group. This activity is coordinated and facilitated by the Group Risk Management function, which provides support to the internal stakeholders involved (Corporate Executive Officers, Executive Vice Presidents of the three Regions, Country General Managers and their respective local management teams, and selected Directors). The process takes place annually, with a semi-annual review to incorporate any updates on potential risks to which the organisation may be exposed, ensuring a structured identification, assessment, management, and monitoring of key risks. The resulting Group Top Risks map is presented biannually to the RCSC (June/December) and to the BoD, first as a note from the RCSC Chairperson in June and then as a specific agenda item in December. The monitoring of specific ESG goals included in the Sustainability plan is delegated to the BoD, which ensures effective operational implementation aligned with corporate strategies. Management continuously verifies progress and results within their respective areas of responsibility. The administrative and supervisory bodies play a broader, more strategic oversight role, monitoring the achievement of the Company's overall objectives and ensuring that all activities align with its vision, mission, and values. In addition, these governance bodies approve and/or oversee policies designed to address emerging impacts, risks, and opportunities, such as the Sustainability Policy, the Environmental Policy, the DEIB Policy, and the Code of Ethics, which are explored in greater detail in the "Policies, actions, metrics and targets" paragraph of this chapter. During the definition of the Sustainability Plan, the Global Investor Relations & Sustainability function engaged Top Management in open discussions on key ESG opportunities, evaluating strategic priorities for the Group. In the *Enterprise Risk Management* process, all material ESG topics, including those related to environmental aspects and climate change, were assessed with key stakeholders in terms of potential risks and opportunities identified, as well as proposed management and mitigation strategies; material risks and opportunities have been presented to the RCSC and the BoD.

The Board of Directors members annually address specific sustainability topics that have emerged as relevant, through dedicated sessions allowing for in-depth discussions on related impacts, risks, and opportunities. These meetings provide an opportunity to review and validate corporate strategies, such as Sustainability Plan updates and the definition of ESG objectives and targets, as well as ensure compliance with the latest regulatory requirements for climate-related disclosures and sustainability reporting. Furthermore, the Board, in addition to approving material impacts, risks and opportunities (for more information, please refer to the paragraph on "Amplifon's double materiality" within this chapter), is also responsible for assessing and approving any updates to corporate policies related to sustainability governance, thus strengthening its role in overseeing the Group's commitment to these issues.

## [GOV-3] INTEGRATION OF SUSTAINABILITY-RELATED PERFORMANCE IN INCENTIVE SCHEMES

Since 2020, Amplifon has sought to ensure the alignment of the Remuneration Policy with the Group's sustainability strategy, by setting the main objectives of the Sustainability Plan within the company's performance development review (the so-called " PDR "). and short-term variable incentive (MBO) schemes for *top management* (CEO/General Manager and Executives with Strategic Responsibilities). Under the MBO incentive mechanism, the bonus awarded based on performance target achievement is subject to a multiplier or demultiplier, depending on the attainment of individual objectives outlined in the PDR Scorecard. Each individual's objectives include at least one sustainability-related goal, ensuring full alignment between short-term incentives and the Group's sustainability objectives. Further demonstrating Amplifon's increasing focus on ESG issues, in 2022 the company launched a new performance-based remuneration scheme, the Sustainable Value Sharing Plan. Initially introduced for the Chief Executive Officer/General Manager, the plan was extended in 2023 to Executives with Strategic Responsibilities and selected key personnel, reinforcing a strong commitment to achieving ESG targets. In every country where Amplifon operates, short-term incentives are also in place for employees outside of Top Management, designed to reward individual and collective contributions towards achieving company objectives. Additionally, sales incentives are provided for employees working in stores and sales structures, aimed at driving performance and encouraging the achievement of commercial targets.

The development of Amplifon's Remuneration Policy involves multiple stakeholders, in line with the regulatory requirements applicable to publicly listed companies. Every aspect of the incentive system is reviewed by the Remuneration and Appointment Committee, which assesses its robustness before submitting it for approval by the Board of Directors. Certain equity-based incentive plans also require approval from the Amplifon S.p.A. Shareholders' Meeting.

For the 2024-2026 cycle of the Sustainable Value Sharing Plan 2022-2027, ESG performance is assessed based on four key metrics, each corresponding to a pillar of the Sustainability Plan:

- **Product and Service Stewardship**: providing complete free hearing tests, generating over €600 million in savings for customers and prospects between 2024 and 2026;
- **People Empowerment**: achieving Top Employer Global certification;
- **Community Impact**: securing at least 5,000 employee participations in the Amplifon Foundation's volunteering initiatives and *Social Ambassadorship* programmes;
- **Ethical Conduct and Environmental Responsibility**: increasing the adoption and use of rechargeable hearing aids, saving millions of disposable batteries annually.

Amplifon's Sustainable Value Sharing Plan is 50% linked to achieving these four ESG objectives, accounting for 16% of the total target pay mix for Amplifon's Chief Executive Officer. Given that 27% of the target pay mix consists of fixed remuneration, ESG metrics represent 11% of the company's overall incentive system.

## [ESRS E1 - GOV-3] INTEGRATION OF SUSTAINABILITY-RELATED PERFORMANCE IN INCENTIVE SCHEMES

It should be noted that the incentive system includes an environmental sustainability-related target under the "Ethical Conduct and Environmental Responsibility" pillar, specifically aimed at annual battery savings. For further details refer to the previous section. However, at present, there are no specific climate-related considerations within the remuneration structure for members of the administrative, management, and supervisory bodies.

## [GOV-4] STATEMENT ON DUE DILIGENCE

In preparing its Sustainability Statement, Amplifon Group has initiated a process of data collection and analysis regarding its due diligence practices (hereinafter "due diligence"), although this process has not yet been formally structured. In relation to supply chain due diligence, Amplifon has already adopted a structured and cyclical approach to prevent and mitigate significant negative impacts on workers within its value chain. This process is ongoing, involving continuous monitoring of supplier performance and compliance with the Supplier Code of Conduct, fostering improvements throughout the supply chain. This approach ensures that preventing negative impacts is an integral part of the Group's procurement and value chain management strategy.

However, Amplifon has not yet implemented an explicitly defined policy dedicated to this activity. The initiatives and projects outlined in the table below provide a fundamental contribution to building a framework for managing the environmental, social, and governance impacts the Group may generate or is already generating. These initial steps lay the foundation for the development of a more structured strategy in the near future.

# ELEMENTS OF DUE DILIGENCE

## A) EMBEDDING DUE DILIGENCE IN GOVERNANCE, STRATEGY AND BUSINESS MODEL

As a foundation for integrating social and environmental responsibility, Amplifon has adopted a range of policies that reflect its commitment to sustainability. These include:
- Sustainability Policy
- Code of Ethics
- Supplier Code of Conduct
- Whistleblowing Policy
- Anti-corruption Policy
- Environmental Policy
- DEIB (Diversity, Equity, Inclusion, and Belonging) Policy

In addition, due diligence governance activities are embedded within and defined by the following processes:
- Through the Risk Control and Sustainability Committee and its role in supporting the BoD in identifying, considering, and managing the impacts generated by the Group's activities.
- The double materiality assessment, which evaluates impacts, risks, and opportunities and serves as an input for potential modifications to the business model.


- Paragraph "Policies, actions, metrics and targets" of this chapter.
- Paragraph "Sustainability Governance" of this chapter.
- Paragraph "Amplifon's double materiality" of this chapter.


## B) ENGAGING WITH AFFECTED STAKEHOLDERS IN ALL KEY STEPS OF THE DUE DILIGENCE

For Amplifon, stakeholder engagement represents an opportunity for dialogue and collaboration. Specifically, to identify and manage the key aspects relevant to the Group, Amplifon employs various methods to maintain active communication with its stakeholders.
- Stakeholder engagement process:
  - The Group developed a structured, multi-year Stakeholder Engagement Plan, which facilitates a rotational approach to involving a broad range of stakeholders through interactive dialogue.
  - This initiative aims to deepen stakeholder engagement and integrate their perspectives into assessments of human rights and environmental impacts.
- As part of the impact assessment within the double materiality assessment process, several stakeholder categories were consulted in 2024 to identify significant impacts caused by the organisation;
- Amplifon's Whistleblowing Channel provides an accessible and secure communication platform for all stakeholders, enabling them to report concerns of various kinds;
- Recipients of the Group Code of Conduct are encouraged to play an active role in reporting any violations of its provisions. To support this, a dedicated email address (scoc@amplifon.com) is available, ensuring a transparent working environment that complies with regulatory requirements.


- Paragraph "Sustainability Strategy" of this chapter.
- Paragraph "Amplifon's double materiality" of this chapter.
- Paragraph "Policies, actions, metrics and targets" of this chapter.

# ELEMENTS OF DUE DILIGENCE

## C) IDENTIFYING AND ASSESSING ADVERSE IMPACTS

- The Group's double materiality process has placed particular emphasis on the assessment and prioritisation of impacts, aiming to identify those most relevant to both the organisation and its stakeholders.
- Product non-compliance monitoring serves as a key mechanism for identifying potential negative impacts arising from the use and commercialisation of the Group's products. This system allows for the early detection of non-compliance issues that could pose risks to safety, quality, and the environment.
- The Group Whistleblowing Channels are a crucial resource for receiving reports from the Group's stakeholders. These reports may relate to potential or actual negative impacts attributable to the scope of Whistleblowing channels, which Amplifon causes as a result of its activities.
- The supplier due diligence process, specifically in relation to ESG criteria, offers a detailed analysis of impacts within the Group's value chain (upstream). Amplifon utilises the EcoVadis platform to evaluate suppliers based on social, environmental, and ethical criteria, classifying them into low, medium, or high-risk categories. Risk assessment considers factors such as industry sector, product category, geography, and the criticality of the service or product for Amplifon. Where necessary, additional insights are gathered directly from suppliers regarding their ESG practices. Following a risk-based approach, an ESG self-assessment questionnaire is required to conduct a more in-depth due diligence process for suppliers identified as medium or high risk, based on their geography and sector.


- Paragraph "Amplifon's double materiality" of this chapter.
- Paragraph "Sustainability Governance" of this chapter.
- Paragraph "Policies, actions, metrics and targets" of this chapter.
- Paragraph "Actions, metrics and targets" of chapter "ESRS S2 – Workers in the value chain".


## D) TAKING ACTION TO ADDRESS THOSE NEGATIVE IMPACTS

- The Sustainability Plan serves as a key tool for effectively addressing the Group's negative impacts, outlining targeted actions to reduce its environmental footprint, promote social responsibility, and ensure strong governance.
- Where necessary, the Group Whistleblowing procedure provides for the carrying out of specific investigation activities, which may eventually result in corrective or disciplinary measures.
- The supplier due diligence process concerning ESG issues includes a set of specific actions aimed at resolving identified concerns. It is important to note that such actions are undertaken only when gaps are detected in the self-assessment procedure, i.e. the questionnaire completed by the supplier. These gaps may relate to deficiencies in the practices adopted or insufficient documentation provided to support the required evidence.
- The Group adopts specific actions, aimed at mitigating negative impacts and enhancing positive ones, in the respective sections of this document.


- Paragraph "Sustainability Governance" of this chapter.
- Paragraph "Policies, actions, metrics and targets" of this chapter.
- Paragraph "Actions, metrics and targets" of chapter "ESRS S1 – Own workforce", chapter "ESRS S2 – Workers in the value chain", chapter "ESRS S4 – Consumers and end-users" and chapter "ESRS G1 – Business conduct".

# ELEMENTS OF DUE DILIGENCE

## E) TRACKING THE EFFECTIVENESS OF THESE EFFORTS AND COMMUNICATING

- The Sustainability Plan and the achievement of its targets are continuously monitored.
- The Group's Whistleblowing procedure provides for the preparation of a half-yearly report, or timely if necessary, to the Risk Control and Sustainability Committee and the Supervisory Body – for reports relevant for the purposes of Italian Legislative Decree 231/01 – on the process of handling reports and the status of reports received.
- The supplier due diligence process related to ESG topics incorporates a dedicated monitoring system to ensure that, in cases where suppliers are classified as medium-to-high risk, the actions outlined in the action plan are implemented within the established timeframe. This contributes to enhancing the supplier's overall ESG performance.
- The Group defines specific metrics and targets, which are discussed in the respective sections of this document, to ensure that the actions taken are measurable, effective and aligned with the objectives set.

- Paragraph "Sustainability Governance" of this chapter.
- Paragraph "Policies, actions, metrics and targets" of this chapter.
- Paragraph "Actions, metrics and targets" of chapter "ESRS S1 – Own workforce", chapter "ESRS S2 – Workers in the value chain", chapter "ESRS S4 – Consumers and end-users" and chapter "ESRS G1 – Business conduct".

## [GOV-5] RISK MANAGEMENT AND INTERNAL CONTROLS OVER THE SUSTAINABILITY REPORTING

Amplifon's Internal Control and Risk Management System is designed to ensure the presence of structured safeguards for mitigating potential risks related to the Sustainability Statement. The Global Accounting and Compliance function plays a central role in this system, with its key responsibilities outlined in the "Internal Control and Risk Management System – Risk Control and Sustainability Committee" section of the Corporate Governance and Ownership Structure Report. This document details the processes and mechanisms used to manage risks related to the preparation of the Sustainability Statement. To support this system, an annual scoping exercise is conducted to identify the Group entities where the control model should be applied, considering business developments and consolidation scope.

In this context, Risk Control Matrices (hereinafter also "RCM") are implemented to oversee the monitoring process of the Sustainability Statement for the individual Disclosure Requirements. These matrices define key controls linked to identified risks, ensuring the effectiveness and adequacy of mitigation measures.

Through an in-depth analysis of data collection flows underlying reporting obligations, the Group has formally defined risk categories and corresponding control measures to mitigate them. These measures outline the nature, frequency, and responsible parties for their execution.

For each identified risk, the Risk Control Matrix defines mitigation strategies and corresponding controls, supported by an ongoing audit plan and periodic testing conducted by the Global Accounting and Compliance function. These assessments evaluate the control structure, identify potential gaps, and propose corrective actions, such as implementing compensatory controls or modifying operational processes, to ensure effective oversight of critical areas.

The integration of internal controls into business processes is further strengthened through the semi-annual reporting of key findings and corrective actions to the Risk Control and Sustainability Committee and the Board of Directors. This reporting process enables the monitoring of the effectiveness of the Internal Control System, ensuring that governance bodies receive timely and accurate information. Beyond compliance with regulatory requirements and corporate governance principles, this approach supports alignment with sustainability objectives, providing a solid foundation for integrated risk management and transparent reporting.

# SUSTAINABILITY STRATEGY

## [SBM-1] STRATEGY, BUSINESS MODEL AND VALUE CHAIN

## THE GROUP'S MARKETS AND CUSTOMERS

Amplifon provides hearing care products and services to individuals affected by hearing loss, leveraging the expertise of hearing care professionals across its extensive distribution network in every market where it operates.

The Group operates through three regional structures:

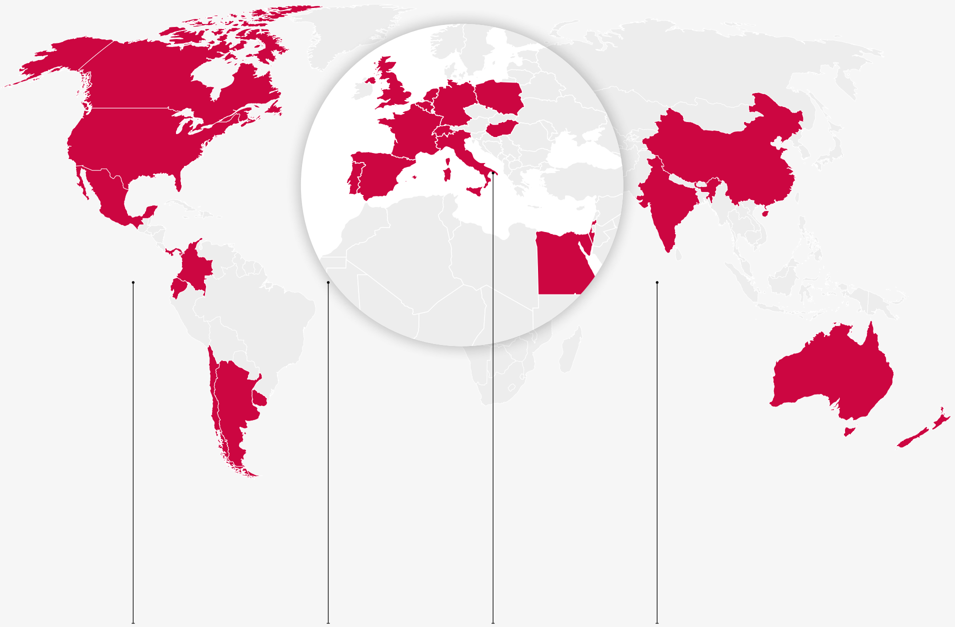
- EMEA
- Americas
- APAC

Amplifon is present in 26 countries with a network of over 10,000 points of sale, including: Italy, Spain, France, Germany, the Netherlands, Switzerland, Belgium, Portugal, the United Kingdom, Hungary, Poland, Israel, Egypt, the United States, Canada, Argentina, Chile, Ecuador, Panama, Colombia, Mexico, Uruguay, Australia, New Zealand, India, and China.

At a global level, over 1.5 billion people[10] experience some degree of hearing loss, with 430 million requiring rehabilitation. With increasing life expectancy and rising noise exposure, the number of people affected is projected to grow significantly, potentially reaching 700 million by 2050. Amplifon is therefore expanding its efforts to raise awareness of hearing health across all age groups. At the same time, it is important to note that most of Amplifon's customers experience moderate to severe hearing loss, according to the hearing impairment classification established by the World Health Organization (hereinafter also "WHO"). The Group relies on more than 8,200 highly qualified specialists to provide personalised solutions aimed at enhancing the hearing health and overall quality of life of its customers.

10. Source: World Health Organization.

### EMPLOYEE DISTRIBUTION BY GEOGRAPHICAL AREA



| AMERICAS | EMEA | CORPORATE | APAC |
|---|---|---|---|
| 2,449 | 8,499 | 361 | 3,761 |

TOTAL GROUP

15,070

# THE GROUP'S PRODUCTS AND SERVICES

Amplifon provides hearing care products and services for individuals experiencing hearing loss. To do so, the Group sources hearing aids from leading global manufacturers and employs hearing care specialists who fit the devices to each customer's hearing profile and specific needs.

In 2018, Amplifon introduced its own Amplifon-branded product line, which today accounts for approximately 70% of the Group's consolidated revenue, while continuing to offer manufacturer-branded hearing aids in social market segments and in countries not yet included in the roll-out plan.

Indeed, the *Amplifon Product Experience* serves as a unique driver for strengthening brand identity, differentiating services, and offering a comprehensive value proposition, combining product, service, and experience. The Amplifon Product Experience, which includes Amplifon-branded products and the Amplifon omnichannel ecosystem, is an integrated system that places customers at the centre of a seamless experience where service and product work in full synergy. The Amplifon omnichannel ecosystem is an advanced digital platform that harnesses cutting-edge technology and big data analytics to collect and analyse hearing device usage patterns, customer feedbacks, and consumer needs. This data is then used to create a unique, personalised, and distinctive experience. The Amplifon Product Experience goes beyond the in-store visit, redefining the entire customer journey. It provides quick access to tailored, high-value services, designed to continuously enhance customer satisfaction. Within this ecosystem, the Amplifon App serves as the first touchpoint for consumers. With a 23% adoption rate, it enables users to manage device functions, receive battery replacement alerts, and access AI-driven recommendations for optimising hearing settings based on surrounding sounds.

The *Amplifon Product Experience* has been successfully launched in 12 countries - Italy, France, Germany, the Netherlands, Spain, the United States (Miracle-Ear and Amplifon Hearing Health Care), Australia, the United Kingdom, Belgium, Portugal, New Zealand, and Switzerland. In these markets, penetration has reached approximately 95% of private and paid-up revenues, accounting for around 70% of the Group's total revenue.

With a strong commitment to continuous sustainability improvement, the Group has developed its Amplifon-branded product packaging to be fully reusable and made with over 70% recycled materials. This initiative ensures both environmental responsibility and practical benefits for the end consumer. The roll-out of the new packaging has already been completed in 5 countries: Italy, Spain, Germany, New Zealand and Australia.

## Ampli-Care

Ampli-care is Amplifon's cutting-edge platform, designed to deliver a revolutionary and personalised hearing experience, both during in-store visits and at every stage of the customer journey. Ampli-care is built on three pillars:

### I. IMMERSIVE EXPERIENCE

As part of the Ampli-care ecosystem, Amplifon stores are undergoing a complete transformation, gradually adopting an immersive store format as part of the company's internal network renewal programme. With the aim of offering a unique experience to its consumers and strengthening the global brand, also through innovative architectural design, this new format - already present in nearly 500 stores worldwide - focuses on two key areas. The retail zone features a welcoming reception and waiting area, showcasing hearing solutions, while the Solution Room places the customer at the centre of the experience, alongside their caregiver and hearing care professional. This space is enhanced by immersive visual and digital elements, creating an engaging and interactive environment. The modular design follows a scalable approach, ensuring adaptability to the diverse layouts and needs of stores across different markets. In addition, Amplifon stores are equipped with state-of-the-art diagnostic tools, such as Otopad, enabling interactive, touch-based audiology experiences. This technology allows for sophisticated hearing assessments, ensures standardised service quality at the highest level, and optimises the efficiency of hearing care professionals, ultimately enhancing the customer experience.

### 2. HYPER-PERSONALISED SOLUTIONS

With cutting-edge technology and a 360° omnichannel approach, Ampli-care enables a deeper understanding of each customer, providing hearing care professionals with more insights than ever before to deliver a truly hyper-personalised experience. Ampli-care also supports professionals in identifying the best hearing solution for each customer through a proprietary system known as the "solution builder engine", already implemented in stores across Spain, the United Kingdom, and Belgium.

### 3. ALWAYS-CONNECTED SUPPORT

With an advanced remote monitoring and assistance system, Amplifon's hearing care professionals remain constantly connected, allowing them to track how customers use their devices and identify specific needs - even outside of store visits. Looking ahead, assistance will also be provided remotely through video call systems aimed at fine tuning the hearing aids.

## Digital leadership

Amplifon.com ranks first for organic traffic in the hearing care sector across seven of the eight major markets in which Amplifon operates. Alongside the Group's other brands and digital channels, including social media, it continuously engages not only its customers but also their caregivers -friends and family members who play a key role in their hearing journey. With an in-house content creation team, Amplifon's websites are constantly optimised using a data-driven approach that is fully integrated with the company's Customer Relationship Management (hereinafter also "CRM") systems, ensuring ever greater effectiveness. Today, over 25% of all new leads come from Amplifon's digital platforms, and the number of online appointment bookings has increased by approximately 20% globally compared to 2023. Additionally, through Earpros.com, the Group's unbranded platform, present in seven countries, Amplifon has reached an additional 4.8 million users, who, on average, are four years younger than those engaging with Amplifon's branded websites.

### DIGITAL SOLUTIONS FOR ACCESSIBILITY

Just as Amplifon's consumer websites allow customers and prospects to easily access services such as the store locator and the online hearing test, the Amplifon App also offers a suite of high-value services. Beyond enabling real-time control of hearing device functions, the app provides direct access to essential services via smartphone, including online appointment booking and the "Companion" feature, which is particularly beneficial for customers in their initial adjustment phase with their new hearing device. By integrating remote support, the app enhances service accessibility, making it easier for customers to navigate their hearing journey. Built-in video tutorials help users resolve minor issues, while intuitive navigation paths ensure a seamless and user-friendly experience.

### AMPLIFON X

Amplifon X is the Group's internal start-up, fully dedicated to its digital innovation strategy. It is responsible for software design and the end-to-end development of highly innovative digital solutions, aimed at enhancing both in-store and remote hearing care services. With a team solely focused on digital innovation, Amplifon X enables the Group to continuously redefine the global standards of audiological care, strengthening its competitive advantage and delivering a unique, inimitable experience for both customers and hearing care professionals.

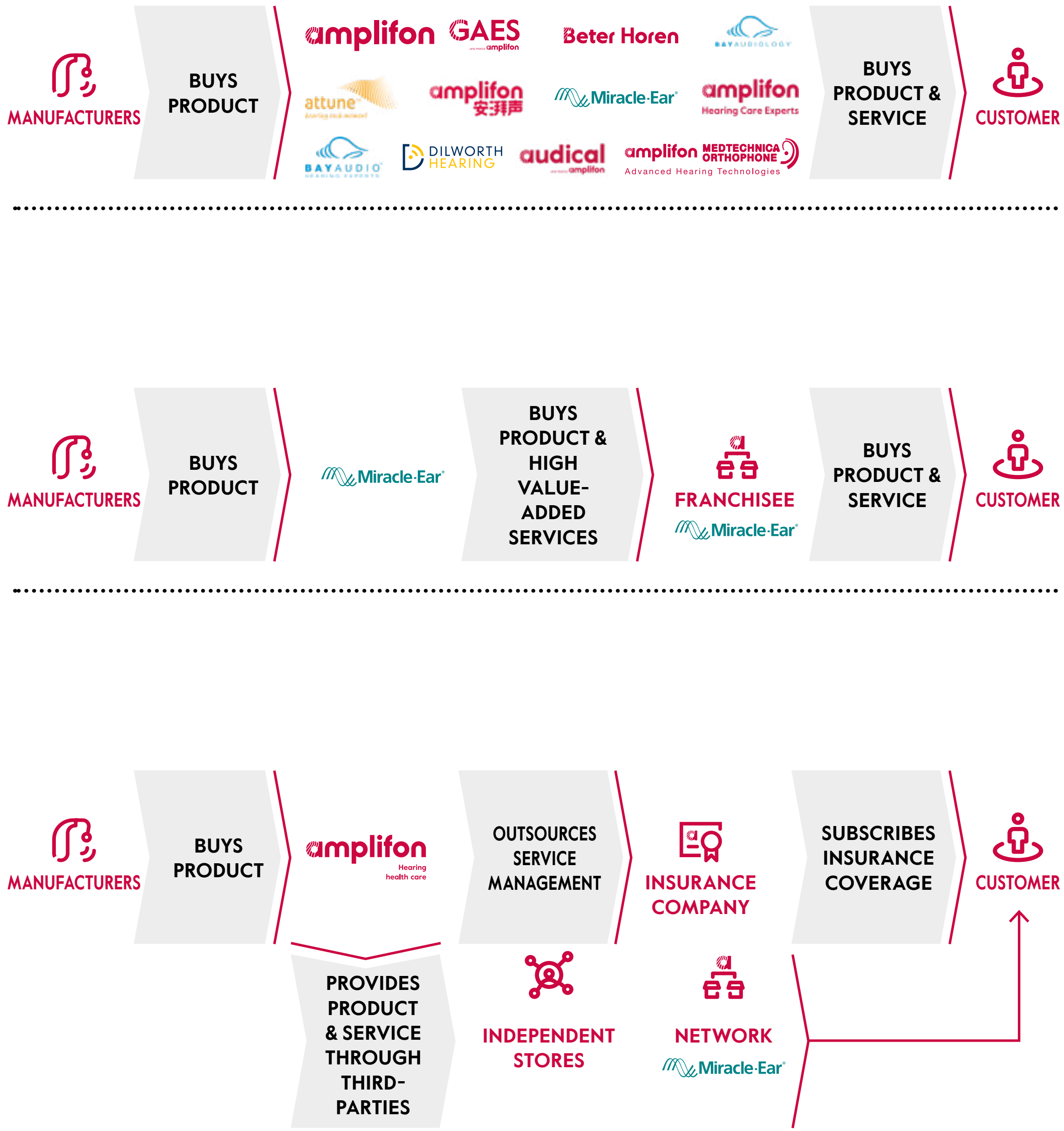
# BUSINESS MODEL

Amplifon provides exceptional hearing care services directly to consumers by combining technical expertise, cutting-edge technology, and - above all - empathy. Those who choose Amplifon experience a tailored, exclusive journey that goes beyond simply purchasing a hearing device.

## Amplifon 360 protocol

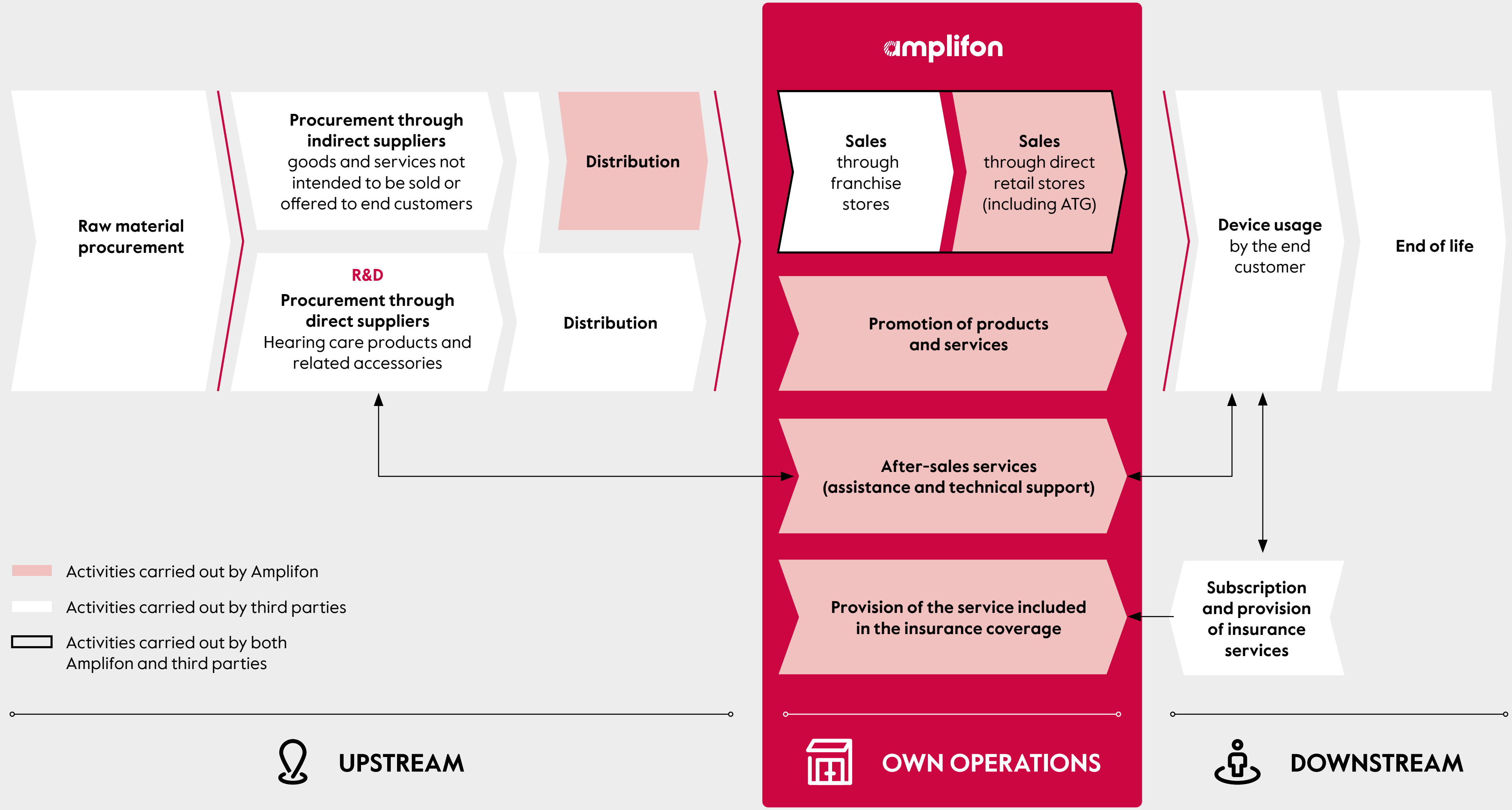
The success of a hearing solution depends on the expertise of Amplifon's hearing care professionals, who conduct hearing tests, select the most suitable device from the world's leading hearing technology manufacturers, and ensure a perfect fit based on each person's individual needs. To support this process, the Group developed the Amplifon protocol (hereinafter also "Amplifon 360"), a patented protocol that combines a data-driven approach with advanced yet easy-to-use technologies to assess hearing capabilities and guide audiologists in identifying the best hearing solution for each customer. Amplifon 360 enhances customer engagement during the evaluation process, allowing for a more in-depth analysis of individual needs and lifestyle factors. The protocol is presented to customers through interactive digital applications featuring a video interface, offering an immersive experience that helps them better understand their hearing profile and the benefits of their recommended solution. Demonstrating its effectiveness, the Amplifon 360 protocol has been approved by the Italian Society of Audiology and Phoniatrics (hereinafter also "SIAF") and has received patents in the United States, Australia, and Europe, validating its uniqueness and innovative nature. These recognitions highlight its significant role in advancing audiological techniques. Importantly, Amplifon 360 makes hearing care more accessible to countless individuals by offering free hearing tests to anyone visiting an Amplifon store. This initiative has generated substantial economic savings for customers, prospective clients, and the wider community.

## Business model



# VALUE CHAIN

Amplifon's value chain is designed to meet the evolving needs of the market and consumers, ensuring high quality, technological innovation, and a strong commitment to sustainability and customer care. The Group's value chain activities are specifically structured across several key phases, ranging from raw material sourcing and product research & development to the distribution of finished products, delivery of high-value services, product usage, and disposal. The Group's value chain also stands out for its use and optimisation of certain intangible assets, such as brand and reputation, to foster trust-based relationships with its customers; innovation, which enhances the Group's competitiveness and ability to meet market demands with high-quality solutions and highly specialised expertise, acquired both through rigorous talent acquisition and specific training programmes provided by the Group to its employees, serving as a key driver of differentiation and excellence.



## Procurement

The procurement of raw materials is a critical upstream stage of the Group's value chain. This phase involves key material suppliers providing components such as microchips, electronic circuits, and external casing materials (e.g., plastic, metal, and silicone) to hearing aid manufacturers. These components must be technologically advanced and reliable, but also safe and biocompatible, ensuring durability and optimal performance of hearing aids.

Regarding direct suppliers, the Group works with a limited number of key partners with whom it has built long-standing relationships over the years. The consolidation of these relationships enables continuous improvement in collaboration with suppliers, both in terms of business operations and sustainability initiatives. As a global leader, and considering the crucial role of hearing technology in customer interactions, Amplifon collaborates with the most reputable hearing aid manufacturers, carefully selecting the most suitable products and technologies for different markets. This ensures the safety and quality of the devices sold while providing comprehensive support to customers throughout the entire product lifecycle.

## Distribution

The distribution of Amplifon products integrates both direct and indirect channels, ensuring broad market coverage and a high-quality service across the downstream segment of the value chain. The Group is actively optimising its logistics and distribution model, including demand and inventory planning, warehouse and transport operations, and reverse logistics management. By leveraging end-to-end integration between upstream suppliers and retail outlets, Amplifon is enhancing its entire distribution network. This improvement is further supported by the implementation of new planning methodologies, automated stock replenishment technologies for stores, and the digitalisation of key processes.

## Sale of high value-added products and services

Amplifon provides both hearing aids and accessories, along with a full range of professional services designed to ensure the optimal use and effectiveness of its devices. These services include counselling, hearing tests, selection of the most suitable hearing solution, fitting (adjusting device parameters to match individual hearing needs), and assessment tests to evaluate improvements. The Group is committed to ensuring that every customer enjoys an optimal experience, with user-friendly devices and continuous monitoring, ultimately enhancing their quality of life and hearing well-being.

Amplifon operates through three key business models:

- ***Business-to-Consumer***: In EMEA, APAC, Canada, and Latin America, Amplifon serves customers through directly operated stores. In the United States, operations are carried out through approximately 400 Miracle-Ear branded stores.
- ***Franchising***: Miracle-Ear operates in the United States primarily through a franchise network. Its approximately 1,210 locations run their business independently while aligning with the Group's strategic guidelines.
- ***Managed care***: Through agreements with leading insurance providers in the United States, Amplifon Hearing Health Care offers policyholders hearing solutions and services via a network that includes 1,600 Miracle-Ear locations and more than 5,400 independent partner stores.

## Promotion of products and services

Amplifon actively promotes its products and services through targeted marketing campaigns, events, and collaborations with healthcare professionals. The company's promotional efforts also focus on raising awareness of the benefits of hearing aids and audiological solutions, emphasising the importance of early diagnosis and appropriate treatment for hearing loss. As an industry leader, Amplifon is committed to creating a synergistic regional network of creative partners, reinforcing its presence and impact across different markets.

## Device usage, assistance and technical support

The use phase of a hearing aid is designed to be intuitive and fully supported by ongoing assistance. This stage is considered critical, as it directly determines the effectiveness of the hearing solution for the customer and significantly impacts their quality of life. Post-sale support is a fundamental part of Amplifon's value chain. The Group provides continuous technical assistance, which includes: training on device usage and maintenance, scheduled follow-up visits, adjustments and fine-tuning of hearing aids, device cleaning and ongoing customer support.

### *End of life*

The end-of-life phase of hearing aids occurs when devices are no longer functional or no longer meet the customer's needs, making their disposal necessary. At this stage, hearing aids are collected and properly disposed of, as they can no longer serve their original function. Devices may be outdated, irreparably damaged, or simply replaced with more advanced models.

The information provided is based on continuous updates to industry knowledge and insights, enabling the sector to maintain high standards of information quality. These updates are shared within the European Hearing Instrument Manufacturers Association (hereinafter also "EHIMA"), where the Group actively participated in several meetings throughout 2024. A more in-depth analysis of the Group's customer composition will be included in the ESRS S4 chapter on users and end consumers. However, the very nature of Amplifon's products and services brings significant benefits to its customers, in line with the company's mission: to enhance people's lives by helping them rediscover the full range of sounds and emotions.

## KEY HIGHLIGHTS OF ECONOMIC AND FINANCIAL RESULTS

In 2024, Amplifon recorded higher revenues compared to the previous year. Specifically, the financial year closed with total revenue of €2,409.2 million, up 7.0% at constant exchange rates and 6.6% at current exchange rates compared to 2023. In particular, with respect to the different geographical areas:

- EMEA revenues of €1,531.3 million, increasing by 3.0% at constant exchange rates and 3.1% at current exchange rates year-on-year;
- Americas revenues of €507.3 million, reflecting strong growth of 19.8% at constant exchange rates and 18.1% at current exchange rates;
- APAC revenues of €370.3 million, rising by 8.4% at constant exchange rates and 7.4% at current exchange rates compared to 2023;
- Furthermore, the Group operates through Corporate structures, which include central functions such as corporate bodies, general management, business development, procurement, treasury, legal affairs, human resources, information systems, global marketing, and internal audit. These do not qualify as operating segments under IFRS 8. These central functions generated revenues of 342 thousand euros in 2024.

For further information, please refer to the Explanatory Note 44 "Segment Information" within the Consolidated Financial Statements and Related Notes section of the Annual Report.

# THE GROUP'S SUSTAINABILITY STRATEGY

## Sustainability plan

In 2024, Amplifon updated its Sustainability Plan, setting new targets aligned with the Group's business strategy. These objectives take into account global ESG megatrends and emerging regulations, reinforcing Amplifon's commitment in key areas. They have also been integrated into the company's performance evaluation and variable incentive systems for Top Management. With the publication of this consolidated Sustainability Statement, Amplifon has further updated its Sustainability Plan, integrating three new targets to strengthen its commitment to people and the environment. The Sustainability Plan takes into account the priorities and expectations of key stakeholders, including employees, communities, suppliers, investors, and ESG rating agencies. It remains consistent with Amplifon's corporate culture while highlighting the company's contribution to the United Nations 2030 Agenda for Sustainable Development and the Sustainable Development Goals (SDGs) most relevant to its business. Following review and validation by the RCSC and the BoD, the Plan has been periodically monitored and shared internally through dedicated update sessions to track and present the progress achieved.

With the active involvement of key business functions, specific actions have been implemented to support each objective. Performance is monitored through regular updates to Top Management and governance bodies.

OUR SUSTAINABILITY STRATEGY

## SUSTAINABILITY PLAN

### PRODUCT & SERVICE STEWARDSHIP

Target completed  New target

| Goal | Target | KPI | BASELINE | 2024 |
|---|---|---|---|---|
| Facilitate access to hearing care and improve the lives of as many people as possible | Offer free complete hearing tests[11], generating a total saving of more than **€600 million** for prospects and customers in the period 2024-2026 | Clients and prospects' annual economic saving (€ million) | € 184 million (2023) | € 200 million |
| Promote increasingly innovative and engaging hearing experience | Implement the New Store Protocol in **at least one third of countries by 2026** | Percentage of countries adopting the New Store Protocol (%) | 4% (2023) | 15% |
| Support students and professionals in joining the hearing care sector | Globally invest in future audiologists and hearing care professionals by offering adult professional programs and licensing support involving **at least 800 people** in the period 2024-2026 | Number of students, professionals and junior professionals supported (nr.) | 363[12] (2023) | 265 |
| Improve the sustainability characteristics of the Amplifon branded products' packaging | **Define and launch** a new Amplifon-branded product re-usable packaging with reduced dimensions and revised material, by 2025 | Launch of the new re-usable packaging (yes/no) | - (2023) | Packaging launched |
| | Launch the new Amplifon-branded product re-usable packaging with revised material, in **85% of APE[13] countries**, by 2026 | Percentage of APE countries with new packaging (%) | 42% (2024) | 42% |

11. This target is calculated on the only individuals who received a complete test (i.e., on four frequencies) for a selection of countries (10 out of 26) for which data is available in the new front office systems. Savings are estimated on the basis of the average cost of hearing tests offered free of charge to customers.
12. Please note that the baseline has been changed from 365 to 363 due to an improvement in the calculation and data collection methodology.
13. APE countries (Amplifon Product Experience) refer to countries where the Amplifon branded product line is present.

## PEOPLE EMPOWERMENT

Target completed New target

| Goal | Target | KPI | BASELINE | 2024 |
|---|---|---|---|---|
| Strengthen the leadership and functional skills of all employees globally | Provide **at least 3 days** on average of training per year per capita for back-office employees (of which **at least 2 hours** on average of training on sustainability-related topics) and field force employees, up to 2026 | Average number of days of training per back-office employee per year (days a year) | 3.6 (2023) | 3.4 |
| | | Average number of sustainability training hours per back office employee per year (hours a year) | 0.4 (2023) | 2.9 |
| | | Average number of training days per field force employee per year[14] (days a year) | 3.7 (2023) | 4.1 |
| Ensure a solid succession pipeline for key roles | Ensure that **at least 40% of the back-office population** is assessed as talents & high performers every year up to 2026 | Percentage of talents & high performers per year in the back-office population (%) | 43% (2023) | 46% |
| | Ensure that **at least 30% of the field force** is assessed as talents & high performers by 2026 in the countries where the new assessment system for the field force is implemented | Percentage of talents & high performers per year in the field force population according to the new assessment system (%) | 27% (2023) | 30% |
| Ensuring a healthy and inclusive winning workplace | Obtain the **Top Employer Global certification** by 2026 | Global Top Employer Certification obtained (yes/no) | Certification achieved for Europe, North America, Colombia, and New Zealand (2023) | Certification achieved for Europe, North America, LATAM, Australia, and New Zealand |
| Promote equal opportunities at all levels of the organization | Maintain an appropriate level of gender representation in the global back-office population (at least **above 50%**) every year up to 2028, and increase it in the global leadership population (**at least up to 35%**) by 2028 | Percentage of female employees in the global back-office population (%) | 53% (2023) | 53% |
| | | Percentage of female employees in the global leadership population (%) | 27% (2023) | 23% |
| | **Launch a new Global DEIB Action Plan** by 2024, including bias-free workshops for the DEIB committee & core team, and all global leaders, by 2024 | Launch of the DEIB Action Plan with bias-free workshops (yes/no) | - (2023) | DEIB Action Plan launched |

14. Including non-employee field force, excluding franchisees.

## COMMUNITY IMPACT

Target completed   New target

| Goal | Target | KPI | BASELINE | 2024 |
|---|---|---|---|---|
| Promote awareness about responsible listening and increase awareness about hearing care well-being | Extend the "Listen Responsibly" program to involve a total of at least **20**[15] **million people under 35** (including students) through digital communication campaigns and events by 2028 | Number of people under 35 reached via the Listen Responsibly program (nr.) | 48,763[16] (2023) | 9,601,503 |
| | Reach at least **110,000**[17] **total noise measurements** via the noise tracker of the "Listen Responsibly" app by 2026 | Number of noise measurements mapped (nr. of total measurements) | 22,779 (2023) | 89,027 |
| Support employee volunteering, ambassadorship, and engagement initiatives | Reach at least **5,000 employees' participations** in Foundations' volunteering initiatives and Social Ambassadorship initiatives in the period 2024-2026 | Number of participations (nr.) | 1,553 (2023) | 3,846 |
| Support the Group Foundations' activities to spread the "sound of inclusion" | Contribute to the development of Amplifon Foundation's activities, also to expand its activities in other countries outside Italy, with at least **€5 million** donated in the three years 2024-2026 | Amplifon's financial contribution to the Amplifon Foundation (€ millions) | €4.3 million (2021-2023) | €1.75 million |

15. The target has been recalibrated from 10 million under 35 to 20 million under 35 to extend the Group's commitment further.
16. The 2023 baseline only includes students involved in "Listen Responsibly" initiatives in schools, excluding digital campaigns that have been included from 2024.
17. The target has been recalibrated from 50,000 measurements to 110,000 measurements to extend the Group's commitment further.

## ETHICAL CONDUCT & ENVIRONMENTAL RESPONSIBILITY

Target completed    New target

| Goal | Target | KPI | BASELINE | 2024 | |
|---|---|---|---|---|---|
| Integrate sustainability criteria into the responsible management of the supply chain | Achieve Supplier Code of Conduct (SCoC) acceptance and conduct supplier ESG assessment of **100% of the main direct suppliers**[18] and at least **50% of key indirect suppliers**[19], by spend, by 2026 | Direct suppliers SCoC acceptance coverage (% by spend) | 79% (2023) | 100% | |
| | | Direct suppliers ESG assessment coverage (% by spend) | 0% (2023) | 93% | |
| | | Key indirect suppliers' SCoC acceptance coverage (% by spend) | 20% (2023) | 41% | |
| | | Key indirect suppliers' ESG assessment coverage (% by spend) | 0% (2023) | 23% | |
| Increase the supply of green electricity and reduce GHG emissions to limit Amplifon's carbon footprint | Reach **100% of green electricity supply** for HQs and direct stores by 2030 | Share of green electricity supply for HQs and direct stores (%) | 74% (2023) | 80% | |
| | Reach **more than 60% hybrid or fully** electric global car fleet by 2030 | Share of hybrid/fully electric cars within the global fleet (%) | 13% (2023) | 25% | |
| | **Set and submit** near-term decarbonization Science-based Targets by 2025 | SBTi submission (yes/no) | Commitment to SBTi (2023) | Commitment to SBTi | |
| Promote the use of rechargeable hearing aids to reduce the use of disposable batteries and properly dispose end-of-life batteries | Increase the penetration and use of rechargeable hearing aids avoiding the use of **more than 320 million batteries** per year by 2028 | Number of batteries "saved"[20] each year (millions of batteries) | 254 million (2023) | 289 million | |
| | Install in **at least 50% of direct stores** end-of-life battery collectors for a new centralized collection and recycling process by 2026 | Share of direct stores provided with the new battery collectors (%) | - (2023) | 47% | |
| Foster a culture of respect and accountability for human rights across all levels of the organization. | Ensure the development and launch of a **Human Rights Policy** by the end of 2025 | Launch of a Human Rights Policy (yes/no) | - (2024) | - | ⊕ |

18. "Direct Suppliers" are global and regional hearing instruments, accessories and battery manufacturers with an annual spend above 1000€.
19. "Key indirect suppliers" are global and regional suppliers mainly concentrated on providing worldwide Marketing, IT and Retail goods and services.
20. The amount of batteries "saved" per year is estimated based on the number of rechargeable devices sold and in circulation, the average amount of batteries used annually by a non-rechargeable device, and an average device life of five years.


# SUSTAINABLE FINANCE: SUSTAINABILITY-LINKED FINANCINGS

As part of its ongoing integration between financial strategy and sustainability goals, Amplifon has secured six sustainability-linked credit facilities since 2021:

- A €100 million sustainability-linked revolving credit facility, signed in September 2021 with Intesa Sanpaolo (IMI Corporate & Investment Banking Division). This five-year facility is linked to key Sustainability Plan indicators and forms part of the Group's refinancing and expansion strategy for existing revolving credit facilities.
- The refinancing of the facility agreement originally signed following the acquisition of GAES, amounting to €210 million over five years. This agreement, signed in December 2021, involved a syndicate of banks comprising UniCredit, Mediobanca, and BNPP-BNL and includes sustainability-linked KPIs from Amplifon's Sustainability Plan.
- A €300 million sustainability-linked revolving credit facility, signed in June 2023 with a syndicate of banks (BNP Paribas, CaixaBank, Crédit Agricole Corporate and Investment Bank, UniCredit, and Banca Nazionale del Lavoro). This three-year facility includes an option to extend for an additional two years at Amplifon's discretion. Like previous credit lines, this facility is linked to specific sustainability targets, with an adjustment mechanism for the applicable interest margin based on performance against these targets.
- A €200 million financing agreement, signed in the second half of 2024, structured as follows: €100 million from UniCredit, supporting the Group's expansion initiatives. €100 million from Cassa Depositi e Prestiti (CDP), co-financing Amplifon's innovation investments in Italy. Cassa Depositi e Prestiti funds complement the European Investment Bank (EIB) financing granted in July 2023, dedicated to innovation projects across Europe.
- A €50 million loan from Crédit Agricole Italia, secured in the second half of 2024, backed by SACE's Garanzia Futuro. This financing supports the international rollout of Amplifon's new store format, designed to offer customers a fully immersive, highly personalised experience with integrated digital and visual elements, all within a sustainable and innovative architectural concept.
- A €75 million amortizing loan, signed with Mediobanca in December 2024, with a five-year maturity. The applicable margin will be adjusted based on the achievement of specific Sustainability Plan indicators.

These financing agreements reaffirm Amplifon's commitment to integrating sustainability into its financial strategy, leveraging innovative funding instruments that support the Group's growth and ESG objectives.

## [SBM-2] INTERESTS AND VIEWS OF STAKEHOLDERS

The Group operates in a dynamic international environment, where stakeholder engagement and open dialogue are essential to achieving the goal of creating shared economic and social value. In 2022, the Group updated its stakeholder mapping, identifying key stakeholder categories and assessing their relevance based on relationship types and roles. A structured, multi-year Stakeholder Engagement Plan was also introduced, which facilitates a rotational approach to involving a broad range of stakeholders through interactive dialogue.

The following section outlines the main stakeholder engagement activities carried out in 2024. These activities are detailed based on the engagement channels used, the issues raised, and Amplifon's responses. In addition to these activities, since 2018, Amplifon has annually engaged certain stakeholder categories to prioritise material topics, progressively integrating their expectations and feedback into the Sustainability Statement. For more details, please refer to "Amplifon's double materiality" paragraph of this chapter.

| Stakeholder | Type of engagement activity | Issues/expectations expressed by stakeholders | Amplifon's response |
|---|---|---|---|
| **Workforce** | Internal sharing programmes (One Amplifon, Leadership Touchpoint, Townhall, Global Functional Conference), anytime & continuous feedback mechanism in individual performance evaluations, regional meetings and store visits, Global Internal Communication Framework, updates on projects and global initiatives, internal newsletter ("Good Morning Amplifon"), induction activities and corporate intranet communications | Ensuring a unified *One Employee Experience* across the Group | Implementation of the You@Amplifon People Management programme, including *onboarding* modules for back office and store employees |
| | | | Introduction of an Exit Interview process to better understand employee turnover motivations (both back office and field employees) |
| | | Strengthening recruitment efforts in key areas such as *marketing*, *digital*, CRM, and *retail excellence* | Enhancing the global talent *attraction and acquisition* strategy, including the *Employee Value Proposition* and international *mentorship* initiatives |
| | | Internal sharing | Digital Amplifon *Global Onboarding* (DaGO) programme |
| | | Career growth and skills development | Enhancement of the training offer for *Talent Development* and implementation of Ampli Academy |
| | | Recognition and rewards | *Leadership Development*, *Awards*, and CHA programmes |
| | | Workplace quality by simplifying and harmonising internal processes | Symphony, 1AT, and 1PC projects |
| | | Inclusion and respect for employee diversity | DEIB Policy |
| | | | Establishment of a DEIB Committee |
| | | | Company intranet in 23 countries with a continuous increase in unique users and page views |
| | | | Update of the double materiality analysis |
| | | | Creation of an ad hoc sustainability newsletter |
| | | | Hearing tests for Group employees |
| | | | *Breakfast chats* on topics of interest to the Company |
| | | | Company volunteering programmes |
| | | | Store visits by global and local management |
| **Hearing-impaired & care givers** | Quantitative and qualitative market research, including focus groups, individual interviews (phone and online), usability testing, customer satisfaction surveys and feedback collection on customer experience (paper questionnaires, call centres, email, SMS), workshops and research initiatives with audiologists and key stakeholders (hearing care experience experts) + *User Interface* and *User Experience* design activities | Improving customer experience at every Amplifon's physical and digital touchpoint | Enhancing usability and accessibility of the Amplifon app and optimising the Amplifon 360 protocol to strengthen the audiologist-customer relationship |
| | | Better understanding the characteristics of the products and the process of selecting the auditory solution to get the most benefit from it | Developing a new communication approach to reduce stigma and present hearing solutions in a simple and accessible manner |
| | | Raising awareness about the impact of untreated hearing loss and reducing prejudice associated with hearing impairment | Implementing actions to improve customer experience (products, services, physical and digital touchpoints) |
| | | Supporting caregivers in their role to help family members and friends with hearing difficulties | Creation of a communication campaign or initiatives dedicated to raising awareness among caregivers in order to facilitate the search for a solution to hearing loss |

| Stakeholder | Type of engagement activity | Issues/expectations expressed by stakeholders | Amplifon's response |
|---|---|---|---|
| **Franchisees & Agents** | Focus groups, annual conventions | Work quality | Continuous improvement of training programmes |
| | | Skill development and training | Recognition and rewards programme |
| **Shareholders, providers of capital & financial community** | Financial results conference calls, participation in roadshows and industry conferences, including one-to-one and group meetings with institutional investors (both *equity* and debt), *company* visits by analysts and investors, *feedback* sharing with rating agencies (both credit and ESG) and sustainability-focused investors | Transparency of financial information | Timely updates on recent events through investor presentations and earnings calls |
| | | Corporate performance | Progressive improvement of the Corporate website, including more sustainability-related information |
| | | Potential impacts of regulatory changes on the achievement of strategic goals | Definition of sustainability goals and targets |
| | | Continuous updates on key strategic events (e.g. acquisitions) | |
| | | Increasing integration of sustainability into business strategy | |
| **Industry and consumer associations** | Focus groups, seminars, conferences, public presentations and joint projects, consultation with European and global associations | Raising awareness about hearing care | Collaboration in research projects |
| | | Enhancing customer satisfaction | Developing joint initiatives |
| | | Further improving our customer-focused business approach | Participation in EHIMA (European Hearing Instrument Manufacturers Association) |
| **Hearing aid manufacturers** | Business review meetings, negotiations on terms and conditions for new contracts, strategic partnerships | Market, industry, and technology trends | Sharing market and customer insights |
| | | Potential impacts of regulatory changes | Sharing development prospects for Amplifon's multichannel ecosystem |
| | | Development of Amplifon's multichannel ecosystem | |
| **Indirect suppliers & other value chain actors** | Direct meetings and on-site visits, participation in supplier-organised speaking opportunities, strategic partnerships, negotiations on terms and conditions for new contracts | Future business development | Sharing of mutual interests, as well as information on commercial activity and customers |
| | | Adoption of new technologies | Joint projects (e.g. Amplifon App development) |
| **Medical class** | Collaboration on scientific research projects and audiological partnerships | Ensuring that research activities are evidence-based | Joint participation in research projects |
| | | Strengthening relationships with the medical community | Organisation of conferences and activities of scientific interest and relevance on audiological topics |

| Stakeholder | Type of engagement activity | Issues/expectations expressed by stakeholders | Amplifon's response |
|---|---|---|---|
| **Media** | Press releases, conference calls, social media channels, media conferences, interviews, participation in speaking opportunities, brand awareness initiatives | Up-to-date information on business and company performance | Top Management involvement in speaking opportunities and interviews |
| | | New technologies supporting both customers and employees | Top Management positioning on social media channels |
| | | Amplifon's social role and raising awareness among young people about hearing care | Participation in events (e.g. Trento Festival of Economics and Social Innovation, university lectures) |
| | | | Partnership with Teatro Alla Scala |
| | | | Digital communication initiatives |
| | | | Promotion of the "Ci Sentiamo Dopo" app for noise monitoring |
| **Trade unions** | Ongoing dialogue with union representatives and trade unions, negotiation and implementation of local contracts | Promoting employee work-life balance | Implementation of tailored local contracts aligned with global policies |
| **Regulatory authorities & healthcare systems** | Dialogue with institutions and participation in working groups, regular consultations and joint projects | Promoting quality, sustainability, and accessibility in the hearing care sector | Developing joint actions in collaboration with consumer and industry associations |
| | Surveys, industry studies, and meetings with healthcare organisations and policymakers (EU, WHO) | Enhancing accessibility to hearing care solutions | Sharing sector-specific insights |
| | | Raising awareness about hearing care | Participation in awareness campaigns |
| | | | Awareness-raising initiatives for ENT specialists |
| **Local & global communities** | Press office activities and participation in local and global events, global PR initiatives and membership in associations, corporate volunteering programmes | Sharing Amplifon's mission and vision | Participation in local and global events |
| | | | Engagement in local and global volunteering initiatives |
| | | | Proactive and transparent communication |
| | | | Top Employer certification |
| | | | Adherence to the UN Global Compact |
| **Academia** | University partnerships, internships, and career days, mentoring projects, contributions to academic programmes through guest lectures, project work, and contests | Bringing young talent closer to the workforce through practical initiatives | Funding scholarships |
| | | Providing training and tools for young professionals through skill-oriented internships | Establishing global partnerships with student associations and universities |
| | | | Offering international internships for back office roles |
| | | | Creating networking opportunities for young talents |
| | | | Graduate programmes |

The various engagement processes involved collecting and analysing stakeholder feedback, revealing that stakeholder expectations align closely with the Group's strategic objectives. This is particularly evident in the growing demand for sustainable practices, social responsibility, and technological innovation. It should be noted that, throughout 2024, no significant updates were made to the strategy or business model in response to stakeholder interests and opinions. For governance bodies' communication and management of ESG impacts, please refer to paragraph "Sustainability Governance" of this chapter.

# AMPLIFON'S DOUBLE MATERIALITY

## [SBM-3] MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

## [IRO-1] DESCRIPTION OF THE PROCESSES TO IDENTIFY AND ASSESS MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

## [IRO-2] DISCLOSURE REQUIREMENTS IN ESRS COVERED BY THE UNDERTAKING'S SUSTAINABILITY STATEMENT

## OVERVIEW

Since 2021, Amplifon has adopted the principle of double materiality to evaluate key ESG topics, considering both Amplifon's impact on each topic (impact materiality) and how these topics may influence the Group's ability to create value and affect its financial performance (financial materiality). This assessment is based on sector-wide macro-trend analyses, authoritative research sources, and best ESG practices, with the awareness that topics currently deemed less material may become more relevant over time.

From this year onwards, Amplifon has incorporated the new requirements introduced by the Corporate Sustainability Reporting Directive (CSRD), further enhancing the double materiality process to ensure full compliance with the European Sustainability Reporting Standards (ESRS).

## METHODOLOGY

The double materiality process began with an in-depth analysis of Amplifon's operating environment, which included a desk research on a panel of companies operating in the same sector and/or comparable industries, the review of institutional sources and the regulatory framework analysis. This phase was also supported by analyses from the previous reporting year and internal corporate documentation, particularly the Enterprise Risk Management (herinafter also "ERM") framework. These elements formed the foundation for identifying impacts, risks, and opportunities (herinafter also "IROs" or "IRO").

The assessment then focused on identifying impacts on people and the environment, along with risks and opportunities related to Amplifon's operations, considering both direct activities and the entire value chain, with a particular emphasis on upstream activities and Tier 1 suppliers[21].

Following this, the identified IROs were evaluated by *Top Management* and selected stakeholder groups through dedicated *stakeholder engagement* sessions. This process, together with the definition of materiality thresholds, resulted in the establishment of Amplifon's double materiality, which was subsequently submitted to the Risk Control and Sustainability Committee and formally approved by the Board of Directors in December 2024.

As an outcome, the double materiality assessment determined the material Disclosure Requirements (jereinafter also "DRs") for the Group's sustainability reporting, ensuring full alignment with the guidelines provided by the EFRAG SRB working group. The list of disclosure requirements covered by the Amplifon 2024 Sustainability Statement is detailed in the tables included in the Annex of this document.

## DETAILS OF THE DOUBLE MATERIALITY PROCESS - IDENTIFICATION OF IMPACTS, RISKS, AND OPPORTUNITIES

The impact identification process for the Group was based on a review of previously identified impacts from prior reporting years. This list was updated and refined through the analyses previously described (desk research, review of institutional sources, and regulatory framework analysis) to ensure it reflects the current reporting year. As a result, a *long list* of over 70 impacts was compiled, categorised in line with ESRS requirements.

ESG risks were identified and reviewed based on the Group's Risk Universe, which is regularly updated through the Enterprise Risk Assessment process. This framework already includes risks associated with material sustainability reporting topics for 2023, as well as physical and transition risks identified in the Group's Climate Risk Assessment conducted the same year. ESG opportunities were identified based on Amplifon's strategic pillars, sustainability objectives outlined in the Sustainability Plan and ESG initiatives implemented across different areas of the Group. Also in this case, the approach resulted in the definition of a long list of approximately 40 risks and opportunities.

21. The Group operates in three main markets (EMEA, Americas and APAC) where it is present with more than 10,000 points of sale. For more details, please refer to the sub-paragraphs "The Group's Markets and Customers" and "The Value Chain" of this chapter.

In this phase, the Group considered negative or positive impacts, actual or potential, on people or the environment in the short, medium and long term. The identified impacts include those related to Amplifon's own operations, as well as its entire value chain (both upstream and downstream), including those linked to products, services, and business relationships. Similarly, the risks and opportunities considered may have or currently have a positive or negative impact on the Group in the short, medium, or long term, arising from either past or future events.

## STAKEHOLDER ENGAGEMENT

To ensure a precise and comprehensive analysis of the Group's IROs, the double materiality process incorporated the perspectives of key stakeholders.

In the context of the impacts, consultations with stakeholders were conducted through the dedicated and direct involvement of different categories of stakeholders, following what was defined by the Group's Stakeholder Engagement Plan, formalised in 2022. Two engagement methods were used: participation in focus groups, involving dedicated discussions on impacts and real-time voting sessions, and online surveys, distributed to individual stakeholders for self-completion. The internal and external stakeholder groups involved in this process included: capital providers, franchisees, employees, hearing device manufacturers (direct suppliers), and indirect suppliers.

In the context of risks and opportunities, and in line with the formalised *risk assessment* process as well as the activities carried out in previous years for ESG risks evaluation, selected internal *stakeholders* were involved (such as members of the *Executive Leadership Team* (hereinafter also "ELT") and *Top Management*). Additionally, the CEO and CFO, the Risk Control and Sustainability Committee, and the Board of Directors, were engaged throughout the process. By incorporating these perspectives, the Group was able to gain a comprehensive view of its IROs and establish a strong awareness of the most relevant ESG topics for the organisation.

## IROS EVALUATION METHODOLOGY

The evaluation and prioritisation of impacts were conducted based on four key parameters:

- **Scale**: how grave the negative impact is or how benecicial the positive impact is for people or the environment;
- **Scope**: how widespread the negative or positive impacts are, considering the percentage of employees, geographic sites, or markets affected;
- **Probability**: the likelihood of the impact occurring within the given timeframe. Probability is considered only for potential impacts.
- **Irremediable character**: whether and to what extent the negative impacts could be remediated, meaning whether the environment or affected individuals can be restored to their original state.

The score assigned to each impact (severity) was determined by multiplying the factors of scale and scope, with an additional probability factor applied. Each parameter was assessed using a rating scale from 1 to 5. If a negative impact was deemed irreversible, a proportional increase in severity was applied.

The assessment and prioritisation of risks and opportunities were conducted based on two key parameters:

- **Scale**: the potential positive or negative financial impact, including effects assessed through operational, reputational, compliance, or social impact criteria, linked to the occurrence of risks and opportunities;
- **Probability**: the likelihood of occurrence within the considered time horizon.

The risk assessment involved analysing both the magnitude and probability of occurrence, considering residual risk, starting from the theoretical inherent risk, except for climate-related risks, which were assessed using an inherent risk approach.

For more information on the Group's ERM methodology, please refer to the section "Risk Management" in the Report on Operations.

For both impacts and risks and opportunities, the evaluations were conducted across three time horizons:

- **Short-term**: 1 year;
- **Medium-term**: 1-3 years;
- **Long-term**: 3 to 10 years.

## DEFINITION OF MATERIALITY THRESHOLDS

Following the evaluation of all potentially relevant IROs, materiality thresholds were defined to identify the most significant IROs for the Group. IROs with a score below the materiality threshold were excluded from the final list of material IROs. Therefore, IROs were considered material if their final score was equal or exceeded the materiality threshold in at least one of the three time horizons.

More specifically, the materiality threshold was set at a score of 6 for risks (taking a prudent approach, considering the evaluation in terms of residual risk, except for climate risks).

The threshold for impacts and opportunities was set at 8, reflecting an unadjusted analysis, meaning that potential mitigating actions or initiatives undertaken by the Group were not considered in the evaluation.

## APPROVAL AND INTERNAL CONTROL SYSTEM

Each year, the results of the double materiality Analysis are approved by the Global Investor Relations & Sustainability Director and subsequently presented to the CEO and CFO, who review the outcome. The results are also reviewed by the Risk Control and Sustainability Committee and the Board of Directors, which formally approves the outcomes of the double materiality analysis.

## RESULTS OF THE DOUBLE MATERIALITY ANALYSIS

Following the double materiality analysis, the assessment identified 19 impacts, 12 risks, and 3 opportunities, with 16 of these linked to the value chain (both upstream and downstream). The ESRS areas covered by the identified IROs encompass environmental, social, and governance aspects, including:

| *Topical Standard* | Impacts | Risks | Opportunities |
|---|---|---|---|
| ESRS E1 – Climate change | 1 | 5 | 1 |
| ESRS S1 – Own workforce | 6 | 1 | 1 |
| ESRS S2 – Workers in the value chain | 0 | 1 | 0 |
| ESRS S4 – Consumers and end-users | 3 | 3 | 1 |
| ESRS G1 – Business conduct | 5 | 3 | 0 |
| Unrelated | 4 | 1 | 0 |
| **Total** | **19** | **14*** | **3** |

* The total number of risks reported in the table amounts to 14 instead of 12. This difference is due to double counting, as two risks are associated with multiple ESRS standards, as evidenced in the IROs list below.

The next section of this paragraph provides a complete list of material IROs, accompanied by a detailed description including information on the correlation between those IROs and the effects of the impacts on people and the environment, and an indication of how the impacts originate from or relate to the company's strategy and business model, including relevant time horizons. The same section also provides a description of the short-term financial impact of risks and opportunities, it should be noted that the analysis of these does not reveal any material current financial effects.

Additionally, some IROs have been identified that are not currently aligned with sector-agnostic ESRS standards. These cover various aspects, including the well-being of communities and people in need, technological innovation, customer satisfaction and service quality, raising awareness on responsible listening, and cybersecurity.

The double materiality analysis highlights Amplifon's strong focus on social matters, emphasising the need to manage and report information related to its own workforce, workers in the value chain, and end-users/consumers (ESRS S1, S2, and S4).

From an environmental perspective, the identified impacts, risks, and opportunities are closely linked to climate change (E1). This applies to both an inside-out perspective, where Amplifon contributes to greenhouse gas emissions, and an outside-in perspective, where the company faces various climate-related risks, including: business and supply chain disruptions due to extreme weather events, increased operational costs for compliance with climate regulations, and shifting consumer preferences and stakeholder perceptions regarding the Group's approach to sustainability.

The results confirm Amplifon's long-standing strategic focus areas, which align with the nature and characteristics of its business model and are consistent with the analyses conducted as part of the strategic planning process (i.e. Group Strategy), with the Risk Management Model (ERM) and with the findings of the Group's *Climate Change Risk Assessment* (hereinafter also "CCRA"). The "Listening Ahead" Sustainability Plan (for further details, see paragraph "Sustainability Strategy" of this chapter) has been developed also in response to the priorities and expectations of key stakeholders, that the Group has collected over the years, thus also responding to the areas of the IRO identified materials, incorporating concrete actions to enhance its performance and long-term sustainability.

The remaining sustainability topics (E2, E3, E4, E5, and S3) have been deemed non-material for Amplifon, and therefore, all associated disclosure requirements have been omitted. This decision is based on the double materiality assessment, which found that no material impacts, risks, or opportunities were relevant to these ESRS categories, either due to the intrinsic significance of the IROs or the nature of Amplifon's business activities.

Below is the full list of material IROs, providing a detailed breakdown of the identified risks, opportunities, and impacts. The table illustrates: the origin of each IRO, the connection to Amplifon's business activities (*Own Operations*) or its relevance to the company's value chain (*Upstream or Downstream*), as well as how the company is involved whether through its operations or business relationships (for further details, please refer to sub-paragraph "The value chain" of this chapter). Additionally, the table includes columns for the three time horizons, which are activated when the IRO is deemed material, indicating whether this occurs in the short, medium, or long term. An IRO may also be considered material across multiple time horizons.

## E1 – CLIMATE CHANGE

| SUSTAINABILITY TOPIC | DESCRIPTION | IRO | POSITION ALONG THE VALUE CHAIN: *Upstream* | *Own Operations* | *Downstream* | TIME HORIZON: Short-term | Medium-term | Long-term |
|---|---|---|---|---|---|---|---|---|
| **Climate change mitigation** | Generation of GHG emissions produced throughout own operations and the value chain as a result of the Group's activities, contributing to climate change. | Actual negative impact | ● | ● | ● | ● | ● | ● |
| **Climate change adaptation** | Potential risk of business interruption caused by weather events that might damage Amplifon's distribution centres and affect the Group's ability to guarantee the regular distribution of hearing aids and accessories to its retail network.<br><br>**Short-term qualitative financial impact (1 year):**<br>Extreme weather events possibly impacting Amplifon's distribution centers might result in a negligible decline in expected revenues mainly related to the interruption/reduction of the distribution chain in the affected geographical areas and to the potential loss of stock, as well as negligible costs related to potential extraordinary maintenance on distribution centers. | Risk | | ● | | | | ● |
| **Climate change adaptation** | Potential risk of interruption of suppliers' production and distribution activities due to extreme weather events that might damage the production sites or distribution centers of Amplifon's direct suppliers and that might reduce the availability of hearing aids and accessories for regular supply to Amplifon's stores.<br><br>**Short-term qualitative financial impact (1 year):**<br>Extreme weather events possibly affecting suppliers' production sites or distribution centers might lead to a negligible decrease in expected revenues for Amplifon related to potential delays in the supply of products, considering the current suppliers diversification strategy. | Risk | ● | ● | | | | ● |

## EI – CLIMATE CHANGE

| SUSTAINABILITY TOPIC | DESCRIPTION | IRO | POSITION ALONG THE VALUE CHAIN: Upstream | Own Operations | Downstream | TIME HORIZON: Short-term | Medium-term | Long-term |
|---|---|---|---|---|---|---|---|---|
| **Climate change mitigation** | Potential risk of changes in consumer preferences, due to increased awareness on climate, and perception of stakeholders (e.g., investors) on Amplifon's approach regarding climate topics<br><br>**Short-term qualitative financial impact (1 year):**<br>Potential decrease in Amplifon's attractiveness towards stakeholders given the Company's approach on climate topics might result in a negligible increase in cost of financial investments. | Risk (resulting from impact) | | ● | | | | ● |
| **Climate change mitigation; Energy** | Potential risk of increased operational costs due to higher cost of materials and utilities used to meet government requirements related to climate change (e.g., promotion of more energy-efficient solutions, use of renewable sources, reduction of emissions).<br><br>**Short-term qualitative financial impact (1 year):**<br>Potential evolutions by Governments climate change requirements (e.g., renewable resources) and prices fluctuations (e.g., energy/carbon prices) might result in a negligible increase in operating costs (e.g., transportation, utilities). | Risk (resulting from impact) | ● | | | | | ● |
| **Climate change mitigation** | Adopting best-in-class market practices in reference to climate regulations may strengthen Amplifon's reputation, which can result in attracting more investors, as well as creating stronger partnerships with stakeholders (e.g., financial institutions, suppliers).<br><br>**Short-term qualitative financial impact (1 year):**<br>Adoption of climate best-in-class market practices enhancing Amplifon's reputation among investors might lead to a negligible increase in expected benefits from different stakeholders. | Opportunities | | ● | | | | ● |
| **Climate change mitigation** | Potential risk related to evolving climate change regulations (e.g., European Taxonomy, Green Deal, reporting) to be compliant with.[22]<br><br>**Short-term qualitative financial impact (1 year):**<br>Potential non-compliance with climate-change regulations might lead to a negligible increase in costs for the implementation of additional initiatives to be fully compliant with the new standards. | Risk (resulting from impact) | | ● | | | | ● |

22. This risk has been deemed material under both ESRS E1 (Climate change) and ESRS G1 (Business conduct).

## S1 – OWN WORKFORCE

| SUSTAINABILITY TOPIC | DESCRIPTION | IRO | POSITION ALONG THE VALUE CHAIN: Upstream | Own Operations | Downstream | TIME HORIZON: Short-term | Medium-term | Long-term |
|---|---|---|---|---|---|---|---|---|
| **Equal treatment and opportunities for all** Training and skills development | Enhancement of employee skills (both field force and back-office) through training and professional development programmes, coaching and mentorship activities, and onboarding initiatives, leading to positive outcomes in terms of personal growth for employees | Actual positive impact | | ● | | ● | ● | ● |
| **Equal treatment and opportunities for all** Training and skills development | Negative consequences on the company's perceived attractiveness due to a decline in engagement perception and insufficient talent attraction initiatives | Potential negative impact | | ● | | | | ● |
| **Equal treatment and opportunities for all** Employment and inclusion of persons with disabilities; Measures against violence and harassment in the workplace; Diversity. | Concrete commitment to fostering an ethical work environment, centred on inclusivity, equity, and human rights protection, thereby promoting employee satisfaction, freedom of expression, representation, and safety | Actual positive impact | | ● | | ● | ● | ● |
| **Working conditions** Working time; Adequate wages; Work-life balance | Potential talent loss and low retention rates due to a slowdown in career progression (linked to working conditions and remuneration) | Potential negative impact | | ● | | | | ● |
| **Working conditions** Working time; Work-life balance | Employee well-being and satisfaction, as well as trust in the company, fostered by the implementation of dedicated welfare and well-being programmes (e.g., parental support, services for caregivers) | Actual positive impact | | ● | | ● | ● | ● |
| **Equal treatment and opportunities for all** Employment and inclusion of persons with disabilities; Measures against violence and harassment in the workplace; Diversity | Potential discrimination against certain categories of employees in the workplace, including psychological harassment and/or unequal treatment | Potential negative impact | | ● | | ● | | |
| **Working conditions** Working time; Adequate wages | The fast business growth and the increasing organization complexity of Amplifon may represent a challenge in identifying, attracting and retaining the talents requested for conducting the business as well as in developing a talent pipeline for the succession plan process.<br><br>**Short-term qualitative financial impact (1 year):**<br>Potential evolution of external environment and increasing organization complexity might lead to a negligible increase in costs for attracting and retaining skilled talents (e.g., recruitment, training, onboarding) to ensure a sustained business growth. | Risk (resulting from impact) | | ● | | | | ● |
| **Equal treatment and opportunities for all** Employment and inclusion of persons with disabilities; Skill development and training; Diversity | Amplifon could rely on its positive reputation and perception as an inclusive and sustainability-driven organization that is also proactive in the promotion of a diverse and inclusive environment, to improve talent attraction and retention.<br><br>**Short-term qualitative financial impact (1 year):**<br>Initiatives to foster a strong and positive workplace culture and to maintain the Company's "employer of choice" position, confirming its reputation, as well as the promotion of a diverse and inclusive environment, may lead to a minor decrease in the cost of attracting/retaining skilled resources (e.g., recruitment, training, onboarding). | Opportunities | | ● | | | ● | ● |

## S2 – WORKERS IN THE VALUE CHAIN

| SUSTAINABILITY TOPIC | DESCRIPTION | IRO | POSITION ALONG THE VALUE CHAIN: *Upstream* | *Own Operations* | *Downstream* | TIME HORIZON: Short-term | Medium-term | Long-term |
|---|---|---|---|---|---|---|---|---|
| **Working conditions**<br>Health and Safety<br>**Other work-related rights**<br>Child labour; Forced labour | Potential risk related to business partners along the Group supply chain not fully respecting the ethical and social standards, including human rights, also due to not structured control on third parties, potentially leading to non-compliance events and reputational impacts on the Group.[23]<br><br>**Short-term qualitative financial impact (1 year):**<br>Potential non-compliance of Amplifon's suppliers with ethical standards might expose the Group to potential sanctions and/or lead to a loss of reputation with an impact on stakeholders' commitment. Moreover, the implementation of additional specific controls on third parties might lead to negligible increase in costs (e.g., third parties assessment, IT tools). | Risk (resulting from impact) | ● | | | | | ● |

23. This risk has been deemed material under both ESRS S2 (*Workers in the value chain*) and ESRS G1 (*Business conduct*).

## S4 – CONSUMERS AND END-USERS

| SUSTAINABILITY TOPIC | DESCRIPTION | IRO | POSITION ALONG THE VALUE CHAIN | | | TIME HORIZON | | |
|---|---|---|---|---|---|---|---|---|
| | | | *Upstream* | *Own Operations* | *Downstream* | Short-term | Medium-term | Long-term |
| **Social inclusion of consumers and/or end-users**<br>Non-discrimination; Access to products and services | Difficulties for customers and people with hearing loss in accessing and using hearing care products and services due to physical, social, and digital barriers | Actual negative impact | | | ● | ● | ● | ● |
| **Personal safety of consumers and/or end-users**<br>Health and safety | Maintaining the quality, reliability, and safety standards of products, accessories, and services offered by leveraging the expertise of hearing care specialists, resulting in customer and end-user safety and satisfaction | Actual positive impact | | | ● | ● | ● | ● |
| **Information-related impacts for consumers and/or end-users**<br>Privacy | Loss of personal data and customer information due to breaches in data privacy systems and non-compliance with the Global Privacy Policy | Potential negative impact | | | ● | ● | ● | ● |
| **Information-related impacts for consumers and/or end-users**<br>Privacy | Risk of possible non-compliance with international and national regulations related to Privacy and Data Protection, that may lead to fines, sanctions, litigations and reputational impacts.<br><br>**Short-term qualitative financial impact (1 year):**<br>Potential non-compliance with local data protection regulations, in particular related to clients master data, might result in penalties and fines by Privacy Authorities. | Risk (resulting from impact) | | ● | | | | ● |
| **Social inclusion of consumers and/or end-users**<br>Access to products and services | Potential risk that the development of innovative technologies / services may require changes in Amplifon's business model.<br><br>**Short-term qualitative financial impact (1 year):**<br>Potential development of alternative innovative technologies/services to the hearing aid, even if considered rare, might lead to a minor increase in costs related to additional investments aimed at responding to changes in the business and at guaranteeing/facilitating accessibility of products/services to Amplifon's customer base, and negligible costs of monitoring the external landscape. | Risk (resulting from impact) | ● | ● | ● | | | ● |
| **Social inclusion of consumers and/or end-users**<br>Access to products and services | A change in regulations (e.g., reimbursement conditions, insurance tenders, accessibility to the national health service, selling requirements), as well the increasing attention to the industry from the different stakeholders, could have an effect on the market and therefore on performance.<br><br>**Short-term qualitative financial impact (1 year):**<br>Potential regulatory changes affecting the industry and higher government attention could lead to increasing costs for the evolution of the Company in terms of processes and governance, as well as have an impact on the portion of revenues. | Risk | | ● | | ● | ● | ● |
| **Social inclusion of consumers and/or end-users**<br>Access to products and services | Amplifon is committed in investing in activities that promote the accessibility to hearing care (e.g., free complete hearing tests), including the digitalization and innovation of processes and services provided (e.g., innovative solutions, diagnostic tools), that may increase the consumers base and foster social inclusion/hearing care awareness.<br><br>**Short-term qualitative financial impact (1 year):**<br>Promotion of hearing care awareness/accessibility, also through the digitalization and optimization of processes and services, might expand the customer base, simplify access to hearing and improve brand reputation. | Opportunities | ● | ● | | | | ● |

## GI – BUSINESS CONDUCT

| SUSTAINABILITY TOPIC | DESCRIPTION | IRO | POSITION ALONG THE VALUE CHAIN: Upstream | Own Operations | Downstream | TIME HORIZON: Short-term | Medium-term | Long-term |
|---|---|---|---|---|---|---|---|---|
| **Corporate culture; Protection of whistle-blowers** | Increased customer loyalty and employee trust resulting from the strengthening and dissemination of an ethical corporate culture based on principles of integrity, fairness, non-discrimination, and respect for human rights | Actual positive impact | | ● | | ● | ● | ● |
| **Corporate culture** | Negative impacts on the economy, markets, and stakeholder trust due to potential anti-competitive behaviour, monopolistic practices, and instances of corruption | Potential negative impact | | ● | | | | ● |
| **Corruption and bribery**<br>Prevention and detection including training | Non-compliance with applicable laws, regulations, and internal and external standards, potentially leading to negative economic and legal repercussions for stakeholders | Potential negative impact | ● | ● | ● | ● | ● | ● |
| **Management of relationships with suppliers including payment practices** | Strengthening ESG criteria in supply chain management and supplier performance (both direct and indirect), generating positive social and environmental impacts in the communities in which they operate | Actual positive impact | ● | | | ● | ● | ● |
| **Corporate culture** | Potential failure to meet minimum ethical conduct standards along the supply chain, as well as missed opportunities for responsible sourcing | Potential negative impact | ● | | | ● | ● | |
| **Corporate culture** | Potential risk related to misleading communication on financial disclosure, non-financial disclosure and / or other communication initiatives that may have an impact on corporate reputation, given also the Company's increasing relevance and the involvement in initiatives of public interest.<br><br>**Short-term qualitative financial impact (1 year):**<br>Potential non-compliance with mandatory external disclosures, as well as misleading/delayed communications, might lead to sanctions and/or have a minor impact on stakeholders' commitment. | Risk (resulting from impact) | | ● | | | | ● |
| **Corporate culture** | Potential risk related to evolving climate change regulations (e.g., European taxonomy, Green Deal, reporting) to be compliant with.<br><br>**Short-term qualitative financial impact (1 year):**<br>Potential non-compliance with climate-change regulations might lead to a negligible increase in costs for the implementation of additional initiatives to be fully compliant with the new standards. | Risk (resulting from impact) | | ● | | | | ● |
| **Management of relationships with suppliers including payment practices** | Potential risk related to business partners along the Group supply chain not fully respecting the ethical and social standards, including human rights, also due to not structured control on third parties, potentially leading to non-compliance events and reputational impacts on the Group.<br><br>**Short-term qualitative financial impact (1 year):**<br>Potential non-compliance of Amplifon's suppliers with ethical standards might expose the Group to potential sanctions and/or lead to a loss of reputation with an impact on stakeholders' commitment. Moreover, the implementation of additional specific controls on third parties might lead to negligible increase in costs (e.g., third parties assessment, IT tools). | Risk (resulting from impact) | ● | | | | | ● |

## ENTITY SPECIFIC

| SUSTAINABILITY TOPIC | DESCRIPTION | IRO | POSITION ALONG THE VALUE CHAIN: Upstream | Own Operations | Downstream | TIME HORIZON: Short-term | Medium-term | Long-term |
|---|---|---|---|---|---|---|---|---|
| - | Positive impact on community well-being and support for people in need through local development initiatives and philanthropic activities | Actual positive impact | | | ● | ● | ● | ● |
| - | The reliance on technology and the acceleration towards digitalization could be accompanied by an increasing relevance of cybersecurity, as well as the changes in the geopolitical scenario and potential third-party vulnerabilities could lead to an increasing number of cyber-attacks.<br><br>**Short-term qualitative financial impact (1 year):**<br>Potential business interruptions and/or leakage of sensitive/personal data due to cyber-attacks could result in possible sanctions, increase in costs (e.g., restore security levels, ransom payments) as well as possible loss of revenues. | Risk (resulting from impact) | | ● | | ● | ● | ● |
| - | Positive impacts on individuals and economic systems generated by technological innovations in processes, services, and products | Actual positive impact | | | ● | ● | ● | ● |
| - | Increased customer satisfaction and improved service quality due to the development of systems that analyse customer needs and efficiently manage reports and complaints | Potential positive impact | | | ● | ● | ● | ● |
| - | Increased awareness and sensitivity regarding the importance of hearing well-being and responsible listening | Actual positive impact | | | ● | ● | ● | ● |

Compared to the identification of impacts in the 2023 double materiality assessment, significant changes have emerged in the identified impacts. More specifically, adjustments were made to the wording of some descriptions, and new impacts were integrated that had not emerged in the previous year's analysis. Furthermore, as shown in the "Sustainability Topic" column of the table above, four impacts and one *Entity-Specific* risk have been integrated, which are not associated with any ESRS and will be addressed through additional disclosure.

# PROCESS FOR IDENTIFYING AND ASSESSING IMPACTS, RISKS, AND OPPORTUNITIES

## [E1 IRO-1] DESCRIPTION OF THE PROCESSES TO IDENTIFY AND ASSESS MATERIAL IMPACTS, RISKS AND OPPORTUNITIES RELATED TO CLIMATE CHANGE

## [E2 IRO-1] DESCRIPTION OF THE PROCESSES TO IDENTIFY AND ASSESS MATERIAL IMPACTS, RISKS AND OPPORTUNITIES RELATED TO POLLUTION

## [E3 IRO-1] DESCRIPTION OF THE PROCESSES TO IDENTIFY AND ASSESS MATERIAL IMPACTS, RISKS AND OPPORTUNITIES RELATED TO WATER AND MARINE RESOURCES

## [E4 IRO-1] DESCRIPTION OF THE PROCESSES TO IDENTIFY AND ASSESS MATERIAL IMPACTS, RISKS, DEPENDENCIES AND OPPORTUNITIES RELATED TO BIODIVERSITY AND ECOSYSTEMS

## [E5 IRO-1] DESCRIPTION OF THE PROCESSES TO IDENTIFY AND ASSESS MATERIAL IMPACTS, RISKS AND OPPORTUNITIES ASSOCIATED WITH RESOURCE USE AND CIRCULAR ECONOMY

The analyses on physical and transition risks carried out in the context of the "Climate Change Risk Assessment (also referred to as "CCRA") and described in the section "[E1 SBM-3] Impacts, relevant risks and opportunities and their interaction with the strategy and business model" of the chapter "ESRS E1 - Climate Change" were integrated during 2024 within the dual materiality process, where, jointly, Amplifon investigated its possible impacts in the climate context. When identifying environmental impacts, the Group considered its own activities, potential effects along the value chain, and strategic directions to determine current and potential sources of GHG emissions, as well as additional factors that may contribute to climate-related impacts and various relevant time horizons.

These activities led to the identification of specific risks, impacts, and opportunities related to climate change, particularly:

## E1 – CLIMATE CHANGE

| SUSTAINABILITY TOPIC | DESCRIPTION | IRO | PHYSICAL / TRANSITION | POSITION ALONG THE VALUE CHAIN | | | TIME HORIZON | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | *Upstream* | *Own Operations* | *Downstream* | Short-term | Medium-term | Long-term |
| **Climate change mitigation** | Generation of GHG emissions produced throughout the own operations and the value chain as a result of the Group's activities, contributing to climate change | Actual negative impact | NA | ● | ● | ● | | ● | |
| **Climate change adaptation** | Potential risk of business interruption caused by weather events that might damage Amplifon's distribution centres and affect the Group's ability to guarantee the regular distribution of hearing aids and accessories to its retail network | Risk | Physical | | ● | | | | ● |
| **Climate change adaptation** | Potential risk of interruption of suppliers' production and distribution activities due to extreme weather events that might damage the production sites or distribution centers of Amplifon's direct suppliers and that might reduce the availability of hearing aids and accessories for regular supply to Amplifon's stores | Risk | Physical | ● | ● | | | | ● |
| **Climate change mitigation** | Potential risk of changes in consumer preferences, due to increased awareness on climate, and perception of stakeholders (e.g., investors) on Amplifon's approach regarding climate topics | Risk (resulting from impact) | Transition | | ● | | | | ● |
| **Climate change mitigation; Energy** | Potential risk of increased operational costs due to higher cost of materials and utilities used to meet government requirements related to climate change (e.g., promotion of more energy-efficient solutions, use of renewable sources, reduction of emissions) | Risk (resulting from impact) | Transition | ● | | | | | ● |
| **Climate change mitigation** | Adopting best-in-class market practices in reference to climate regulations may strengthen Amplifon's reputation, which can result in attracting more investors, as well as creating stronger partnerships with stakeholders (e.g., financial institutions, suppliers) | Opportunities | NA | | ● | | | | ● |
| **Climate change mitigation** | Potential risk related to evolving climate change regulations (e.g., European Taxonomy, Green Deal, reporting) to be compliant with | Risk (resulting from impact) | Transition | | ● | | | | ● |

In line with the approach previously described for determining impacts, risks, and opportunities, the Group has considered various environmental aspects referenced in the relevant reporting standards. No IROs have been identified as associated with Standards E2, E3, E4, and E5, specifically:

- Given the nature of the Group's business model, which does not involve direct production activities, monitoring environmental impacts related to pollution is not considered material. The Group's activities, including the management of its company fleet of approximately 1,900 vehicles, are not deemed significant in terms of pollution, both due to the type of vehicles used and the fleet's overall scale. Regarding pollution, during periodic consultations with members of the European Hearing Instrument Manufacturers Association (EHIMA), no significant impacts, risks, or opportunities were identified that would require further investigation. Furthermore, the production of hearing aids and the provision of related services do not generate relevant impacts on air, water, or soil. This is due to the use of advanced technologies and the minimization of plastics and plastic derivatives, thereby reducing the risk of microplastic release into the environment. The activities do not involve the intensive use of substances or materials that could generate hazardous or contaminating waste. Additionally, hearing devices are designed to be durable and safe, consuming limited natural resources, thereby preventing significant contributions to pollution during both usage and disposal. No consultations with affected communities have been conducted to identify and assess pollution-related impacts, risks, and opportunities.
- Similarly, no significant impacts, relevant risks, or opportunities requiring further examination have been identified in relation to water consumption, withdrawal, or discharge. This assessment is based on Amplifon's business model, which does not involve intensive water usage, and on the production activities of its suppliers, which are also not associated with significant water consumption. This conclusion is supported by the continuous dialogue that Amplifon maintains with key direct suppliers, primarily through its participation in the European Hearing Instrument Manufacturers Association (EHIMA) and the organization of periodic meetings, held at least every two months, dedicated to sustainability topics. These discussions provide opportunities to share updates, identify areas for improvement, and ensure strategic alignment on environmental, social, and governance matters relevant to the *Hearing Care* sector. While no critical issues have been identified, Amplifon remains committed to continuously monitoring these aspects, actively collaborating with suppliers and other *stakeholders* to ensure responsible and sustainable management of natural resources.
- Regarding biodiversity and ecosystems, including the protection of natural habitats, the preservation of key natural resources, and the prevention of habitat reduction, no specific analyses have yet been conducted on transition risks, physical risks, or potential dependencies. Periodic consultations with market stakeholders have not highlighted any significant impacts, risks, or opportunities requiring further investigation, considering both the nature of Amplifon's business model and the configuration of its value chain. Upstream production activities do not involve intensive use of materials whose extraction or consumption could be harmful to the environment and ecosystems. Downstream, the territorial presence of Amplifon stores is concentrated in urban centres, away from areas of high biodiversity. This location minimizes the risk of ecosystem impacts and renders consultations with local communities on these topics unnecessary.
- Amplifon acknowledges its impact concerning resource use and the circular economy. However, the analyses conducted have not identified impacts, risks, or opportunities significant enough to classify the circular economy as a material topic for the GroupAdditionally, Amplifon has identified increasing the penetration rate of rechargeable devices as a strategic objective within its plan.
  This decision reflects the Group's commitment to reducing the environmental impact of its products and promoting innovative and responsible solutions. No consultations with affected communities have been conducted to identify and assess impacts, risks, and opportunities related to resource use and the circular economy.

# POLICIES, ACTIONS, METRICS AND TARGETS

## [MDR] MINIMUM DISCLOSURE REQUIREMENT

## POLICIES

The policies adopted by Amplifon represent a key element in managing relevant sustainability topics. The table below highlights the correlation between the most significant sustainability topics for Amplifon and the related company policies, providing an overview of the Group's strategic approach.

| ESRS | Sustainability topic | Sustainability | Environment | DEIB | Code of Ethics | Supplier Code of Conduct | Anti -corruption | Data Privacy | Whistleblow-ing |
|---|---|---|---|---|---|---|---|---|---|
| E1 | **Climate change adaptation** | | ● | | | | | | |
| | **Climate change mitigation** | | ● | | | ● | | | |
| | **Energy** | | ● | | | | | | |
| S1 | **Working conditions** | ● | | | | | | | |
| | Working time | ● | | | | | | | |
| | Adequate wages | ● | | | | | | | |
| | Work-life balance | ● | | | | | | | |
| | **Equal treatment and opportunities for all** | | | ● | | | | | |
| | Training and skills development | | | ● | | | | | |
| | Employment and inclusion of persons with disabilities | | | ● | | | | | |
| | Measures against violence and harassment in the workplace | | | ● | | | | | |
| | Diversity | | | ● | | | | | |
| S2 | **Working conditions** | | | | ● | ● | | | |
| | Health and safety | | | | ● | ● | | | |
| | **Other work-related rights** | | | | ● | ● | | | |
| | Child labour | | | | ● | ● | | | |
| | Forced labour | | | | ● | ● | | | |
| S4 | **Information-related impacts on consumers and/or end-users** | | | | ● | | | ● | |
| | Privacy | | | | ● | | | ● | |
| | **Personal safety of consumers and/or end-users** | ● | | | | | | | |
| | Health and safety | ● | | | | | | | |
| | **Social inclusion of consumers and/or end-users** | ● | | | | | | | |
| | Access to products and services | ● | | | | | | | |
| G1 | **Corporate culture** | | | | ● | | | | |
| | **Protection of whistle-blowers** | | | | | | | | ● |
| | **Management of relationships with suppliers including payment practices** | | | | ● | | | | |
| | **Corruption and bribery** | | | | ● | | ● | | |
| | Prevention and detection including training | | | | | | ● | | |
| | Incidents | | | | | | ● | | |


Below is an introduction to these policies, which will be further detailed throughout the report, in line with the specific disclosure requirements outlined in the relevant ESRS.

To prevent, mitigate, and, where necessary, remediate impacts, manage risks, and seize opportunities identified in the area of sustainability, Amplifon has updated specific policies to address and monitor them, incorporating considerations related to the material IROs identified through the double materiality analysis. In accordance with the minimum disclosure requirements set by regulations, an overview of the implemented policies will be provided, with further details on the following policies:

## Code of Ethics

The Group's Code of Ethics defines, in alignment with its corporate culture, the values, principles, and behavioural rules that guide the Group's daily operations. In addition to being an integral part of the Organisation, Management, and Control Model pursuant to Italian Legislative Decree 231/2001, the Code of Ethics specifically establishes fundamental behavioural principles concerning:

- Business conduct policies, including conflict of interest, confidentiality of information, responsibility in work activities, compliance with applicable regulations (such as those on privacy, anti-money laundering, and intellectual property), and the fight against corruption, unlawful favours, collusive behaviour, and solicitations of undue advantages;
- Human resources management, including the fight against any form of discrimination, the rejection of child labour exploitation, the promotion of equal opportunities in all aspects of employment relationships, the fight against any form of workplace harassment, and the maintenance of a healthy and safe work environment;
- Clarity and completeness in accounting records, through the adoption of high standards of financial planning and control, as well as consistent and adequate accounting systems;
- Sustainability, particularly concerning the creation of long-term sustainable and shared value, the generation of a positive and lasting social impact, and the awareness of the importance of environmental protection;
- Relations with external stakeholders, specifically regarding interactions with suppliers, public officials and institutions, customers, the media, and the financial community, including the management of gifts and promotional items.

The principles and provisions of the Code of Ethics apply to all employees and Amplifon Group entities, as well as to any third parties whose actions may be attributed to the Group. Amplifon ensures that the principles of the Code of Ethics are shared by agents, consultants, suppliers, business partners, and any other stakeholders with whom it maintains long-term business relationships. Violations of the Code may constitute a breach of contractual obligations, potentially leading to legal consequences. The Code of Ethics is distributed across all countries where the Group operates, ensuring its local implementation and effective application.

### RESPONSIBILITY AND GOVERNANCE

The Board of Directors promotes the implementation and compliance with the Code of Ethics across all Group companies and ensures that its principles are regularly updated to remain aligned with *best practices*.
The Group Internal Audit Department, as part of the periodic audits included in the plan, verifies, among other things, compliance with the principles contained in the Code of Ethics.

## Sustainability Policy

The Sustainability Policy, which applies across the entire Amplifon Group, focuses on four key areas:

- *Product and Service Stewardship*
  Commitment to social inclusion, through actions aimed at overcoming economic, physical, and geographical barriers, while promoting innovation to meet the individual needs of customers, offering high-quality solutions that ensure effectiveness, personalisation, and safety, and delivering a customer experience tailored to each individual.
- *People Empowerment*
  Commitment to creating an inclusive, diverse, and safe work environment, where employees can grow professionally and contribute to the company's success, with the awareness that employee well-being and satisfaction are priorities, and with the goal of attracting and retaining top talent;
- *Community Impact*
  Raising awareness on hearing health by supporting educational and advocacy initiatives;
- *Ethical Conduct and Environmental Responsibility*
  Commitment to conducting business with the highest ethical and moral standards: Amplifon strongly condemns unethical practices, integrates environmental sustainability into its various activities, promotes responsible behaviours throughout the value chain, and reduces environmental impact through mitigation measures and sustainability performance improvements.

Through the Sustainability Policy, Amplifon is committed to upholding the United Nations International Bill of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work and its applicable conventions, the 10 Principles of the UN Global Compact, and the Women's Empowerment Principles (WEPs).

In defining the Sustainability Policy, Amplifon has taken into account the interests and needs of relevant *stakeholders*, who have access to the policy through its publication on the company website.

### RESPONSIBILITY AND GOVERNANCE

The Global Investor Relations & Sustainability, with the active support of relevant corporate functions, monitors, periodically reviews, and updates the policy where necessary. The Risk Control and Sustainability Committee oversees and validates its contents to support the Company's Board of Directors in fulfilling its functions. The policy was reviewed and approved by the Board of Directors on 17 December 2024.

## Environmental Policy

The Environmental Policy aims to guide the Group's actions in the responsible management of environmental impacts, with the goal of reducing its ecological footprint and contributing to the fight against climate change. The policy covers the following areas: energy consumption and greenhouse gas emissions, waste management and circular economy initiatives, and water consumption.

Additionally, the policy addresses environmental and climate risks, extreme weather events and evolving regulatory frameworks, promoting adaptation and mitigation measures to strengthen the company's resilience. The performance monitoring process is based on specific Key Performance Indicators (KPIs) and a transparent and accurate reporting system, ensuring clear evidence of the actions taken. This process is further supported by regular updates on progress made and objectives achieved.

The contents of the Policy apply to the entire Amplifon Group, covering both its business activities and facilities as well as its internal and external stakeholders. The policy is designed to guide all Amplifon employees and collaborators, whether working in direct stores or corporate offices, towards responsible management of daily activities.

In developing the Environmental Policy, Amplifon has taken into account: the interests and needs of relevant stakeholders, the 10 Principles of the UN *Global Compact*, the recommendations of the *Task Force on Climate-related Financial Disclosures* (TCFD) for climate risk reporting. The Policy is made available to all interested parties through publication on the corporate website.

### RESPONSIBILITY AND GOVERNANCE

The Global Investor Relations & Sustainability function, with the active support of relevant corporate functions, is responsible for monitoring, periodically reviewing, and updating the Environmental Policy as needed.
In line with sustainability aspects related to corporate activities and the Sustainability Policy, the priorities and commitments outlined in the Environmental Policy regarding environmental matters are overseen by the Risk Control and Sustainability Committee. This committee supports the Board of Directors in fulfilling its duties. The Policy was reviewed and approved by the Group CEO in December 2024.

## Supplier Code of Conduct

In 2022, Amplifon adopted the Supplier Code of Conduct to share its standards and principles for responsible business conduct with its suppliers and business partners. Amplifon requires all direct and indirect suppliers, as well as business partners, to comply with all applicable laws and regulations in the countries where they operate and to commit to meeting the minimum standards and principles set out in the Supplier Code of Conduct. The document aims to strengthen the commercial relationship between Amplifon and its suppliers, going beyond mere compliance. For this reason, Amplifon requires suppliers and business partners to integrate these standards into their operations, procedures, and business practices, adopt them as their own, and communicate them to their employees, suppliers, and stakeholders. The areas covered include: business ethics and compliance, including anti-corruption, health, safety, and workers' rights, and environmental protection.

To ensure that all recipients of the Code play an active role in its implementation, Amplifon encourages its suppliers, including their employees, to reach out via a dedicated email address (scoc@amplifon.com) for questions or to report potential violations of the minimum standards and principles outlined in the Supplier Code of Conduct.

### RESPONSIBILITY AND GOVERNANCE

The Supplier Code of Conduct was approved by the Board of Directors of Amplifon S.p.A. in March 2022 and is publicly available on Amplifon's corporate website. The Company periodically reviews the Supplier Code of Conduct to ensure its adoption and enforcement and to align it with regulatory developments and the application of *best practices*.

## Diversity, Equity, Inclusion and Belonging Policy

Through the *Diversity, Equity, Inclusion, and Belonging* (DEIB) Policy, Amplifon is committed to fostering a workplace environment that promotes diversity, equality, inclusion, and belonging. This policy applies across all business areas and to all employees, with the goal of overcoming biases and stereotypes, fostering collaborative work environments, and valuing individual differences as a source of strength. The Policy applies to all Amplifon employees and collaborators and extends to clients, *stakeholders*, and partners, covering all company processes and activities. Its core pillars are reinforced through an action plan that includes the implementation of concrete initiatives and a monitoring system based on KPIs, with progress regularly reported in the Sustainability Plan. The Policy aligns with and upholds the principles of the United Nations Global Compact and the *Women's Empowerment Principles*.
In developing the DEIB Policy, Amplifon considered the interests and needs of relevant stakeholders. The Policy is publicly available on the company's website.

### RESPONSIBILITY AND GOVERNANCE

The Human Resources department is responsible for implementing the Policy concerning key Diversity, Equity, Inclusion, and Belonging (DEIB) topics. The DEIB Policy was approved by the Chief Executive Officer and shared with the Board of Directors in July 2022.

## Data Privacy Policy

Amplifon's Data Privacy Policy is designed to ensure the proper, secure, and lawful handling of personal data belonging to employees, clients, *prospects*, and other individuals. The monitoring process includes regular audits, risk assessments, and continuous updates to ensure that data protection measures remain effective.

The Data Privacy Policy applies to all entities within the Group and serves to ensure compliance with the legal and regulatory framework for personal data protection, referring to the applicable legislation in the various countries where the Group entities operate. In addition to applicable laws, some Group entities may be subject to additional privacy requirements imposed by government authorities, public agencies, and health plan partners. Amplifon is committed to complying with these requirements in accordance with relevant regulations. The Policy is accessible to all Group entities and employees via internal platforms and official documentation.

### RESPONSIBILITY AND GOVERNANCE

General Managers in each country are responsible for implementing the Data Privacy Policy. In 2023, the Policy was updated and shared with the Risk, Control and Sustainability Committee and the Board of Directors, without requiring formal approval.


## Anti-corruption Policy

Since 2017, Amplifon's Anti-corruption Policy has ensured ethical business conduct, safeguarding value creation and reinforcing the Group's core principles. The Policy guidelines, inspired by the Group's corporate culture and Code of Ethics, were developed by analyszing business activities that could expose Amplifon to corruption risks. These guidelines promote the highest ethical and moral standards in all business relationships, ensuring that activities are conducted with loyalty, fairness, transparency, honesty, and integrity. The Policy also sets out specific rules to prevent, detect, and manage corruption risks. All Group directors, employees, suppliers, consultants, and any individuals acting on behalf of Amplifon must adhere to the values, standards, and principles set out in the Policy, as well as comply with legal requirements. Updated in 2021, the Policy aligns with international best practices and standards, outlining general principles and specific behavioural and control measures in key areas that may be exposed to corruption risks (e.g. relations with Public Institution Representatives, agents, suppliers, and business partners, gift-giving, donations, and sponsorships). These areas are overseen by specific corporate functions, responsible for managing processes through dedicated Policies and Procedures.

The Anti-corruption Policy is made available to employees on the company intranet and to all interested parties through the publication of a summary on the website.

### RESPONSIBILITY AND GOVERNANCE

Each country within the Group is responsible for adopting the Policy and establishing an anti-corruption system. The Group Internal Audit function conducts compliance assessments in selected countries to assess the implementation level of the controls outlined in the Policy. The Policy was approved by the Board of Directors in 2021.

## Whistleblowing Policy

Since 2020, Amplifon has introduced a structured process for handling reports ("Whistleblowing"), formalised in the Group Whistleblowing Policy. This Policy was updated in 2023 to ensure continued alignment with international best practices and whistleblowing principles.

The Group Whistleblowing Policy defines the types of unlawful behaviours that Amplifon employees or third parties can report, the process for managing reports, as well as the rights and obligations of the whistleblower, in accordance with applicable regulations. Additionally, the reporting methods are explicitly stated, including a digital platform that enables reports to be made simply, securely, and confidentially. This platform also allows for further confidential communication with the whistleblower for additional clarifications.

The Whistleblowing reporting channel can be accessed via the digital reporting platform, voice messaging system, mail and meeting. Channels are also set up to support the reporting of relevant reports under Legislative Decree no. 231/01.

Regarding Amplifon S.p.A., in compliance with Italian whistleblowing regulations (Italian Legislative Decree 24/2023), Amplifon S.p.A.'s Whistleblowing Policy was adopted in 2023 and also updated in 2024.

### RESPONSIBILITY AND GOVERNANCE

The Amplifon Group's Whistleblowing Policy was approved by the Board of Directors in March 2023.

The Group Whistleblowing Policy mandates the establishment of a Whistleblowing Committee, composed of HR, Legal Affairs, and Internal Audit & Risk Management representatives. The Committee is responsible for receiving, analyszing, and eventually investigating reports, and proposing disciplinary measures for centrally managed cases (i.e. at Group level).

Furthermore, as part of the report management process, the policy requires the Whistleblowing Committee to update the Risk Control and Sustainability Committee and the Supervisory Body - for reports relevant to Italian Legislative Decree 231/01 - every six months, or promptly where appropriate, with a summary report of the activities carried out in relation to the reports received.

# ACTIONS, METRICS AND TARGETS

In the various chapters of the Sustainability Report, Amplifon has detailed the actions undertaken to manage impacts, risks, and opportunities related to material sustainability topics, in compliance with the requirements of the relevant ESRS thematic standards. Actions, metrics, and targets have been identified in alignment with the objectives of the Sustainability Plan; in fact, the Group has chosen to focus its efforts on specific priority areas. Topics that are not yet covered will be addressed in the coming years through targeted actions, aiming to progressively and effectively respond to all identified needs. Where available, metrics and objectives have been integrated into the disclosure, ensuring consistency with the described actions and providing a clear overview of the company's performance and progress. With reference to the paragraph "Entity Specific *Governance* Disclosures", actions, metrics and targets, where present, are addressed within the relevant *Disclosure Requirements* , consistent with the structure proposed by the reporting standard.
To date, the Group has no structured process for reporting the amount of current financial resources compared to the most relevant amounts presented in the budget. However, where possible, the Group undertakes to give an overview of the expenses and investments made for the realisation of the activities expressed in the respective chapters.

# ENVIRONMENTAL INFORMATION

## EU TAXONOMY

The purpose of the European Union (EU) Taxonomy[24] is to redirect public and private investments toward environmentally sustainable economic activities, thereby contributing to the European Commission's goal of achieving carbon neutrality by 2050. The EU Taxonomy defines environmentally sustainable economic activities as those that:

- make a substantial contribution to one of the six environmental objectives: (i) Climate change mitigation; (ii) Climate change adaptation; (iii) Sustainable use and protection of water and marine resources; (iv) Transition to a circular economy; (v) Pollution prevention and control; (vi) Protection and restoration of biodiversity and ecosystems;
- do no significant harm (DNSH) to any of the other environmental objectives;
- comply with minimum safeguards.

Recognizing the EU Taxonomy as a key tool to guide the private sector toward sustainable practices, and in order to ensure clear and transparent communication about its activities, the Group has been carrying out monitoring activities since 2021 to understand regulatory obligations, track legislative updates, and plan the reporting process. The Amplifon Group initially focused on regulatory analysis and the contextualisation of its sector for the purpose of applying the EU Taxonomy Regulation. Subsequently, in 2023 and later in 2024, the Group carried out a review and update of the analysis conducted in order to identify and disclose information regarding the share of turnover, capital expenditure (CapEx), and operating expenditure (OpEx) derived from products or services associated with Taxonomy-eligible and/or Taxonomy-aligned economic activities. This phase was conducted with the involvement of the Group Procurement and Accounting functions, examining all legal entities included within the reporting scope and proceeding with the analysis as follows:

- Turnover: the economic activities generating revenue for the Group pertain to the sale of Hearing Aids under the sector "retail sale of medical and orthopaedic goods in specialised stores" (NACE Code 47.74). In light of this, the Group reviewed the activities defined under the EU Taxonomy and concluded that, under the current regulatory framework, its core business is not included among the Taxonomy-eligible activities.
- Capital Expenditure: as part of the analysis, specific assessments were carried out regarding the presence of CapEx related to the purchase of products originating from Taxonomy-aligned economic activities, as well as individual measures that enable activities contributing to the climate change mitigation objective to achieve low-carbon emissions or greenhouse gas (GHG) reductions. This analysis determined the eligibility of the economic activity "Installation, maintenance and repair of energy efficiency equipment" (activity 7.3), particularly concerning CapEx associated with the installation of LED lighting technology.

At present, the Group does not have a process in place to verify compliance with the technical screening criteria. For this reason, it is not able to report any Taxonomy-aligned amounts.

## MINIMUM SAFEGUARDS

In carrying out activities in accordance with the requirements of the EU Taxonomy Regulation, the Amplifon Group has conducted an analysis to assess compliance with the Minimum Safeguards. Specifically, the Group has examined all the aspects outlined in Article 18.1 of the Regulation, assessing compliance and the corresponding management approaches. While the Group already implements policies, governance models, and actions in the areas of human rights, anti-corruption, taxation, and fair competition, it does not yet fully meet all the requirements set out in Regulation (EU) 2020/852. However, considering the rapidly evolving regulatory landscape, the Group will complete the necessary assessments to identify and implement any required adjustments.

24. The EU Taxonomy framework is established by the following regulations: Regulation (EU) 2020/852 of the European Parliament and the Council of 18 June 2020; Climate Delegated Act: Regulation (EU) 2021/2139 of the European Commission; Complementary Climate Delegated Act or Regulation (EU) 2022/1214 of the European Commission; Environmental Delegated Act or Regulation (EU) 2023/1114 of the European ommission.

# TURNOVER, CAPEX, AND OPEX ANALYSIS

## Turnover

Based on the analysis outlined in the previous section, the Group does not generate revenue from economic activities within the scope of the EU Taxonomy. As a result, the numerator of the turnover KPI is zero. The total turnover value of €2,409 million coincides, also in consideration of the currency in which the figure is stated, with the sales and services for the financial year 2024 as also indicated in Note 29 "Revenues from Sales and Services" within the Consolidated Financial Statements and Related Notes section of the Annual Report. The KPI, as required by Regulation (EU) 2020/852, is defined as the portion of revenue eligible under the Taxonomy (numerator) divided by the total revenue (denominator).

| Financial Year | | 2024 | | Substantial contribution criteria | | | | | | DNSH criteria («Does Not Significantly Harm») | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Economic Activities [1] | Code [2] | Turnover [3] | Proportion of Turnover, 2024 [4] | Climate Change Mitigation [5] | Climate Change Adaptation [6] | Water [7] | Pollution [8] | Circular Economy [9] | Biodiversity [10] | Climate Change Mitigation [11] | Climate Change Adaptation [12] | Water [13] | Pollution [14] | Circular Economy [15] | Biodiversitt [16] | Minimum Safeguards [17] | Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) turnover, 2023 [18] | Category enabling activity [19] | Category transitional activity [20] |
| | | K€ | % | Yes; No; N/EL | Yes; No; N/EL | Yes; No; N/EL | Yes; No; N/EL | Yes; No; N/EL | Yes; No; N/EL | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No | | E | T |
| **A. TAXONOMY-ELIGIBLE ACTIVITIES** | | | | | | | | | | | | | | | | | | | |
| **A.1 Environmentally sustainable activities (Taxonomy-aligned)** | | | | | | | | | | | | | | | | | | | |
| Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1) | | 0 | 0% | - | - | - | - | - | - | - | - | - | - | - | - | - | 0% | | |
| *Of which enabling* | | 0 | 0% | - | - | - | - | - | - | - | - | - | - | - | - | - | 0% | E | |
| *Of which transitional* | | 0 | 0% | | | | | | | - | - | - | - | - | - | - | 0% | | T |
| **A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)** | | | | | | | | | | | | | | | | | | | |
| | | | | EL; N/EL | EL; N/EL | EL; N/EL | EL; N/EL | EL; N/EL | EL; N/EL | | | | | | | | | | |
| Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2) | | 0 | 0% | - | - | - | - | - | - | | | | | | | | 0% | | |
| Turnover of Taxonomyeligible activities (A.1+A.2) | | 0 | 0% | - | - | - | - | - | - | | | | | | | | 0% | | |
| **B. TAXONOMY-NON-ELIGIBLE ACTIVITIES** | | | | | | | | | | | | | | | | | | | |
| Turnover of Taxonomy-non eligible activities | | 2,409,241 | 100% | | | | | | | | | | | | | | | | |
| **TOTAL** | | **2,409,241** | **100%** | | | | | | | | | | | | | | | | |

## PROPORTION OF TURNOVER/TOTAL TURNOVER

| | Taxonomy-aligned per objective | Taxonomy-eligible per objective |
|---|---|---|
| CCM | 0% | 0% |
| CCA | 0% | 0% |
| WTR | 0% | 0% |
| CE | 0% | 0% |
| PPC | 0% | 0% |
| BIO | 0% | 0% |

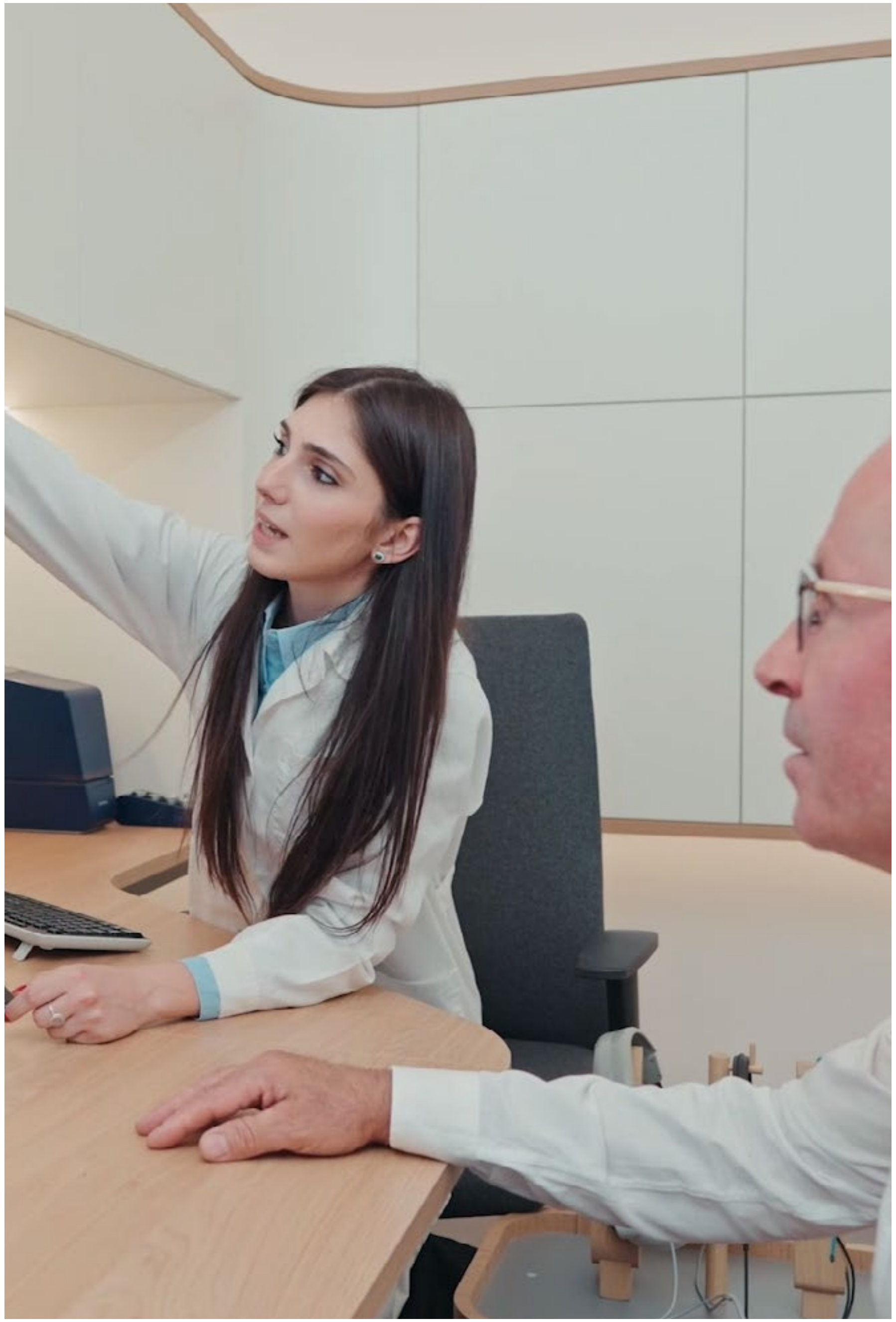
## CapEx

The KPI for capital expenditure (CapEx) corresponds to the portion of this item related to the modernisation of lighting systems in the Group's owned stores. Total CapEx includes changes in investments in tangible and intangible assets, and right of use assets including those arising from business combinations, as reported in Notes 4 "Intangible fixed assets with useful life", 5 "Property, plant, and equipment" and 6 "Right-of-use assets" within the section Consolidated Financial Statements and Related Notes of the Annual Report. The KPI, as required by Regulation (EU) 2020/852, is defined as the portion of CapEx eligible under the Taxonomy (numerator) divided by the total CapEx (denominator).

| Financial Year | 2024 | | | Substantial contribution criteria | | | | | | DNSH criteria («Does Not Significantly Harm») | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Economic Activities [1] | Code [2] | CapEx [3] | Proportion of CapEx, 2024 [4] | Climate Change Mitigation [5] | Climate Change Adaptation [6] | Water [7] | Pollution [8] | Circular Economy [9] | Biodiversity [10] | Climate Change Mitigation [11] | Climate Change Adaptation [12] | Water [13] | Pollution [14] | Circular Economy [15] | Biodiversitt [16] | Minimum Safeguards [17] | Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) turnover, 2023 [18] | Category enabling activity [19] | Category transitional activity [20] |
| | | K€ | % | Yes; No; N/EL | Yes; No; N/EL | Yes; No; N/EL | Yes; No; N/EL | Yes; No; N/EL | Yes; No; N/EL | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No | % | E | T |
| **A. TAXONOMY-ELIGIBLE ACTIVITIES** | | | | | | | | | | | | | | | | | | | |
| **A.1 Environmentally sustainable activities (Taxonomy-aligned)** | | | | | | | | | | | | | | | | | | | |
| CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1) | | 0 | 0% | - | - | - | - | - | - | - | - | - | - | - | - | - | 0% | | |
| *Of which enabling* | | 0 | 0% | - | - | - | - | - | - | - | - | - | - | - | - | - | 0% | E | |
| *Of which transitional* | | 0 | 0% | | | | | | | - | - | - | - | - | - | - | 0% | | T |
| **A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)** | | | | | | | | | | | | | | | | | | | |
| | | | | EL; N/EL | EL; N/EL | EL; N/EL | EL; N/EL | EL; N/EL | EL; N/EL | | | | | | | | | | |
| Installation, maintenance and repair of energy efficiency equipment | CCM 7.3 | 262 | 0.07% | EL | N/EL | N/EL | N/EL | N/EL | N/EL | | | | | | | | 0% | | |
| CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2) | | 262 | 0.07% | 100% | 0% | 0% | 0% | 0% | 0% | | | | | | | | 0% | | |
| A. CapEx of Taxonomy-eligible activities (A.1+A.2) | | 262 | 0.07% | 100% | 0% | 0% | 0% | 0% | 0% | | | | | | | | 0% | | |
| **B. TAXONOMY-NON-ELIGIBLE ACTIVITIES** | | | | | | | | | | | | | | | | | | | |
| CapEx of Taxonomy-non-eligible activities | | 371,494 | 99.93% | | | | | | | | | | | | | | | | |
| **TOTAL** | | **371,756** | **100%** | | | | | | | | | | | | | | | | |

## PROPORTION OF CAPEX/TOTAL CAPEX

| | Taxonomy-aligned per objective | Taxonomy-eligible per objective |
|---|---|---|
| CCM | 0% | 0.07% |
| CCA | 0% | 0% |
| WTR | 0% | 0% |
| CE | 0% | 0% |
| PPC | 0% | 0% |
| BIO | 0% | 0% |



## OpEx

Based on the analysis conducted, the Group does not incur operational expenses related to economic activities within the scope of the EU Taxonomy. Therefore, the numerator of the OpEx KPI is zero. Total OpEx includes expenses related to repairs and maintenance, short-term leases, and any other direct costs associated with the day-to-day maintenance of leased properties, store equipment, and other miscellaneous costs and services. The KPI, as required by Regulation (EU) 2020/852, is defined as the portion of OpEx eligible under the Taxonomy (numerator) divided by the total OpEx (denominator).

| Financial Year | 2024 | | | Substantial contribution criteria | | | | | | DNSH criteria («Does Not Significantly Harm») | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Economic Activities** [1] | **Code** [2] | **OpEx** [3] | **Proportion of OpEx, 2024** [4] | **Climate Change Mitigation** [5] | **Climate Change Adaptation** [6] | **Water** [7] | **Pollution** [8] | **Circular Economy** [9] | **Biodiversity** [10] | **Climate Change Mitigation** [11] | **Climate Change Adaptation** [12] | **Water** [13] | **Pollution** [14] | **Circular Economy** [15] | **Biodiversitt** [16] | **Minimum Safeguards** [17] | **Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) turnover, 2023** [18] | **Category enabling activity** [19] | **Category transitional activity** [20] |
| | | K€ | % | Yes; No; N/EL | Yes; No; N/EL | Yes; No; N/EL | Yes; No; N/EL | Yes; No; N/EL | Yes; No; N/EL | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No | % | E | T |
| **A. TAXONOMY-ELIGIBLE ACTIVITIES** | | | | | | | | | | | | | | | | | | | |
| **A.1 Environmentally sustainable activities (Taxonomy-aligned)** | | | | | | | | | | | | | | | | | | | |
| OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1) | | 0 | 0% | - | - | - | - | - | - | - | - | - | - | - | - | - | 0% | | |
| *Of which enabling* | | 0 | 0% | - | - | - | - | - | - | - | - | - | - | - | - | - | 0% | E | |
| *Of which transitional* | | 0 | 0% | | | | | | | - | - | - | - | - | - | - | 0% | | T |
| **A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)** | | | | | | | | | | | | | | | | | | | |
| | | | | EL; N/EL | EL; N/EL | EL; N/EL | EL; N/EL | EL; N/EL | EL; N/EL | | | | | | | | | | |
| OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2) | | 0 | 0% | - | - | - | - | - | - | | | | | | | | 0% | | |
| A. OpEx of Taxonomynon-eligible activities (A.1+A.2) | | 0 | 0% | - | - | - | - | - | - | | | | | | | | 0% | | |
| **B. TAXONOMY-NON-ELIGIBLE ACTIVITIES** | | | | | | | | | | | | | | | | | | | |
| OpEx of Taxonomy non-eligible activities | | 44,036 | 100% | | | | | | | | | | | | | | | | |
| **TOTAL** | | **44,036** | **100%** | | | | | | | | | | | | | | | | |

## PROPORTION OF OPEX/TOTAL OPEX

| | Taxonomy-aligned per objective | Taxonomy-eligible per objective |
|---|---|---|
| CCM | 0% | 0% |
| CCA | 0% | 0% |
| WTR | 0% | 0% |
| CE | 0% | 0% |
| PPC | 0% | 0% |
| BIO | 0% | 0% |

# NUCLEAR AND FOSSIL GAS-RELATED ACTIVITIES

## The Group does not carry out nuclear and fossil gas-related activities.

### NUCLEAR ENERGY-RELATED ACTIVITIES

| | | |
|---|---|---|
| 1 | The company engages in, finances, or has exposure to research, development, demonstration, and deployment of innovative power generation facilities that produce electricity from nuclear processes with minimal fuel cycle waste. | NO |
| 2 | The company engages in, finances, or has exposure to the construction and safe operation of new nuclear power plants for electricity generation or process heat applications, including district heating or industrial processes such as hydrogen production, and the enhancement of their safety using best available technologies. | NO |
| 3 | The company engages in, finances, or has exposure to the safe operation of existing nuclear power plants generating electricity or process heat, including district heating or industrial processes such as hydrogen production from nuclear energy, and improvements in their safety. | NO |

### FOSSIL GAS-RELATED ACTIVITIES

| | | |
|---|---|---|
| 4 | The company engages in, finances, or has exposure to the construction or operation of power plants that produce electricity from fossil gas fuels. | NO |
| 5 | The company engages in, finances, or has exposure to the construction, refurbishment, or operation of combined heat/cooling and power generation plants using fossil gas fuels. | NO |
| 6 | The company engages in, finances, or has exposure to the construction, refurbishment, or operation of heat generation plants producing heat/cooling from fossil gas fuels. | NO |

# ESRS E1 – CLIMATE CHANGE

## [E1 SBM-3] – MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

| SUSTAINABILITY TOPIC | DESCRIPTION | IRO | POSITION ALONG THE VALUE CHAIN | | | TIME HORIZON | | |
|---|---|---|---|---|---|---|---|---|
| | | | *Upstream* | *Own Operations* | *Downstream* | Short-term | Medium-term | Long-term |
| **Climate change mitigation** | Generation of GHG emissions produced throughout own operations and the value chain as a result of the Group's activities, contributing to climate change | Actual negative impact | ● | ● | ● | ● | ● | ● |
| **Climate change adaptation** | Potential risk of business interruption caused by weather events that might damage Amplifon's distribution centres and affect the Group's ability to guarantee the regular distribution of hearing aids and accessories to its retail network | Risk | | ● | | | | ● |
| **Climate change adaptation** | Potential risk of interruption of suppliers' production and distribution activities due to extreme weather events that might damage the production sites or distribution centers of Amplifon's direct suppliers and that might reduce the availability of hearing aids and accessories for regular supply to Amplifon's stores | Risk | ● | ● | | | | ● |
| **Climate change mitigation** | Potential risk of changes in consumer preferences, due to increased awareness on climate, and perception of stakeholders (e.g., investors) on Amplifon's approach regarding climate topics | Risk (resulting from impact) | | ● | | | | ● |
| **Climate change mitigation; Energy** | Potential risk of increased operational costs due to higher cost of materials and utilities used to meet government requirements related to climate change (e.g., promotion of more energy-efficient solutions, use of renewable sources, reduction of emissions) | Risk (resulting from impact) | ● | | | | | ● |
| **Climate change mitigation** | Adopting best-in-class market practices in reference to climate regulations may strengthen Amplifon's reputation, which can result in attracting more investors, as well as creating stronger partnerships with stakeholders (e.g., financial institutions, suppliers) | Opportunities | | ● | | | | ● |
| **Climate change mitigation** | Potential risk related to evolving climate change regulations (e.g., European Taxonomy, Green Deal, reporting) to be compliant with[25] | Risk (resulting from impact) | | ● | | | | ● |

25. This risk has been deemed material under both ESRS E1 (Climate change) and ESRS G1 (Business conduct).

Climate change mitigation, adaptation, and the transition to a low-carbon economy are among the most pressing global priorities. As a leader in the hearing care sector, Amplifon is committed to responsibly managing its business activities in light of the potential physical and transition risks associated with climate change. These risks include the increasing frequency and severity of extreme weather events, as well as rising fossil fuel prices and stricter energy efficiency and climate adaptation regulations. Given the growing significance of climate-related matters, in 2023, Amplifon deepened its Climate Change Risk Assessment (hereinafter also "CCRA") as part of its Enterprise Risk Management framework, aligning with the recommendations of the Task Force on Climate-related Financial Disclosures (hereinafter also "TCFD"). This effort aims to ensure comprehensive and transparent disclosure of climate-related risks, impacts, opportunities, and management systems.

Within the CCRA, Amplifon mapped potential physical and transition climate risks, assessing exposure and potential impacts on both Amplifon's own assets (offices, stores, warehouses/distribution centres) and direct suppliers' facilities (production sites, distribution centres). This assessment considered geographical location, potential financial impacts, operational slowdowns, and reputational risks, based on Amplifon's climate strategy and that of its key suppliers. The evaluation was conducted over three time horizons - short-term (2030), medium-term (2040) and long-term (2050) - and applied three climate change scenarios based on scientific data.

As physical risks, six extreme weather events have been considered that could have a significant impact on Amplifon's assets and those of its direct suppliers (heatwaves, flash floods, coastal flooding, wildfires, windstorms, and river flooding) in relation to the three climate scenarios defined by the Intergovernmental Panel on Climate Change (hereinafter also "IPCC"):

- RCP 2.6 – *Orderly*: timely energy transition, with a gradual reduction in greenhouse gas emissions starting from 2020, reaching net zero by 2100;
- RCP 4.5 – *Disorderly:* delayed energy transition, starting from 2030, carried out in an uncoordinated manner among countries, resulting in higher costs compared to the RCP 2.6 scenario;
- RCP 8.5 - *Hot house world:* worst-case scenario, which does not foresee any reduction in greenhouse gas emissions. Associated with the concept of "Business as usual", where the growth of greenhouse gas emissions continues at current rates.

To determine the risk exposure of each asset, five risk categories have been identified for each climate event. The average level of exposure for the companies analysed was calculated as the mean of the risk exposure scores for all physical assets, identified risks, considered climate scenarios, and different time horizons. This methodology made it possible to identify the number of occurrences of climate risk in a specific country and within a specific time frame.

The types of physical risks to which Amplifon is exposed vary depending on the country where the Group operates. In general, under the RCP 2.6 scenario, almost all acute physical risks, such as wildfires, flash floods, and river floods, are classified as very low or low. However, depending on the specific characteristics of the country analysed, these risks may be classified as very high even under the RCP 2.6 scenario by 2030. In some cases, these risks, which are not progressive, may even decrease in the RCP 4.5 and RCP 8.5 scenarios due to increased evapotranspiration. Heatwaves and coastal flooding risks are generally classified as very low or low under the RCP 2.6 scenario by 2030. However, all of them show an increase in the RCP 4.5 and RCP 8.5 scenarios. By 2050, exposure to these risks may reach high or very high levels in the RCP 8.5 scenario. Regarding windstorms, risk exposure decreases over time. It remains constant under the RCP 2.6 scenario and in the early timeframes of the RCP 4.5 scenario, but then begins to decline under the RCP 4.5 scenario. In the RCP 8.5 scenario, the risk of windstorms is almost negligible. This is because there is no scientific basis proving that the severity and frequency of windstorms are linked to climate change.

Regarding transition risks and opportunities, which stem from the shift towards a low-carbon economy, the analysis was conducted using the transition scenarios of the Network for Greening the Financial System (hereinafter also "NGFS").

- The *Net Zero 2050* scenario assumes the introduction of ambitious climate policies. Carbon dioxide removal systems are used to accelerate decarbonisation. Net CO2 emissions reach zero around 2050, with at least a 50% probability of limiting global warming to less than 1.5°C. This scenario is comparable to the IPCC's RCP 2.6 scenario;
- *Delayed Transition:* scenario that envisions a delayed transition. It assumes that no new climate policies are introduced before 2030 and that the degree of action varies significantly between countries. It assumes limited availability of carbon dioxide removal systems and higher carbon prices than in the Net Zero 2050 scenario. There is a 67% probability of limiting global warming to less than 2°C. This scenario corresponds to the IPCC's RCP 4.5 scenario;
- The *Current Policies* scenario assumes that only existing policies remain in place, allowing emissions to continue growing until 2080, leading to approximately 3°C of global warming. This scenario aligns with the IPCC's RCP 8.5 scenario.

Four risk categories aligned with the Task Force on Climate-related Financial Disclosures were analysed, which could pose adaptation challenges for Amplifon and its suppliers. These include policy or legal risks, technological risks, market risks, and reputational risks.

The analysis was conducted on the same panel of companies selected for the climate risk assessment, defining measurement indicators for each type of risk, such as Scope 1 and Scope 3 emissions intensity, carbon prices, energy intensity, emission reduction targets, and ESG rating performance. Each indicator was assigned a score from 1 to 5. The average exposure to all transition risks was subsequently calculated using a weighted average of the resulting scores. Finally, to adapt transition risks to the climate scenarios mentioned above and to different time horizons, the average exposure levels were adjusted, reflecting either improving or worsening trends, based on future exposure projection trends.

Topics such as Amplifon's geographical presence in Europe and the completion in 2024 of preparatory activities for the submission of emission reduction targets in line with the Science Based Targets initiative (hereinafter also "SBTi") have led to the assessment of Amplifon's policy and legal risk as medium. Similar considerations were made regarding technological risk, where Amplifon's exposure was deemed low due to the characteristics of its business and activities. Taking into account emission reduction targets, energy prices, and EU regulations, Amplifon's exposure to market risk was assessed as medium. Finally, given that Amplifon has lower Scope 3 emissions compared to the panel of companies analysed and performs better than average in ESG ratings, its exposure to reputational risk was classified as medium.

Extreme climate events may pose risks to Amplifon's business, particularly in relation to stores and distribution centres.

The final climate risk assessment was therefore integrated into the ERM process, both quantitatively and qualitatively, with a short-, medium-, and long-term time horizon (2030, 2040, 2050). To integrate the final assessments into ERM, two intermediate climate scenarios were considered in the analysis: the IPCC RCP 4.5 climate scenario for physical risks and the NGFS "Delayed Transition" scenario for transition risks and opportunities. The final rating, derived from probability and impact assessments conducted together with risk owners, provides an indication of Amplifon's residual risk level, taking into account the adaptation and mitigation measures already implemented to reduce potential negative impacts. Based on the results of analyses conducted in 2023 and considering the Group's activities and business model, no activities were identified as incompatible with the transition to a climate-neutral economy, nor were any significant exposures to climate change risks detected in the short, medium, and long term. Nevertheless, Amplifon remains committed to maintaining continuous oversight of these risk categories and will continue to assess them annually within the ERM process.

For details on the nature and type of risks identified (physical or transitional), please refer to the paragraph "Processes for identifying and assessing impacts, risks and opportunities" of the "General Information (ESRS 2)" chapter.

## [E1-1] TRANSITION PLAN FOR CLIMATE CHANGE MITIGATION

To strengthen its strategic environmental path, Amplifon has initiated the development of a structured transition plan in 2024 aimed at progressively reducing its greenhouse gas emissions and actively contributing to global climate change mitigation goals. The company is committed to defining concrete actions to reduce both direct and indirect emissions, with the objective of submitting the transition plan for validation by the Science Based Targets initiative (SBTi) by 2025.

## [E1-2] POLICIES RELATED TO CLIMATE CHANGE MITIGATION AND ADAPTATION

In alignment with its Code of Ethics and Sustainability Policy, Amplifon is increasingly focused on environmental topics and the challenges posed by climate change, monitoring its performance and carbon footprint not only at the office and store level but across the entire value chain. With the adoption and update of the Environmental Policy in 2024 (refer to paragraph "Policies, actions, metrics and targets" of the "General disclosures" chapter), the Group has formalised its commitments towards climate change mitigation and adaptation, energy efficiency, reduction of consumption, and the use of renewable energy sources, as well as additional environmental aspects such as waste management, circularity, and water consumption management. Specifically, the policy outlines Amplifon's commitments in terms of improving and monitoring environmental performance, promoting best practices, raising awareness and providing training, ensuring compliance with applicable regulations, maintaining transparency with stakeholders, and monitoring and managing environmental impacts, risks, and opportunities.

## [EI-3] ACTIONS AND RESOURCES IN RELATION TO CLIMATE CHANGE POLICIES

In 2024, initiatives aimed at reducing emissions impact were implemented, in line with the Group's Sustainability Plan. The Group's commitment, focused on greenhouse gas (hereinafter also "GHG") emissions, resulted in various climate change mitigation actions, including:

- A continuous increase in the share of purchased electricity certified as sourced from renewable energy, reaching a total of 80% of total electricity consumption. This activity involved an investment (OpEx) of over EUR 6 million, as reported in Note 30 "Operating Costs" in the Consolidated Financial Statements;
- Within the company's fleet of over 1,950 vehicles, 25% are electric or hybrid cars (77 and 417 respectively), in order to reduce the impact caused by fuel consumption;
- In alignment with the rollout of the new store format, which introduces an innovative architectural design for the Group's points of sale, the installation of LED lighting systems is currently underway; for further information on economic valorisation, please refer to the paragraph "European Taxonomy" in this chapter.

## [EI-4] TARGETS RELATED TO CLIMATE CHANGE MITIGATION AND ADAPTATION

The Group is committed to defining a structured pathway for managing climate impacts, with a particular focus on reducing emissions. Although a formalised transition plan is not yet in place, Amplifon is actively working on identifying concrete measures to limit both direct and indirect emissions, with the objective of developing a structured transition plan by next year. For further details on ongoing activities related to Science-Based Targets,please refer to the "Transition plan for climate change mitigation" section of this chapter.
Currently, the Sustainability Plan already includes targets aimed at reducing GHG emissions, such as: achieving 100% certified renewable electricity for offices and directly operated stores by 2030 and surpassing 60% hybrid or electric vehicles in the corporate fleet by the same year.

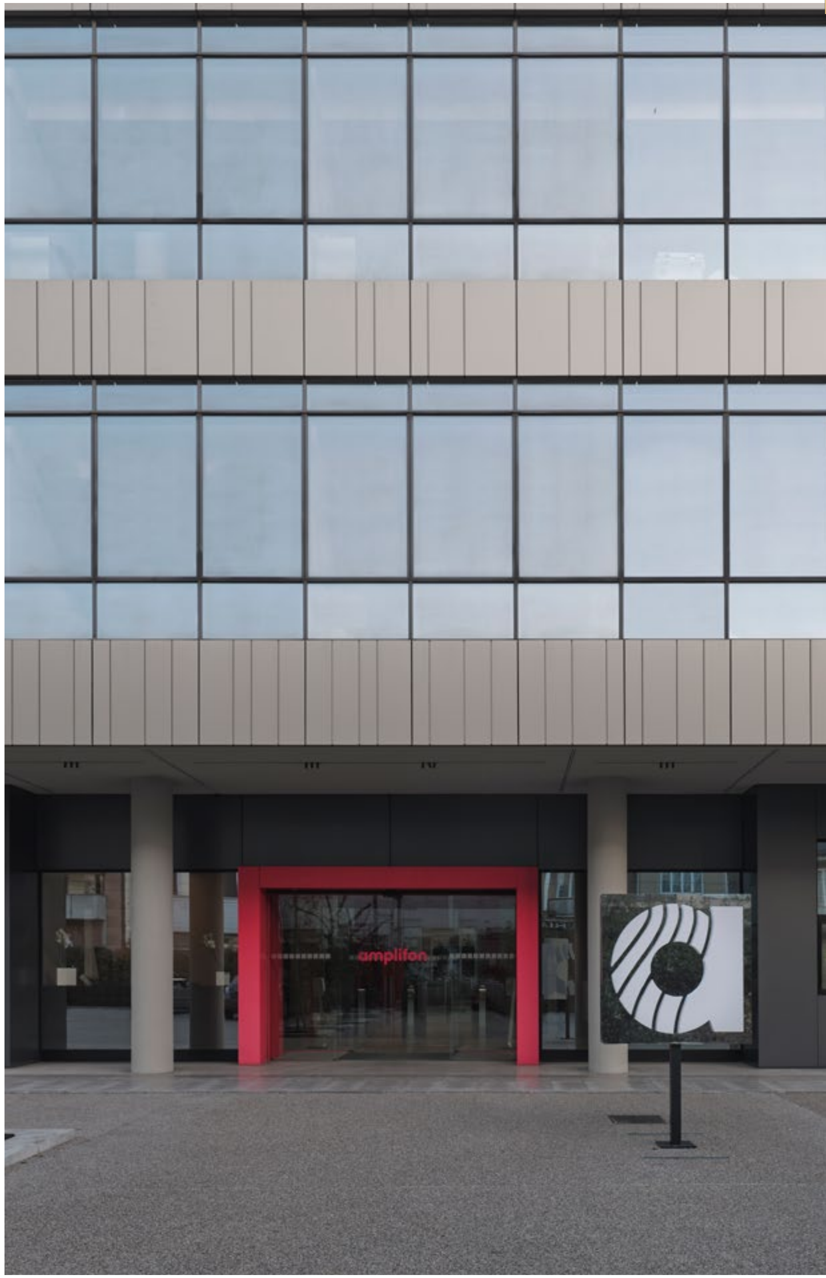
## [EI-5] ENERGY CONSUMPTION AND MIX

In 2024, the Group continued monitoring energy consumption across its corporate headquarters and network of directly operated stores, aiming to provide stakeholders with the most complete and transparent overview of its energy performance. As in previous years, heating, air conditioning, and lighting in offices and stores accounted for the majority of the Group's energy consumption. The remaining energy consumption is attributed to heating offices and stores, primarily from natural gas consumption, along with smaller contributions from fuel oil, district heating, and fuel consumption from the corporate vehicle fleet. Reported consumption is derived from primary data collected from shops and offices and, where not available, is estimated on the basis of average consumption in the same country, where possible, and weighted in proportion to floor space. In total, the Group consumed 72,150.40 MWh of energy, of which 42% came from renewable sources (30,415.09 MWh).

## ENERGY CONSUMPTION AND MIX (MWh)

| Energy consumption and mix (MWh)[26] | 2024 |
|---|---|
| Fuel consumption from coal and coal products | - |
| Fuel consumption from crude oil and petroleum products | 21,280.80 |
| Fuel consumption from natural gas | 10,613.88 |
| Fuel consumption from other fossil sources | - |
| Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources | 9,840.63 |
| **Total fossil energy consumption** | **41,735.31** |
| ***Share of fossil sources in total energy consumption (%)*** | ***58%*** |
| **Consumption from nuclear sources[27]** | **-** |
| ***Share of consumption from nuclear sources in total energy consumption (%)*** | ***-*** |
| Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) | 67.48 |
| Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources | 30,347.61 |
| The consumption of self-generated non-fuel renewable energy | - |
| **Total renewable energy consumption** | **30,415.09** |
| ***Share of renewable sources in total energy consumption (%)*** | ***42%*** |
| **Total energy consumption** | **72,150.40** |

Based on the provisions of Commission Delegated Regulation (EU) 2022/1288, the Amplifon Group is one of the companies belonging to the "high climate impact" sectors, in particular considering the sector "retail sale of medical and orthopaedic articles in specialised stores". Energy intensity is calculated by considering the energy consumption and the total revenues of the Group (total Group revenues as also indicated in the explanatory note 29 "Revenues from Sales and Services" within the Consolidated Financial Statements and Related Notes section of the Annual Report) and is therefore equal to 29.95 MWh/million €.



26. Values are calculated using conversion factors from the DEFRA 2024 database.
27. Amplifon does not consume energy through direct supply from nuclear sources; the share of energy from nuclear sources within the composition of the national energy mix considered is deemed immaterial.

## [EI-6] GROSS SCOPE 1, 2, 3 AND TOTAL GHG EMISSIONS

Since 2022, Amplifon has been measuring its carbon footprint, which includes both direct and indirect emissions generated by the Group's activities (Scope 1 and 2), as well as indirect emissions identified by the GHG Protocol along the value chain (Scope 3). Among the 15 Scope 3 emission subcategories identified by the GHG Protocol, 12 have been deemed relevant and applicable to the Group[28], considering the nature of Amplifon's business and the absence of manufacturing activities.

In 2024, the Group implemented an emission inventory improvement plan, enhancing the granularity and quality of primary data and calculation models, also in preparation for the submission of "near-term" decarbonisation targets to the Science Based Targets initiative (SBTi) in 2025.
This activity also led to a recalculation of the 2023 baseline, which resulted in a 4.5% increase in total emissions from 143,913 $tCO_2e$ to 150,399 $tCO_2e$, specifically:

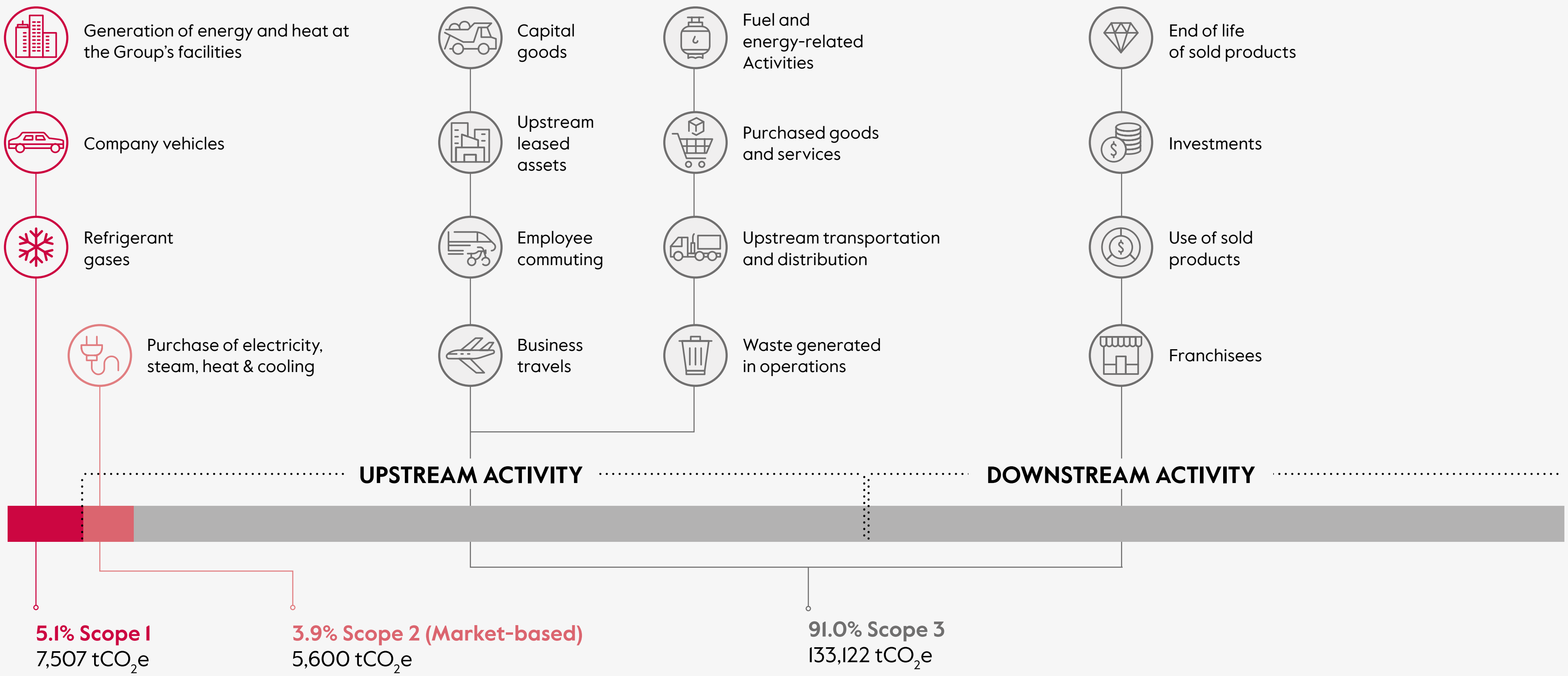
- categories 3.1 and 3.2 recorded a 17% increase in emissions each, due to improved data granularity, methodological changes in assumptions and emission factors, and calculation adjustments;
- category 3.4 recorded an 18% decrease in emissions, thanks to improved data quality from suppliers regarding product weights and logistics flows;
- category 3.6 recorded a 43% decrease in emissions due to calculation adjustments.

The total emissions volume for 2024 showed a 3% reduction compared to the measurements for 2023. The 9% increase in Scope 1 and 2 emissions is attributed to higher consumption linked to new store openings and greater data coverage. Regarding Scope 3, a 4% reduction in emissions impact was recorded, primarily due to improvements in data collection, which led to the integration of more primary data and supplier-specific information into calculation models. For the calculation, primary data from suppliers were integrated where possible, such as for direct purchases and their end-of-life in categories 3.1 and 3.12 and for business trips booked with a travel agency in category 3.6.

Emissions intensity is instead calculated by considering the total emissions and the total revenues of the Group (total consolidated revenues as also indicated in explanatory note 29 "Revenues from Sales and Services" within the Consolidated Financial Statements and Related Notes section of the Annual Report) and is therefore equal to 63.44 $tCO_2e$/million € (location-based) and 60.69 $tCO_2e$/million € (market-based). Specifically, compared to the previous year, carbon intensity decreased by 10% (market-based) and 9% (location-based), thanks to a 3% and 2% reduction in total emissions, respectively, and an increase of more than 6% in the Group's overall revenue.

28. The emission categories related to downstream logistics (3.9), processing of sold products (3.10), and downstream leased assets (3.13) were considered not applicable to Amplifon's operations, as they are not present along the value chain (3.10, 3.13) or because the Group has no potential to influence their reduction (3.9).

## SCOPE 1, SCOPE 2 AND SCOPE 3 EMISSIONS CATEGORIES

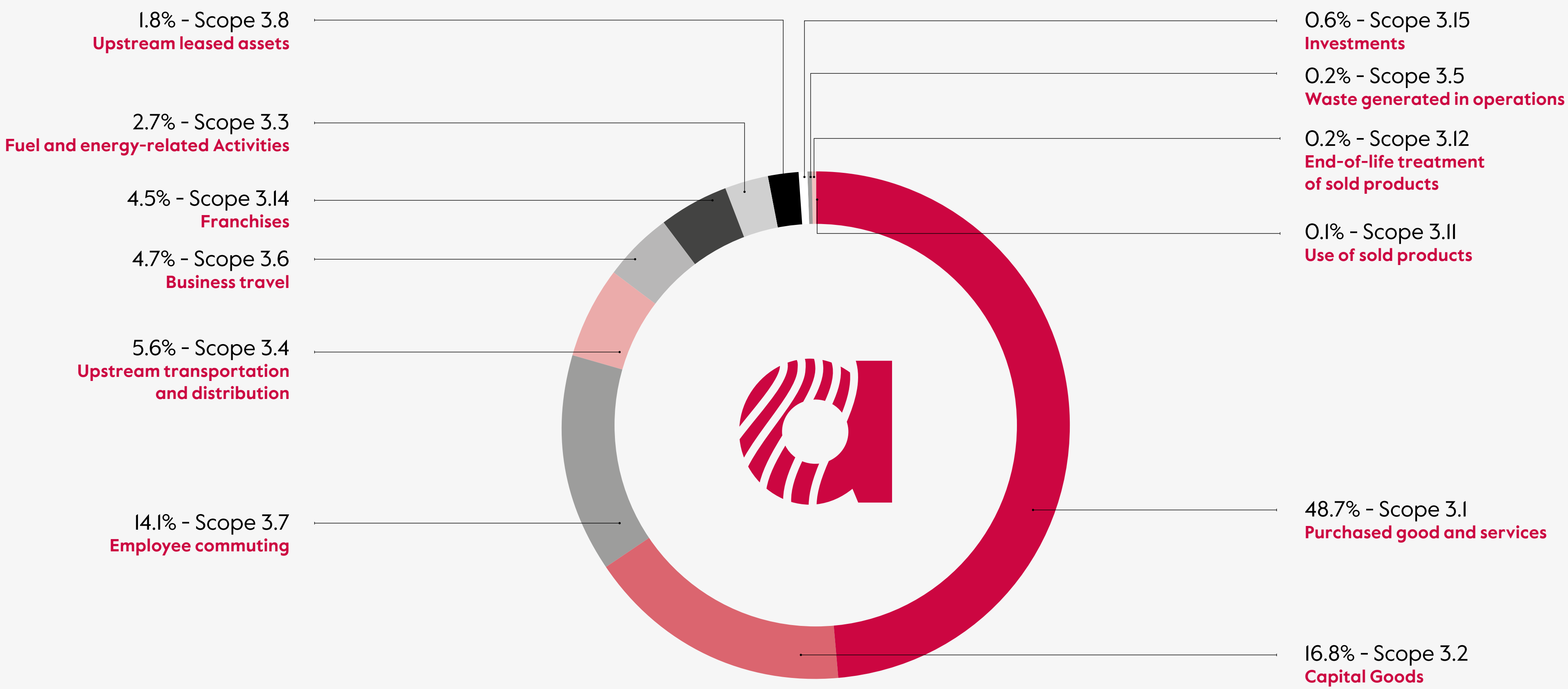


## TABLE - GHG EMISSIONS ($tCO_2e$)

| | 2023 | 2024 | % change (2024 vs 2023) |
|---|---|---|---|
| **Scope 1 GHG emissions** | | | |
| Gross Scope 1 GHG emissions | 7,203 | 7,507 | 4% |
| Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%) | | | |
| **Scope 2 GHG emissions**[29] | | | |
| Gross location-based Scope 2 GHG emissions | 10,560 | 12,220 | 16% |
| Gross market-based Scope 2 GHG emissions[30] | 4,815 | 5,600 | 16% |
| **Significant scope 3 GHG emissions** | | | |
| Total Gross indirect (Scope 3) GHG emissions | 138,381 | 133,122 | -4% |
| 1 Purchased goods and services | 67,389 | 64,768 | -4% |
| 2 Capital goods | 26,876 | 22,321 | -17% |
| 3 Fuel and energy consumption-related activities (not included in Scope 1 or 2) | 3,217 | 3,635 | 13% |
| 4 Upstream transport and distribution | 6,991 | 7,473 | 7% |
| 5 Waste generated | 224 | 242 | 8% |
| 6 Business travels | 7,371 | 6,307 | -14% |
| 7 Employee commuting | 16,254 | 18,780 | 16% |
| 8 Upstream leased assets | 2,468 | 2,445 | -1% |
| 11 Use of sold products | 69 | 82 | 19% |
| 12 End of life of products sold | 493 | 230 | -53% |
| 14 Franchisees | 6,249 | 5,992 | -4% |
| 15 Investments | 780 | 847 | 9% |
| **Total GHG emissions** | | | |
| Total GHG emissions (location-based) | 156,144 | 152,849 | -2% |
| Total GHG emissions (market-based) | 150,399 | 146,229 | -3% |

29. The databases used for the calculation of Scope 2 emissions report Emission Factors in terms of $CO_2$/kWh.
30. In 2024, the share of electricity covered by RECs (Renewable Energy Certificates) or Renewable Energy Contracts is 30,283.47 MWh (80% of the total), of which specifically 10,389.32 MWh (27%) covered by RECS and 19,894.15 MWh (53%) covered by Renewable Energy Contracts.

## SCOPE 3 EMISSIONS, 2024 BY SUBCATEGORY AND MAIN EMISSION SUBCATEGORIES



| CATEGORY | DATA DESCRIPTION AND METHODOLOGY | EMISSION FACTORS DATABASE |
|---|---|---|
| **Scope 1** | Emissions from heating at offices and directly operated stores, fuel consumption for company vehicles, and the use of refrigerant gases. These emissions are calculated based on primary data collected from stores and offices or, where unavailable, estimated using the average consumption for the same country, where possible, weighted according to surface area. | Emission factors were sourced from the DEFRA 2024 database. |
| **Scope 2** | Indirect emissions from the consumption of purchased electricity and thermal energy, calculated using both the location-based and market-based approaches, based on primary data collected from stores and offices. Where primary data were unavailable, emissions were conservatively estimated using the same methodology as for Scope 1. | For the location-based and market-based approaches, the following databases were used: IGES 2024 ($CO_2$ only), AIB 2024 ($CO_2$ only), eGrid 2023, and national databases where available. |
| **Cat. 3.1**<br>**48.7% of Scope 3** | Emissions associated with the production of products and services purchased by the Group, mainly arising from direct procurement (hearing devices and related accessories, water consumption) and indirect procurement (marketing services, general services, consulting, and IT services). The category was calculated using a hybrid approach, incorporating both activity data and expenditure data. | For activity data (as defined by GHG Protocol), Ecoinvent 3.11 and DEFRA 2024 emission factors were applied. For expenditure data, emission factors from CEDA 4.01 were used. For expenditure data related to material suppliers, supplier-specific emission factors were applied, calculated based on publicly available data (Scope 1, 2, and 3 GHG emissions and 2024 revenue). |
| **Cat. 3.2**<br>**16.8% of Scope 3** | Emissions associated with the production of capital goods purchased by the Group, primarily linked to the store network and IT infrastructure. The emissions calculation follows a hybrid approach, using activity data for IT equipment and materials purchased for stores renovated according to the new store format, where available. | For activity data (as defined by GHG Protocol), Ecoinvent 3.11 emission factors were applied. For expenditure data, emission factors from CEDA 4.01 were used. For expenditure data related to material suppliers, supplier-specific emission factors were applied, calculated based on publicly available data (Scope 1, 2, and 3 GHG emissions and 2024 revenue). |
| **Cat. 3.3**<br>**2.7% of Scope 3** | Emissions from activities related to fuel and energy consumption. The calculation is based on the same activity data used to estimate Scope 1 and 2 emissions. | Emission factors were sourced from the IEA database. |
| **Cat. 3.4**<br>**5.6% of Scope 3** | Emissions generated by the transport of products purchased by the Group (hearing devices, related accessories, and packaging). Upstream logistics emissions were calculated using the distance-based method, considering kilometres travelled and tonnes of goods transported. For countries where the number and location of stores were not provided, conservative distance averages were applied. In 2024, Amplifon initiated a detailed mapping of goods flows in collaboration with several suppliers, significantly improving the representativeness of the logistics emissions calculation. | Emission factors were sourced from the DEFRA 2024 database. |

| CATEGORY | DATA DESCRIPTION AND METHODOLOGY | EMISSION FACTORS DATABASE |
|---|---|---|
| **Cat. 3.5**<br>**0.2% of Scope 3** | Emissions from the management and treatment of waste generated in stores and offices. The calculation was based on the weight of the waste. In cases where data were unavailable, waste volumes were estimated using average waste weights per surface area. | For the calculation, Ecoinvent 3.11 and DEFRA 2024 emission factors were applied, depending on the type of waste and its disposal method. |
| **Cat. 3.6**<br>**4.7% of Scope 3** | Emissions generated by employee travel for business purposes, including air travel, train journeys, private and rental cars, taxis, as well as emissions related to hotel stays. Primary data on distances travelled by mode of transport and hotel stays were centrally collected from the Travel Agency, while expenditure data were provided for taxis and rental cars. | For the calculation, DEFRA 2024 emission factors were used for transport emissions, and Cornell Hotel Sustainability Benchmarking Index 2023 was applied for hotel stays. |
| **Cat. 3.7**<br>**14.1% of Scope 3** | Emissions associated with employee commuting, calculated using primary data obtained from a mobility survey conducted on a significant sample of employees and extrapolated to the total number of Amplifon employees as of 2024. | For the calculation, DEFRA 2024 emission factors were used. |
| **Cat. 3.8, 3.14**<br>**6.3% of Scope 3** | Emissions associated with upstream leased assets and franchisees, calculated using a hybrid model based on estimated average gas and electricity consumption in directly operated stores and rental expenditure data for shop-in-shops and corners. | For the calculation, DEFRA 2024 emission factors were used for natural gas, AIB 2024 was applied for electricity consumption, and CEDA 4.01 was used for expenditure-based data. |
| **Cat. 3.11**<br>**0.1% of Scope 3** | Emissions related to the use of sold products, calculated based on electricity consumption activity data for each hearing device (both rechargeable and non-rechargeable) throughout its lifecycle. | For the calculation, market-based electricity grid emission factors from the countries where hearing devices are sold were sourced from AIB 2024 and IGES 2024 databases. |
| **Cat. 3.12**<br>**0.2% of Scope 3** | Emissions from the end-of-life phase of sold products, calculated using primary weight data collected under Category 3.1 (direct procurement). | For the calculation, Ecoinvent 3.11 and DEFRA 2024 emission factors were applied. |
| **Cat. 3.15**<br>**0.6% of Scope 3** | Emissions from the Group's investments in third-party companies, calculated using the equity share approach. | For the calculation, emission factors from CEDA 4.01 were used. |

# SOCIAL INFORMATION

## ESRS S1 – OWN WORKFORCE

## STRATEGY IN PEOPLE MANAGEMENT

### [ESRS S1 – SBM-3] MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

| | | | POSITION ALONG THE VALUE CHAIN | | | TIME HORIZON | | |
|---|---|---|---|---|---|---|---|---|
| SUSTAINABILITY TOPIC | DESCRIPTION | IRO[31] | *Upstream* | *Own Operations* | *Downstream* | Short-term | Medium-term | Long-term |
| **Equal treatment and opportunities for all**<br>Training and skills development | Enhancement of employee skills (both field force and back-office) through training and professional development programmes, coaching and mentorship activities, and onboarding initiatives, leading to positive outcomes in terms of personal growth for employees | Actual positive impact | | ● | | ● | ● | ● |
| **Equal treatment and opportunities for all**<br>Training and skills development | Negative consequences on the company's perceived attractiveness due to a decline in engagement perception and insufficient talent attraction initiatives | Potential negative impact | | ● | | | | ● |
| **Equal treatment and opportunities for all**<br>Employment and inclusion of persons with disabilities; Measures against violence and harassment in the workplace; Diversity. | Concrete commitment to fostering an ethical work environment, centred on inclusivity, equity, and human rights protection, thereby promoting employee satisfaction, freedom of expression, representation, and safety | Actual positive impact | | ● | | ● | ● | ● |
| **Working conditions**<br>Working time; Adequate wages; Work-life balance | Potential talent loss and low retention rates due to a slowdown in career progression (linked to working conditions and remuneration) | Potential negative impact | | ● | | | | ● |
| **Working conditions**<br>Working time; Work-life balance | Employee well-being and satisfaction, as well as trust in the company, fostered by the implementation of dedicated welfare and well-being programmes (e.g., parental support, services for caregivers) | Actual positive impact | | ● | | ● | ● | ● |
| **Equal treatment and opportunities for all**<br>Employment and inclusion of persons with disabilities; Measures against violence and harassment in the workplace; Diversity | Potential discrimination against certain categories of employees in the workplace, including psychological harassment and/or unequal treatment | Potential negative impact | | ● | | ● | | |
| **Working conditions**<br>Working time; Adequate wages | The fast business growth and the increasing organization complexity of Amplifon may represent a challenge in identifying, attracting and retaining the talents requested for conducting the business as well as in developing a talent pipeline for the succession plan process | Risk (resulting from impact) | | ● | | | | ● |
| **Equal treatment and opportunities for all**<br>Employment and inclusion of persons with disabilities; Skill development and training; Diversity | Amplifon could rely on its positive reputation and perception as an inclusive and sustainability-driven organization that is also proactive in the promotion of a diverse and inclusive environment, to improve talent attraction and retention | Opportunities | | ● | | | ● | ● |

31. It is specified that, at present, the Group has not identified any material impacts on personnel arising from transition plans aimed at reducing negative environmental impacts and achieving more sustainable and carbon-neutral operations. Furthermore, given the nature of the Group's business and operations, no risks of forced or compulsory labor have been identified. As part of the process of defining material risks related to its workforce, the functions involved have not highlighted any risks related to child labour. In both categories of the Company's own workers considered, there have been no specific types of workers (e.g., persons with disabilities) who may be more exposed to the potential negative impacts identified by the Group.

In relation to the identified impacts, whether positive or negative, Amplifon considers and discloses in this report the related management approaches for all its workforce. This approach reflects the specific activities carried out by the business and the absence of impacts associated solely with specific situations or isolated incidents.

The Group's HR strategy reflects both the rapid growth of the business and the commitment to further consolidating Amplifon's global leadership in the hearing care market. These factors have enabled the development of a global HR strategy that effectively responds to the challenges of an increasingly complex and dynamic landscape. By leveraging the professionalism and talent of all employees, this strategy supports the achievements of business objectives.

The Amplifon Group's workforce of 20,926 in 2024 consists of 72% employees and 28% non-employees:

**EMPLOYEES**

The Group's employees, amounting to 15,070 (72% of the total workforce), are divided into back-office employees (workforce operating in Amplifon's offices, including Executives, Directors, Managers, and Professionals) and field force (employees working in sales outlets across different territories, including Field Management, HC Professionals, HA Specialists, and client advisors).

**NON-EMPLOYEES**

Non-employees, amounting to 5,856 (28% of the total workforce), carry out complementary or support functions for employees, either in back-office roles (e.g., BoD Members, agency workers, consultants, trainees or interns) or within the field force (typically HA Specialists and Client Advisors).

Amplifon ensures that all its employees operate in an ethical working environment that fosters inclusivity, equity, and human rights protection. This is achieved through the implementation and communication of the Group's Code of Ethics, which guarantees that all activities are conducted in compliance with the law, in a framework of fair competition, and in full respect of customer needs and the legitimate interests of employees, shareholders, business and financial partners, and the communities in which the Group operates. Furthermore, to foster well-being and employee satisfaction, the Group offers a personalised well-being programme, tailored to the regulatory requirements and best practices in each of the countries where Amplifon operates. This programme is continuously improved each year to ensure alignment with local and international compliance requirements, positioning Amplifon as a fair employer while ensuring that well-being initiatives are recognised as a strategic lever within the Group's policies. This is considered a key factor in enhancing the Group's ability to attract, retain, and engage top talents.

As a testament to this commitment, in 2024, Amplifon was certified as a "Top Employer 2025" for the fourth consecutive year across 16 countries: Germany, Italy, Spain, France, Portugal, the Netherlands, the United States, Canada, Panama, Colombia, New Zealand, Belgium, Argentina, Chile, Ecuador, and Australia. Notably, the certification was achieved for the first time this year in the last five countries. Additionally, Amplifon was recognised as a Top Employer in three regions: Europe, North America, and, for the first time, Latin America.

# MANAGEMENT OF IMPACTS, RISKS, AND OPPORTUNITIES CONCERNING THE GROUP'S WORKFORCE

## [SI-1] POLICIES RELATED TO OWN WORKFORCE

In line with the principles of the UN Global Compact, the Universal Declaration of Human Rights, and in compliance with the International Labour Organization Conventions on Fundamental Human Rights, Amplifon is committed to upholding fundamental human and labour rights in all the countries where it operates. This commitment extends to both its business activities and its relations with third parties, condemning all forms of forced and child labour while ensuring labour rights protection. Amplifon's commitment to promoting respect for workers' rights and ensuring dignified, respectful, and safe working conditions is explicitly outlined in its Sustainability Policy. Additionally, Amplifon takes a proactive approach to engaging its stakeholders, particularly its own workforce, to identify and address any potential or actual impacts on human rights. The Company is committed to monitoring negative human rights impacts, both current and potential, and implementing corrective measures where necessary to prevent and/or remediate such impacts. The Group's whistleblowing system also allows the reporting of aspects covered within the Group's Code of Ethics, including human rights, thus ensuring a secure and confidential channel for reporting any violations or concerns regarding the protection of fundamental rights of its workforce.

The Group's HR strategy reflects both the rapid growth of the business and the commitment to further consolidating Amplifon's global leadership in the hearing care market. In line with the contents of the Code of Ethics and the Sustainability Policy, in 2022 the global DEIB (Diversity, Equity, Inclusion, Belonging) Policy was formalised and approved; please refer to the paragraph "Policies, actions, metrics and targets" in the chapter "General disclosure (ESRS 2)" for more information), which consolidates the importance Amplifon attributes to an impartial, fair and inclusive work environment. With the aim of valuing human differences, the policy covers, among others, the following aspects:

**1. CULTURAL BACKGROUND**
Amplifon places great value on bringing together individuals with diverse cultures, backgrounds, ethnicities, languages, religions, and nationalities, as this diversity fosters innovation, accelerates growth, and enhances decision-making capabilities.

**2. GENDER**
Amplifon believes in gender equality and promotes principles and actions aimed at improving equal opportunities, eliminating any potential barriers, including those related to sexual orientation, gender identity, and work-life balance.

**3. RACE**
Amplifon is committed to identifying and combating all forms of racism to create a better future for future generations. All populations and ethnicities are welcome and protected at Amplifon.

**4. DISABILITY**
Amplifon is committed to promoting the inclusion of people with disabilities and is continuously working to make the workplace safe and inclusive for all.

**5. GENERATIONS**
Amplifon fosters an inclusive work environment, embracing the presence of five generations and recognising the benefits of diverse values and experiences. Amplifon's mission is to ensure that in the company, employees of all ages, feel valued.

To ensure a consistent commitment at every organisational level, the policy outlines specific actions regarding:

- developing a work environment rooted in diversity, fostering a tolerant, flexible, and collaborative culture that adapts to the evolving needs of professional contexts;
- emphasising equity as fairness and justice, acknowledging that not all individuals are equal due to historical or systemic biases. Amplifon strongly believes in encouraging people to develop their unique talents and express their full potential, welcoming anyone who can bring tangible value to the organisation and ensuring equal opportunities for all employees;
- creating a workspace where everyone feels included, safe, and free to embrace their unique ideas and habits, feeling empowered and motivated. This commitment also extends to foster the inclusion of people with disabilities. In this regard, the Group is committed to providing access to training and development initiatives to support and enhance the careers and personal growth of all its people;
- fostering a culture of belonging that enables everyone to be themselves, express themselves freely, and be creative and innovative, unlocking their full potential. The Group's commitment translates into creating a workplace free from discrimination and harassment, where all employees can voice their opinions and report inappropriate behaviour.

To ensure the effective implementation of the policy across business processes, Amplifon has developed a DEIB Action Plan, outlining current and future initiatives that will enable the company to translate the four pillars of the policy into concrete actions.

Furthermore, such policy is implemented in daily operations through specific procedures aimed at preventing, reducing, and addressing discrimination while actively promoting diversity and inclusion, particularly in the following areas:

- **Selection**: Amplifon assesses a diverse pool of candidates in terms of gender and age, ensuring a selection process focused on leadership, business, and technical skills, conducted in a clear, transparent, evidence-based manner, free from any discriminatory criteria. All stakeholders involved in the selection process receive training to ensure a bias-free evaluation, and all recruitment materials (e.g., job descriptions) avoid any mention of personal characteristics or preferences, adhering to the principle of non-discrimination.

- **Training**: Amplifon promotes training and development programmes designed to connect individuals with different experiences, backgrounds, functions, and countries, allowing each employee to broaden their knowledge continuously and achieve professional growth solely based on merit. Through dedicated training programs (both digital and non-digital), available to employees, the Group promotes specific content to enhance diversity, encourage inclusive (bias-free) behaviours, communicate effectively across different cultures within the Group, and encourage intergenerational work and teams composed of different nationalities (e.g., the Managing across Cultures training). Furthermore, the Group strongly believes in global internal mobility as a catalyst for personal and professional growth. To facilitate movement within the Group, Amplifon implemented a competitive Global Mobility Policy.

- **Performance evaluation and compensation**: Individual performance assessments are based on a globally standardised framework of objectives and behaviours, without any geographical or gender-based distinctions. Additionally, equity principles embedded in the Group's Remuneration Policy ensure full ethical integrity and fairness in the performance and compensation review process. During the definition of individual annual objectives, the Group encourages employees and managers to reflect on personal talents and strengths, ensuring that the process is conducted free from bias, as is the case in the Talent Review process.

- **Delivery of a dedicated interactive training programme for the global senior leadership on diversity and unconscious bias management**: This initiative aims at increasing awareness on diversity and unconscious biases, enhancing the management of global teams through a dedicated training programme for the Global Senior Leadership. The programme is designed to increase awareness of Diversity and Unconscious Bias issues, contributing to the creation of an inclusive and sustainable work environment. The training was delivered in person to Chief Officers, Regional VPs, their first-line reports (Directors: General Managers, and Regional Directors), as well as the DEIB Committee and Core Team, in alignment with the objective set out in the 2024 Sustainability Plan.

- **Online training on sustainability and diversity**: three online courses on Sustainability and Diversity were assigned via the Ampli-Academy platform to the entire global back office population. The training sessions aimed to increase awareness of the environmental impact of work activities and promote an inclusive, discrimination-free workplace. The courses covered topics such as energy efficiency, waste reduction, water resource consumption, workplace discrimination and harassment. Additionally, all Amplifon employees receive training on the Supplier Code of Conduct.
  The aim of the training is to increase awareness and knowledge of these issues and create a sustainable and inclusive work environment. This initiative supports the target of delivering two hours of training per capita for the back office workforce. The scope of application includes all direct employees within the back office area.

Amplifon's Code of Ethics defines guidelines applicable to all employees and third parties acting on behalf of the Group, ensuring the maintenance of a safe and healthy work environment and encouraging active participation in risk prevention and health and safety protection for themselves, colleagues, and third parties. Given the nature of the Group's activities and the tools and procedures in place to comply with local and regional regulations, the business presents a low level of occupational injury risk. Nevertheless, specific organisational models are in place in the countries where the Group operates to comply with local safety regulations and standards.

In 2024, Amplifon S.p.A. and Amplifon Italia obtained the Gender Equality Certification from Winning Women Institute for the third time. As the first certification of its kind in Italy, based on the Dynamic Model Gender Rating methodology, it recognises the long-term commitment of Italian companies to valuing and fostering diversity—two fundamental principles of Amplifon's philosophy in promoting equal opportunities across all aspects of employment. The Gender Equality Certification particularly acknowledged the tangible results achieved by the Group over the past three years in the framework of the "People Empowerment" pillar of the Sustainability Plan, which embraces diversity as a driver of enrichment and a key lever for corporate performance.

## [SI-2] PROCESSES FOR ENGAGING WITH OWN WORKFORCE AND WORKERS' REPRESENTATIVES ABOUT IMPACTS

As part of its commitment to stakeholder engagement, Amplifon employs various channels to interact directly with its employees while also engaging with trade union representatives, who play a central role in advocating for workers' needs and concerns. The following activities are aimed at identifying, managing, and addressing any impacts that the Group may have on its employees. Employee engagement activities, which can range from formal consultations to informal meetings, ensure that every individual within the Group has the opportunity to express their opinions. Among the most representative engagement initiatives are:

- **Double materiality**: through a selected population of the Group's employees, evaluations were gathered regarding specific impacts affecting its workforce. This activity allowed employees to provide direct feedback in four dedicated dialogue sessions. For further details regarding update frequency and implementation responsibilities, please refer to paragraph "Amplifon's double materiality" of the "General disclosures (ESRS 2)" chapter.

- **"Your Voice"**: a global survey conducted every two years and dedicated to all employees of the Group, aimed at developing targeted action plans based on the results obtained. The survey investigates topics such as job satisfaction, the purpose of one's work, workplace happiness, and employee stress levels. The most recent edition was conducted in 2023, involving 12,000 employees, including, for the first time, China and the company acquired in 2021 in Australia (Bay Audio Pty Ltd., hereinafter also "Bay Audio").
  The next edition of the survey is scheduled for November 2025.
  The HR function, coordinated by the Chief Human Resources Officer, is responsible for the implementation. For further details on results, engagement activities, and their effectiveness, refer to paragraph "Sustainability governance" of the "General disclosures (ESRS 2)" chapter.

- **Whistleblowing Reporting Mechanism**: a process that allows all Group employees to confidentially and securely report any violations of the Code of Ethics, laws, regulations, internal policies, and procedures. For further information, please refer to paragraph "Policies, actions, metrics and targets" of the "General disclosures (ESRS 2)" chapter.

- **Interactions with trade union representatives**: Amplifon establishes contractual conditions directly with its employees in line with local best practices. Where applicable, collective labour agreements or equivalent contracts are applied. Collective bargaining agreements or equivalents cover all employees in countries where mandated by local regulations or partially, depending on local legal frameworks and specific contractual provisions. In 2024, 4,998 employees were covered by collective bargaining agreements, representing 33.2% of the total workforce.

## [SI-3] PROCESSES TO REMEDIATE NEGATIVE IMPACTS AND CHANNELS FOR OWN WORKFORCE TO RAISE CONCERNS

Amplifon's operations are based on the principles of lawfulness, fairness, honesty, integrity, equity, transparency, and efficiency, adopting internal policies and operational processes aimed at preventing negative impacts on the well-being and safety of its workforce. Amplifon employees and those working on behalf of the company are encouraged to report any concerns or complaints regarding harassment, alleged illegal behaviour, or other issues, directly to their manager or through the Group's independent whistleblowing mechanism. This tool defines the rules and communication channels for reporting, ensuring confidentiality, any violations, suspected violations, or non-compliance with the Code of Ethics, Anti-Corruption Policy, internal policies and procedures, including 231 Model, and applicable laws and regulations. It should be noted that the whistleblowing channel can also be accessed anonymously and operates through a digital platform known as e-Whistle, which is powered by a proprietary third-party software. This platform enables simple, secure, and confidential reporting, while also allowing for confidential follow-ups between the whistleblower and the investigating party, should further clarification be needed. The company ensures that all employees are aware of these tools and how to access them, through training sessions provided during the onboarding process, as well as periodic company-wide communications. The company does not operate any additional specific channels for its own workforce.

# ACTIONS, METRICS AND TARGETS

## [SI-4] TAKING ACTION ON MATERIAL IMPACTS AND APPROACHES TO MITIGATING MATERIAL RISKS AND PURSUING MATERIAL OPPORTUNITIES RELATED TO OWN WORKFORCE, AND EFFECTIVENESS OF THOSE ACTIONS AND APPROACHES

## [SI-5] TARGETS RELATED TO MANAGING MATERIAL IMPACTS, ADVANCING POSITIVE IMPACTS, AS WELL AS TO RISKS AND OPPORTUNITIES

The Group is continuously committed to address potential negative impacts, enhancing positive impacts and managing risks concerning its own workforce. To this end, the Group has developed targeted actions, setting specific objectives, metrics, and targets, and allocating appropriate resources. The management of workforce-related matters involves various corporate functions, particularly the Human Resources department, which, in synergy with other relevant functions, collaborates to continuously monitor and improve the working environment, promote training, enhance talent development, and protect employees' rights. The following sections outline the key actions undertaken, along with the related measurement metrics and objectives, where applicable.

## WORKING CONDITIONS

**Group Benefit Strategy** – A common strategy has been developed for the entire Group, aimed at ensuring a consistent and competitive employee benefits offering across the various geographical areas in which Amplifon operates. This initiative aims to integrate benefits as a strategic lever within the Total Reward Strategy, enhancing employee motivation, satisfaction, and organisational well-being. This project, primarily involving back office employees, will be implemented in the current financial year.

**Pay transparency and equality** – Definition of a global strategy and action plan to align with the objectives of the new European Directive on Pay Transparency and Gender Pay Equality, adapting them to specific non-European countries where local directives already exist. This initiative aims at identifying regulatory impact areas, engage and raise awareness among internal stakeholders, plan targeted interventions, and strengthen the necessary competencies. The Group's strategy focuses on ensuring equitable and transparent pay at all organisational levels, with particular attention to back office employees. The actions are scheduled for completion during the two-year period 2025-2026. This initiative aligns with the Plan's objective of promoting equal opportunities at all corporate levels.

## EQUAL TREATMENT AND OPPORTUNITIES FOR ALL

**Performance Development Review (PDR)**

- Annual performance evaluation process for back office and Field Management personnel (Area Managers, Regional Managers, Training Managers, and Field Trainers) to monitor individual performance and promote behaviours aligned with the Group's leadership model across six dimensions: Strategic Thinking, Driving Success, Outstanding Execution, Building Relationships, People Champion and Pioneering Change. To support employees in understanding the process and the tools available for their professional development, regular training sessions are organised for the involved personnel. These sessions aim to equip Directors and Managers with a clear understanding of their role in fostering the professional growth of their teams, while also empowering professionals with strong awareness of their role in shaping their own development path within Amplifon. At a Group level, in 2024, 88.8% of employees were included in the performance evaluation process, excluding only those who, due to specific circumstances, could not take part (e.g. employees on long-term maternity/paternity leave or extended leave, employees under study-work contracts with different evaluation mechanisms). This initiative is aligned with the Sustainability Plan's objective of ensuring a robust succession pipeline for key roles.

46%

> PERCENTAGE OF TALENTS & HIGH PERFORMERS PER YEAR IN THE BACK-OFFICE POPULATION

30%

> PERCENTAGE OF TALENTS & HIGH PERFORMERS PER YEAR IN THE FIELD FORCE POPULATION ACCORDING TO THE NEW ASSESSMENT SYSTEM

- For the field force workforce (hearing care professionals, Client Advisors, and other store personnel), the Group has developed a new performance monitoring system, launched in 2023. By tracking store visits, target achievements, and individual qualitative assessments for each role, this process ensures alignment with the Group's business performance. The new approach has enhanced efficiency and automation for those subject to the evaluation as well as for Area Managers, who are responsible for conducting the reviews. From a technological perspective, the new system has been integrated into the existing digital platform used for business monitoring, allowing Area Managers to access a single entry-point for the majority of their tasks. The new process was launched in 2023 across nine countries, expanded to four additional countries in 2024, and will continue to be rolled out across the Group in alignment with the technological roll-out roadmap.

**Your Voice** - A global survey conducted every two years and open to all employees of the Group, aimed at developing targeted action plans based on the results obtained. The most recent edition was conducted in 2023, involving 12,000 employees, including, for the first time, China and the company acquired in 2021 in Australia (Bay Audio). For the first time, the survey structure was differentiated between back office and field force employees, increasing the relevance of questions for each workforce segment. In this latest edition, the highest-ever participation rate (87%) was recorded, with over 10,400 responses and more than 24,500 qualitative comments. 88% of Group employees provided a positive opinion of the company, maintaining a consistently strong result in line with the 2021 edition. In 2024, countries defined and implemented action plans based on survey feedback, targeting key areas for improvement identified through the survey. Additionally, in 2024, Amplifon expanded its Listening Strategy by launching offboarding surveys sent to employees who voluntarily leave the company. This initiative aims to maximise employee feedback throughout their career with Amplifon, supporting continuous improvement and understanding of the external job market. The engagement survey includes specific questions such as "My team/workgroup has a culture in which employees appreciate the differences that people bring to the workplace" and "Amplifon does a good job of communicating with employees". These enable monitoring and deeper understanding of employee perspectives, particularly for those more vulnerable to workplace impacts or marginalisation.

The next survey is scheduled for November 2025.

**Training activities** - The Group promotes training and development programmes designed to connect individuals with different experiences, backgrounds, functions, and countries, allowing each employee to broaden their knowledge continuously and achieve professional growth solely based on merit. Among the numerous training activities provided during 2024, which can be quantified at a cost of more than EUR 11 million, as reported in Note 30 'Operating Costs' within the Consolidated Financial Statements, the following are worth mentioning:

- **The expansion of training offerings for back office employees**, including the introduction of the "Coursera 4 Work" programme, providing access to over 80 courses, alongside internal Amplifon training and courses delivered by external partners, for a total of more than 20,000 courses. This initiative aims to enhance both functional and cross-disciplinary skills among back office employees, ultimately contributing to improved individual and team performance. Support for skills development essential for sustainable business growth, in line with the target of 24 hours of training per back office employee (including at least two hours on sustainability and DEIB) throughout the year.

| | | |
|---|---|---|
| 3.4 | 2.9 | 4.1 |
| > AVERAGE NUMBER OF DAYS OF TRAINING PER BACK-OFFICE EMPLOYEE PER YEAR | > AVERAGE NUMBER OF HOURS OF SUSTAINABILITY TRAINING PER BACK-OFFICE EMPLOYEE PER YEAR | > AVERAGE NUMBER OF TRAINING DAYS PER FIELD FORCE EMPLOYEE PER YEAR[32] |

32. Including non-employee field force, excluding franchisees.

**Leadership training and development programmes** - In 2024, the Group updated its Leadership Programme offering, aligning it with its transformation journey, HR processes, Leadership Model, and Employee Experience. The following training and development programmes have taken place in collaboration with leading partners:

- **BE Leader**: in partnership with ESADE Business School, this programme aims to accelerate the development of managers who will take on People Leader roles in the near future.
- **BE Manager**: delivered locally based on a global template, this programme supports managerial development, fosters a shared culture, strengthens the High Performing Team approach, and helps managers develop their teams.
- **RIDE the Change**: dedicated to young back office talents, this programme enhances digital skills to drive a culture of change and innovation.


- **Professional development of the field force** - To support the professional growth of the field workforce, the Global Retail Academy, AmpliWay, has expanded its training offer, focusing on key skills for the Group's sales force, delivering a total of 509,003 hours of training to both direct and indirect field staff. This initiative has contributed to improving performance and enhancing the customer experience. The training offering is structured around three key pillars: Onboarding, which develops fundamental skills for the role at Amplifon; Performance, which supports the achievement of business objectives; Change and Transformation, which focuses on change management and innovation within company protocols. This skills development approach aligns with the Group's Sustainability Plan target of at least three days of training for field force employees per year.

**You@Amplifon** - This initiative was created to ensure a consistent and high-quality work experience for all employees. The programme includes various moments of discussion, updates, and internal sharing, supporting employees in their career journey from their entry into Amplifon to their professional growth. The programme centres on inclusion, achievements, recognition, and the enhancement of milestones reached, making it easier for employees to take an active role in shaping their career development. The approach is tailored to the unique characteristics and aspirations of each individual, allowing for a personalised career path.

**Career Compass** - Introduced in 2023, this employee development tool is designed to guide employees through their career journey at Amplifon. The "Compass" is completed with the support of the direct manager, enabling employees to identify potential next career steps and plan development actions accordingly.

**Gender pay gap reduction** - Implementation of a digital salary review system across all Group countries, aimed at ensuring global consistency and a meritocratic approach based on individual performance. This process seeks to maintain a balance between internal equity and external competitiveness, reinforcing employee retention and engagement. The initiative targets direct employees within the back office area, with completion expected by 2024, contributing to promoting a fair and transparent work environment.

**Global Employer Value Proposition (EVP)** - Review and creation of a new Employer Value Proposition, aimed at strengthening Amplifon's position as an employer of choice in both the internal and external job market. This initiative aims to enhance brand perception and awareness among candidates for back office (junior and senior) and front office (HCP and CA) positions, as well as improve talent retention within the Group. The EVP launch and its associated communication campaign are scheduled for Q1 2025, with a follow-up plan in the following months. Creating a robust and high-quality talent pipeline for key roles within the Group is a primary objective of this initiative, involving both external candidates and internal talent on a global scale. This action aligns with the Sustainability Plan's objective of ensuring a winning, healthy, and inclusive workplace, also supporting the attainment of the Global Top Employer certification by 2026.

**Women's Empowerment Principles** - Since early 2022, the Group has adhered to the Women's Empowerment Principles (WEPs) established by UN Women and the UN Global Compact. These principles guide organisations in promoting gender equality and women's empowerment in the workplace, market, and community. In line with international labour and human rights standards, the WEPs acknowledge the role and responsibility of businesses in advancing gender equality and women's empowerment.

**Valore D** - Since July 2022, Amplifon S.p.A. has been a member of Valore D, the first association of companies in Italy (with over 350 members) dedicated to gender balance and fostering an inclusive corporate culture. Alongside other companies driving workplace inclusivity, Valore D promotes change based on the belief that "diversity is strength", not only in terms of equality and fairness but also for economic and social growth.

53%

> PERCENTAGE OF FEMALE EMPLOYEES IN THE GLOBAL BACK OFFICE POPULATION

23%

> PERCENTAGE OF FEMALE EMPLOYEES IN THE GLOBAL LEADERSHIP POPULATION

# CHARACTERISTICS OF AMPLIFON'S EMPLOYEES

## [SI-6] CHARACTERISTICS OF THE UNDERTAKING'S EMPLOYEES

The following tables provide a quantitative breakdown of Amplifon's workforce. The information presented includes the number of employees broken down by gender, professional category, geographical area, contract type, and the number of contracts terminated as of 31/12/2024. At the end of 2024, Amplifon employees total 15,070 people[33], reflecting an increase of over 5% compared to 2023. In fact, in 2024, Amplifon's employee turnover rate stood at 22.6% (equivalent to 3,402 employees), with 21.8% for men and 22.9% for women. All employees are guaranteed equal opportunities and fair working conditions. This commitment is evident in the significant presence of women across the entire organisation, representing over 72% of total employees (more than 77% of the field force and around 53% of the back office workforce), and approximately 46.5% of all managerial positions. Additionally, almost half of the workforce is employed in STEM[34] roles, and among them, more than 70% are women.

It should be noted that in the following tables, the categories "other" and "not reported" in the gender breakdown are reported only for the 2024 reporting year.

### EMPLOYEES BY GENDER

| | 2023 | | 2024 | |
|---|---|---|---|---|
| | no. | % | no. | % |
| Male | 3,838 | 26.7% | 3,976 | 26.4% |
| Female | 10,541 | 73.3% | 11,061 | 73.4% |
| Other | - | - | 2 | 0.01% |
| Not reported | - | - | 31 | 0.2% |
| **Total Group** | **14,379** | | **15,070** | **100%** |

### EMPLOYEES BY PROFESSIONAL CATEGORY AND GENDER (FIELD FORCE)

| | 2023 | | 2024 | |
|---|---|---|---|---|
| | no. | % | no. | % |
| **HA professionals (qualified by law/certified)** | **6,484** | **53.8%** | **6,854** | **54.2%** |
| Male | 1,822 | 28.1% | 1,879 | 27.4% |
| Female | 4,662 | 71.9% | 4,966 | 72.5% |
| Other | - | - | 1 | 0.0% |
| Not reported | - | - | 8 | 0.1% |
| **HA professionals (apprentices or equivalents)** | **533** | **4.4%** | **537** | **4.2%** |
| Male | 189 | 35.5% | 198 | 36.9% |
| Female | 344 | 64.5% | 332 | 61.8% |
| Other | - | - | - | 0.0% |
| Not reported | - | - | 7 | 1.3% |
| **Client advisor and other shop personnel** | **4,312** | **35.8%** | **4,531** | **35.8%** |
| Male | 390 | 9.0% | 423 | 9.3% |
| Female | 3,922 | 91.0% | 4,094 | 90.4% |
| Other | - | - | 1 | 0.0% |
| Not reported | - | - | 13 | 0.3% |
| **Field management** | **729** | **6.0%** | **720** | **5.7%** |
| Male | 343 | 47.1% | 340 | 47.2% |
| Female | 386 | 52.9% | 380 | 52.8% |
| Other | - | - | - | 0.0% |
| Not reported | - | - | - | 0.0% |
| **Total field force** | **12,058** | **100.0%** | **12,642** | **83.9%** |
| **of which male** | **2,744** | **22.8%** | **2,840** | **22.5%** |
| **of which female** | **9,314** | **77.2%** | **9,772** | **77.3%** |
| **of which others** | **-** | **-** | **2** | **0.0%** |
| **of which not reported** | **-** | **-** | **28** | **0.2%** |

33. Consistent with Note 30 "Operating Costs" in the Consolidated Financial Statements and Related Notes.
34. STEM (*Science, Technology, Engineering, Mathematics*) roles at Amplifon include scientific, technological, engineering, and mathematical positions across various functions such as IT, digital, finance, medical, and other related departments.

## EMPLOYEES BY PROFESSIONAL CATEGORY AND GENDER (BACK OFFICE)

| | 2023 | | 2024 | |
|---|---|---|---|---|
| | no. | % | no. | % |
| **Executives** | **15** | **0.6%** | **14** | **0.6%** |
| Male | 13 | 86.7% | 13 | 92.9% |
| Female | 2 | 13.3% | 1 | 7.1% |
| Other | - | - | - | 0.0% |
| Not reported | - | - | - | 0.0% |
| **Directors** | **215** | **9.3%** | **240** | **9.9%** |
| Male | 154 | 71.6% | 181 | 75.4% |
| Female | 61 | 28.4% | 59 | 24.6% |
| Other | - | - | - | 0.0% |
| Not reported | - | - | - | 0.0% |
| **Managers** | **457** | **19.7%** | **491** | **20.2%** |
| Male | 242 | 53.0% | 248 | 50.5% |
| Female | 215 | 47.0% | 243 | 49.5% |
| Other | - | - | - | 0.0% |
| Not reported | - | - | - | 0.0% |
| **Professionals** | **1,634** | **70.4%** | **1,683** | **69.3%** |
| Male | 685 | 41.9% | 694 | 41.2% |
| Female | 949 | 58.1% | 986 | 58.6% |
| Other | - | - | - | 0.0% |
| Not reported | - | - | 3 | 0.2% |
| **Total back office** | **2,321** | **21.3%** | **2,428** | **16.1%** |
| **of which male** | **1,094** | **47.1%** | **1,136** | **46.8%** |
| **of which female** | **1,227** | **52.9%** | **1,289** | **53.1%** |
| **of which others** | **-** | **-** | **-** | **0.0%** |
| **of which not reported** | **-** | **-** | **3** | **0.1%** |

## EMPLOYEES BY GEOGRAPHICAL AREA

| | Udm | 2023 | 2024 |
|---|---|---|---|
| EMEA | n. | 8,496 | 8,499 |
| AMERICAS | n. | 2,065 | 2,449 |
| APAC | n. | 3,482 | 3,761 |
| CORPORATE | n. | 336 | 361 |
| **Total Group** | **n.** | **14,379** | **15,070** |

## EMPLOYEES BY GEOGRAPHICAL AREA AND GENDER

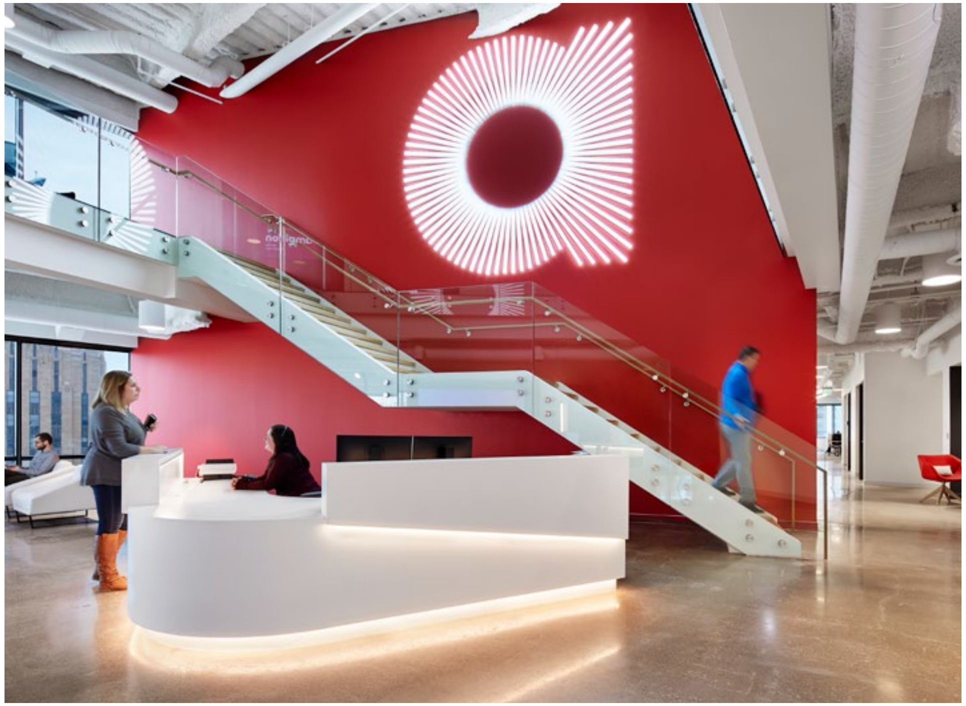
| | Udm | Male | Female | Other | Not reported | Total Group |
|---|---|---|---|---|---|---|
| | | 2024 | | | | |
| **EMEA** | **no.** | **2,297** | **6,179** | **1** | **22** | **8,499** |
| Italy | | 181 | 257 | - | - | 438 |
| Spain | | 422 | 1,596 | - | - | 2,018 |
| France | | 373 | 1,243 | - | 3 | 1,619 |
| Germany | | 625 | 1,319 | 1 | 4 | 1,949 |
| Netherlands | | 272 | 374 | - | - | 646 |
| Switzerland | | 87 | 231 | - | - | 318 |
| Belgium | | 44 | 163 | - | - | 207 |
| United Kingdom | | 86 | 182 | - | - | 268 |
| Portugal | | 47 | 192 | - | - | 239 |
| Israel | | 26 | 137 | - | - | 163 |
| Hungary | | 20 | 178 | - | 12 | 210 |
| Poland | | 18 | 208 | - | 3 | 229 |
| Egypt | | 84 | 86 | - | - | 170 |
| EMEA Region | | 12 | 13 | - | - | 25 |
| **AMERICAS** | **no.** | **620** | **1,829** | **-** | **-** | **2,449** |
| USA | | 328 | 820 | - | - | 1,148 |
| Canada | | 68 | 337 | - | - | 405 |
| Chile | | 30 | 150 | - | - | 180 |
| Argentina | | 15 | 143 | - | - | 158 |
| Colombia | | 24 | 91 | - | - | 115 |
| Ecuador | | 33 | 86 | - | - | 119 |
| Mexico | | 30 | 57 | - | - | 87 |
| Panama | | 3 | 5 | - | - | 8 |
| Uruguay | | 15 | 70 | - | - | 85 |
| North America Region | | 60 | 63 | | | 123 |
| Latin America Region | | 14 | 7 | - | - | 21 |
| **APAC** | **no.** | **846** | **2,905** | **1** | **9** | **3,761** |
| Australia | | 394 | 1,222 | 1 | - | 1,617 |
| New Zealand | | 82 | 460 | - | 9 | 551 |
| India | | 309 | 191 | - | - | 500 |
| China | | 54 | 1,026 | - | - | 1,080 |
| APAC Region | | 7 | 6 | - | | 13 |
| **CORPORATE** | **no.** | **213** | **148** | **-** | **-** | **361** |
| **Total Group** | **no.** | **3,976** | **11,061** | **2** | **31** | **15,070** |

## EMPLOYEES BY CONTRACT TYPE, EMPLOYMENT TYPE AND GENDER

| | 2023 | | 2024 | |
|---|---|---|---|---|
| | no. | % | no. | % |
| **Number of employees** | **14,379** | **100.0%** | **15,070** | **100.0%** |
| Male | 3,838 | 26.7% | 3,976 | 26.4% |
| Female | 10,541 | 73.3% | 11,061 | 73.4% |
| Other | - | - | 2 | 0.0% |
| Not reported | - | - | 31 | 0.2% |
| **Permanent contract** | **12,715** | **88.4%** | **13,195** | **87.6%** |
| Male | 3,545 | 27.9% | 3,665 | 27.8% |
| Female | 9,170 | 72.1% | 9,502 | 72.0% |
| Other | - | - | 1 | 0.0% |
| Not reported | - | - | 27 | 0.2% |
| **Temporary contract** | **1,664** | **11.6%** | **1,875** | **12.4%** |
| Male | 293 | 17.6% | 311 | 16.6% |
| Female | 1,371 | 82.4% | 1,559 | 83.1% |
| Other | - | - | 1 | 0.1% |
| Not reported | - | - | 4 | 0.2% |
| **Flexible working time** | **0** | **0.0%** | **0** | **0.0%** |
| Male | - | - | - | - |
| Female | - | - | - | - |
| Other | - | - | - | - |
| Not reported | - | - | - | - |
| **Full-time** | **11,097** | **77.2%** | **11,603** | **77.0%** |
| Male | 3,417 | 30.8% | 3,502 | 30.2% |
| Female | 7,680 | 69.2% | 8,073 | 69.6% |
| Other | 0 | 0.0% | 2 | 0.0% |
| Not reported | 0 | 0.0% | 26 | 0.2% |
| **Part-time** | **3,282** | **22.8%** | **3,467** | **23.0%** |
| Male | 421 | 12.8% | 474 | 13.7% |
| Female | 2,861 | 87.2% | 2,988 | 86.2% |
| Other | - | - | - | 0.0% |
| Not reported | - | - | 5 | 0.1% |

## EMPLOYEES BY CONTRACT TYPE AND GEOGRAPHICAL AREA

| | Udm | EMEA | AMERICAS | APAC | CORPORATE | GROUP |
|---|---|---|---|---|---|---|
| **2023** | | | | | | |
| Number of employees | no. | 8,496 | 2,065 | 3,482 | 336 | **14,379** |
| Permanent contract | no. | 7,758 | 2,048 | 2,573 | 336 | 12,715 |
| Temporary contract | no. | 738 | 17 | 909 | - | 1,664 |
| Flexible working time | no. | - | - | - | - | - |
| Full-time | no. | 5,787 | 1,937 | 3,040 | 333 | 11,097 |
| Part-time | no. | 2,709 | 128 | 442 | 3 | 3,282 |
| **2024** | | | | | | |
| Number of employees | no. | 8,499 | 2,449 | 3,761 | 361 | **15,070** |
| Permanent contract | no. | 7,708 | 2,436 | 2,691 | 360 | 13,195 |
| Temporary contract | no. | 791 | 13 | 1,070 | 1 | 1,875 |
| Flexible working time | no. | - | - | - | - | - |
| Full-time | no. | 5,697 | 2,268 | 3,281 | 357 | 11,603 |
| Part-time | no. | 2,802 | 181 | 480 | 4 | 3,467 |



## EMPLOYEES BY PROFESSIONAL CATEGORY AND GEOGRAPHICAL AREA

| | Udm | EMEA | AMERICAS | APAC | CORPORATE | GROUP |
|---|---|---|---|---|---|---|
| **2023** | | | | | | |
| HA professionals (qualified by law/ certified) | no. | 3,970 | 689 | 1,825 | - | 6,484 |
| HA professionals (apprentices or equivalents) | no. | 390 | 139 | 4 | - | 533 |
| Client advisor and other shop personnel | no. | 2,663 | 613 | 1,036 | - | 4,312 |
| Field management | no. | 446 | 119 | 164 | - | 729 |
| **Total Field force** | **no.** | **7,469** | **1,560** | **3,029** | **-** | **12,058** |
| Executives | no. | 1 | 1 | 2 | 11 | 15 |
| Directors | no. | 76 | 48 | 41 | 50 | 215 |
| Managers | no. | 206 | 60 | 81 | 110 | 457 |
| Professionals | no. | 744 | 396 | 329 | 165 | 1,634 |
| **Total back office** | **no.** | **1,027** | **505** | **453** | **336** | **2,321** |
| **Total Employees** | **no.** | **8,496** | **2,065** | **3,482** | **336** | **14,379** |
| **2024** | | | | | | |
| HA professionals (qualified by law/ certified) | no. | 4,005 | 828 | 2,021 | - | 6,854 |
| HA professionals (apprentices or equivalents) | no. | 385 | 149 | 3 | - | 537 |
| Client advisor and other shop personnel | no. | 2,628 | 780 | 1,123 | - | 4,531 |
| Field management | no. | 442 | 115 | 163 | - | 720 |
| **Total Field force** | **no.** | **7,460** | **1,872** | **3,310** | **-** | **12,642** |
| Executives | no. | 1 | 1 | 1 | 11 | 14 |
| Directors | no. | 85 | 52 | 41 | 62 | 240 |
| Managers | no. | 214 | 77 | 79 | 121 | 491 |
| Professionals | no. | 739 | 447 | 330 | 167 | 1,683 |
| **Total back office** | **no.** | **1,039** | **577** | **451** | **361** | **2,428** |
| **Total Employees** | **no.** | **8,499** | **2,449** | **3,761** | **361** | **15,070** |

## [SI-7] CHARACTERISTICS OF NON-EMPLOYEE WORKERS IN THE UNDERTAKING'S OWN WORKFORCE

The following table presents the total number of non-employee workers in Amplifon's own workforce. As of the end of 2024, Amplifon had approximately 5,800 non-employee workers, marking slight decrease compared to 2023.

### TOTAL NUMBER OF NON-EMPLOYEES IN OWN WORKFORCE

| | Udm | 2023 | 2024 |
|---|---|---|---|
| **Total Group** | n. | 5,939 | 5,856 |

# DIVERSITY, INCLUSION, AND EQUAL OPPORTUNITIES

As a confirmation and reinforcement of Amplifon's DEIB Policy, people empowerment, diversity appreciation, and inclusion policies are integral to both the HR strategy and the sustainability strategy. To effectively oversee and manage DEIB-related matters, the Group established a dedicated DEIB Committee at the end of 2023. This committee includes the Chief Human Resources Officer, the Chief Marketing, Technology & Innovation Officer, the Chief Communication Officer, and the Global Investor Relations & Sustainability Senior Director. The committee is tasked with steering the global DEIB agenda, identifying shared objectives, and leading various working groups to align local needs with the Group's global strategy.

## [SI-9] DIVERSITY METRICS

The tables below provide a quantitative overview of diversity within Amplifon. They include the number and percentage of employees in managerial positions by gender, a breakdown of the total workforce by age group and nationality, as well as an overview of managerial positions, sales-related roles, and STEM roles.

### EMPLOYEES IN MANAGEMENT POSITIONS

| | 2023 | | 2024 | |
|---|---|---|---|---|
| | no. | % | no. | % |
| Male | 167 | 72.6% | 193 | 76.3% |
| Female | 63 | 27.4% | 60 | 23.6% |
| Other | - | - | - | - |
| Not reported | - | - | - | - |
| **Total Group** | **230** | **100%** | **253** | **100%** |

### EMPLOYEES BY AGE

| | 2023 | | 2024 | |
|---|---|---|---|---|
| | no. | % | no. | % |
| < 30 | 2,944 | 20.5% | 3,035 | 20.1% |
| 30 - 50 | 8,446 | 58.7% | 8,903 | 59.1% |
| > 50 | 2,989 | 20.8% | 3,132 | 20.8% |
| **Total Group** | **14,379** | **100%** | **15,070** | **100%** |

### EMPLOYEES BY PROFESSIONAL CATEGORY AND AGE (FIELD FORCE)

| | 2023 | | 2024 | |
|---|---|---|---|---|
| | no. | % | no. | % |
| **HA professionals (qualified by law/certified)** | **6,484** | **53.8%** | **6,854** | **54.2%** |
| <30 | 1,593 | 24.6% | 1,615 | 23.6% |
| 30-50 | 3,912 | 60.3% | 4,205 | 61.4% |
| >50 | 979 | 15.1% | 1,034 | 15.1% |
| **HA professionals (apprentices or equivalents)** | **533** | **4.4%** | **537** | **4.2%** |
| <30 | 288 | 54.0% | 274 | 51.0% |
| 30-50 | 198 | 37.1% | 206 | 38.4% |
| >50 | 47 | 8.8% | 57 | 10.6% |
| **Client advisor and other shop personnel** | **4,312** | **35.8%** | **4,531** | **35.8%** |
| <30 | 627 | 14.5% | 685 | 15.1% |
| 30-50 | 2,310 | 53.6% | 2,418 | 53.4% |
| >50 | 1,375 | 31.9% | 1,428 | 31.5% |
| **Field management** | **729** | **6.0%** | **720** | **5.7%** |
| <30 | 43 | 5.9% | 35 | 4.9% |
| 30-50 | 492 | 67.5% | 504 | 70.0% |
| >50 | 194 | 26.6% | 181 | 25.1% |
| **Total Field force** | **12,058** | **100.0%** | **12,642** | **100.0%** |
| **<30** | **2,551** | **21.2%** | **2,609** | **20.6%** |
| **30-50** | **6,912** | **57.3%** | **7,333** | **58.0%** |
| **>50** | **2,595** | **21.5%** | **2,700** | **21.4%** |

## EMPLOYEES BY PROFESSIONAL CATEGORY AND AGE (BACK OFFICE)

| | 2023 | | 2024 | |
|---|---|---|---|---|
| | no. | % | no. | % |
| **Executives** | **15** | **0.6%** | **14** | **0.6%** |
| <30 | - | 0.0% | - | 0.0% |
| 30-50 | 7 | 46.7% | 7 | 50.0% |
| >50 | 8 | 53.3% | 7 | 50.0% |
| **Directors** | **215** | **9.3%** | **240** | **9.9%** |
| <30 | - | 0.0% | - | 0.0% |
| 30-50 | 171 | 79.5% | 189 | 78.8% |
| >50 | 44 | 20.5% | 51 | 21.3% |
| **Managers** | **457** | **19.7%** | **491** | **20.2%** |
| <30 | 13 | 2.8% | 19 | 3.9% |
| 30-50 | 374 | 81.8% | 394 | 80.2% |
| >50 | 70 | 15.3% | 78 | 15.9% |
| **Professionals** | **1,634** | **70.4%** | **1,683** | **69.3%** |
| <30 | 380 | 23.3% | 407 | 24.2% |
| 30-50 | 982 | 60.1% | 980 | 58.2% |
| >50 | 272 | 16.6% | 296 | 17.6% |
| **Totale back office** | **2,321** | **100.0%** | **2,428** | **100.0%** |
| **<30** | **393** | **16.9%** | **426** | **17.5%** |
| **30-50** | **1,534** | **66.1%** | **1,570** | **64.7%** |
| **>50** | **394** | **17.0%** | **432** | **17.8%** |

## PERCENTAGE OF EMPLOYEES BY NATIONALITY IN THE TOP 10 COUNTRIES WHERE AMPLIFON OPERATES

| | 2024 | |
|---|---|---|
| | % of total employees | % employees in management positions |
| Spain | 12.9% | 11.0% |
| Germany | 12.7% | 7.1% |
| France | 10.5% | 7.9% |
| Australia | 5.3% | 4.8% |
| United States of America | 8.2% | 8.4% |
| China | 7.4% | 5.0% |
| Italy | 5.9% | 24.5% |
| India | 4.7% | 3.3% |
| Netherlands | 4.2% | 3.2% |
| New Zealand | 2.7% | 2.7% |
| **Total** | **74.5%** | **78.0%** |

## EMPLOYEES IN MANAGEMENT, SALES AND STEM ROLES

| | 2023 | | | 2024 | | |
|---|---|---|---|---|---|---|
| | no. | Male | Female | no. | Male | Female |
| Employees in management roles | 1,416 | 53.1% | 46.9% | 1,465 | 53.4% | 46.6% |
| *Top management* | 230 | 72.6% | 27.4% | 254 | 76.4% | 23.6% |
| *Junior management* | 1,186 | 49.3% | 50.7% | 1,211 | 48.6% | 51.4% |
| Employees with roles related to sales, products and services | 11,268 | 25.5% | 74.5% | 12,296 | 25.5% | 74.5% |
| Employees in STEM roles | 7,032 | 30.6% | 69.4% | 7,496 | 29.6% | 70.4% |

## [SI-10] ADEQUATE WAGES

Amplifon is committed to ensure that all employees receive fair remuneration in line with the benchmark standards established in the 26 countries where it operates. At least once a year, the countries verify any wage cases that are below the threshold of the local regulations and adjust the wage accordingly. With the exception of Switzerland and Singapore, all other markets in which the Group operates have statutory minimum wage regulations, and as of 31 December 2024, no employee receives a salary below local minimum wage levels.

In countries without statutory minimum wage legislation, Amplifon adopts a structured approach to ensure fair and competitive remuneration. This approach is based on a continuous analysis of labour market dynamics to ensure that salaries remain aligned with local standards.

As a testament to this commitment, Amplifon has implemented a Total Reward Policy for several years, ensuring a remuneration system that is not only compliant with local standards but also designed to maintain strong external competitiveness and internal pay equity.

## [SI-12] PERSONS WITH DISABILITIES

The table below presents the number and percentage of employees with disabilities within the Amplifon Group as of 31/12/2024.

### EMPLOYEES WITH DISABILITIES

| | | 2023 | 2024 |
|---|---|---|---|
| | Udm | Total | Total |
| Number of employees with disabilities | no. | 677 | **787** |
| % employees with disabilities | % | 4.7% | 5.2% |

## [SI-17] INCIDENTS, COMPLAINTS AND SEVERE HUMAN RIGHTS IMPACTS

During the reporting year, there were no established incidents of discrimination (including harassment) or serious human rights incidents that resulted in the company being fined, sanctioned or compensated for related damages.

During the financial year 2024, a total of 34 reports were received through the whistleblowing channel (alleged incidents of discrimination amounted to 12). All reports were investigated pursuant to the relevant Group Whistleblowing Policy, and it should be noted that as at 31.12.2024, 5 of these reports were still being investigated, 1 of which related to discrimination issues.

# TALENT GROWTH

Talent growth is a fundamental pillar for Amplifon. The Group continuously invests in training and career development programmes for its employees, creating growth opportunities at both local and global levels.

Amplifon adopts an integrated approach to talent development, ensuring that the employee experience is consistent and shared globally. To support employee development, Amplifon has introduced initiatives such as the Career Compass, which complements the annual Performance Development Review (PDR) and talent evaluation process.

Furthermore, Amplifon provides training and development programmes to all its employees at national, regional, and global levels. The comprehensive training offering is designed to meet local needs and requirements while also allowing employees to benefit from best practices shared across the global network. Both in-person and online courses are available for field force and back-office employees, complemented by one-on-one coaching and mentoring sessions. The training covers both professional and business skills, as well as behavioural and leadership competencies. For more information on the dedicated initiatives, please refer to the "Actions, metrics and targets" paragraph of this chapter.

## [S1-13] TRAINING AND SKILLS DEVELOPMENT METRICS

Regarding training and skills development, the following key metrics are reported: number and percentage of employees who have participated in periodic performance and career development reviews, and average training hours per employee, broken down by gender. The tables below present this information, further segmented by job category.

### EMPLOYEES WHO HAVE PARTICIPATED IN PERIODIC PERFORMANCE AND CAREER DEVELOPMENT REVIEWS

| | 2023 | | 2024 | |
|---|---|---|---|---|
| | no. | % | no. | % |
| Male | 3,483 | 90.8% | 3,537 | 89.0% |
| Female | 8,565 | 81.3% | 9,836 | 88.9% |
| Other | - | - | - | - |
| Not reported | - | - | 15 | 48.4% |
| **Total Group** | **12,048** | **83.8%** | **13,388** | **88.8%** |

### AVERAGE NUMBER OF TRAINING HOURS PER EMPLOYEE AND GENDER

| | 2023 | | 2024 | |
|---|---|---|---|---|
| | Total hours | Average hours | Total hours | Average hours |
| Male | 120,110 | 31.3 | 152,600 | 38.4 |
| Female | 298,500 | 28.3 | 421,998 | 38.0 |
| Other | - | - | - | - |
| Not reported | - | - | - | - |
| **Total Group** | **418,610** | **29.1** | **574,597** | **38.1** |

### EMPLOYEES WHO HAVE PARTICIPATED IN PERIODIC PERFORMANCE AND CAREER DEVELOPMENT REVIEWS (BY PROFESSIONAL CATEGORY)

| | 2023 | | 2024 | |
|---|---|---|---|---|
| | no. | % | no. | % |
| **Back Office** | | | | |
| Executives | 13 | 86.7% | 13 | 92.9% |
| Directors | 198 | 93.8% | 225 | 93.8% |
| Managers | 409 | 91.9% | 442 | 90.0% |
| Professionals | 1,442 | 92.2% | 1,511 | 89.8% |
| **Totale Back Office** | **2,062** | **92.2%** | **2,191** | **90.2%** |
| **Field force** | | | | |
| HA professionals (qualified by law/certified) | 5,170 | 82.2% | 6,448 | 94.1% |
| HA professionals (apprentices or equivalents) | 504 | 94.6% | 206 | 38.4% |
| Client advisor and other shop personnel | 3,689 | 94.3% | 3,889 | 85.8% |
| Field management | 623 | 87.9% | 654 | 90.8% |
| **Total Field force** | **9,986** | **87.2%** | **11,197** | **88.6%** |

## AVERAGE NUMBER OF TRAINING HOURS PER EMPLOYEE AND GENDER (BY PROFESSIONAL CATEGORY)

| | 2023 | | 2024 | |
|---|---|---|---|---|
| | Total hours | Average hours | Total hours | Average hours |
| **Back Office** | | | | |
| Executives | 252 | 17 | 275 | 20 |
| Directors | 9,523 | 44 | 8,544 | 36 |
| Managers | 14,575 | 32 | 15,464 | 31 |
| Professionals | 39,316 | 24 | 41,311 | 25 |
| **Totale Back Office** | **63,666** | **27** | **65,594** | **27** |
| **Field Force** | | | | |
| HA professionals (qualified by law/certified) | 206,126 | 32 | 289,973 | 42 |
| HA professionals (apprentices or equivalents) | 25,211 | 47 | 55,028 | 102 |
| Client advisor and other shop personnel | 97,331 | 23 | 135,840 | 30 |
| Field management | 26,276 | 36 | 28,162 | 39 |
| **Total Field force** | **354,944** | **29** | **509,003** | **40** |
| **Total Group** | **478,551** | **28** | **574,597** | **38** |

## [SI-15] WORK-LIFE BALANCE METRICS

All employees across the Group are entitled to take family leave. The table below provides data on the number and percentage of employees who exercised this entitlement during the reporting period.

## ELIGIBLE EMPLOYEES WHO HAVE TAKEN FAMILY-RELATED LEAVE

| | 2024 | |
|---|---|---|
| | n. | % |
| Male | 377 | 9.5% |
| Female | 1,461 | 13.2% |
| Other | 1 | 50% |
| Not reported | | |
| **Total Group** | **1,839** | **12.2%** |

# ESRS S2 – WORKERS IN THE VALUE CHAIN

# STRATEGY FOR MANAGING PEOPLE ACROSS THE VALUE CHAIN

## [ESRS S2 – SBM-3] MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

| | | | POSITION ALONG THE VALUE CHAIN | | | TIME HORIZON | | |
|---|---|---|---|---|---|---|---|---|
| SUSTAINABILITY TOPIC | DESCRIPTION | IRO | *Upstream* | *Own Operations* | *Downstream* | Short-term | Medium-term | Long-term |
| **Working conditions**<br>Health and Safety<br><br>**Other work-related rights**<br>Child labour; Forced labour | Potential risk related to business partners along the Group supply chain not fully respecting the ethical and social standards, including human rights, also due to not structured control on third parties, potentially leading to non-compliance events and reputational impacts on the Group.[35] | Risk (resulting from impact) [36] | ● | | | | | ● |

From the double materiality analysis conducted, although considered in the preliminary phases, no significant negative impacts have been identified for workers within the company's value chain, neither systemically nor generally in the regions where the company operates, sources, or maintains commercial relationships, nor linked to specific events. Similarly, no relevant positive impacts were identified as a direct result of the company's operations. However, the risk and opportunity analysis did highlight a potential risk related to the company's business partners along the Group's supply chain, particularly concerning the possibility that some partners may not fully comply with ethical and social standards, including human rights requirements.

35. This risk has been deemed material under both ESRS S2 (*Workers in the value chain*) and ESRS G1 (*Business conduct*).
36. The risk assessment has determined that the impact is not material based on the double materiality evaluation.

These findings result from an analysis conducted by Amplifon to identify the categories of workers within its value chain. The analysis includes the distribution of a supplier questionnaire aimed at collecting evidence and confirmations regarding the total number of employees with a regular employment contract, the percentage of outsourced operational activities performed by external suppliers or outside the European Union, the types of activities and roles performed, such as office work, construction, maintenance, and production, the average number of overtime hours per employee per year, and the presence of a health and safety officer or a designated role responsible for occupational safety.

The exposure of value chain workers to risks is primarily linked to the nature of their roles and tasks. Based on Amplifon's internal classification and a targeted assessment considering the type of activities, geographical context, and ESG relevance, the following key procurement categories have been identified for the above-mentioned topics, along with the primary types of workers in the value chain based on their job function:

- **General facility and maintenance**: renovation and maintenance work on company spaces, offices, and stores. Typical roles: maintenance technicians, construction workers, artisans;
- **Logistics and warehousing**: transportation of goods and maintenance of warehouse equipment. Typical roles: warehouse staff, forklift operators, drivers, transporters, maintenance technicians;
- **Marketing**: call centres and telemarketing operations. Typical roles: call centre operators, outsourced marketing data analysts;
- **Hearing aid**: manufacturing activities. Typical roles: production workers, automated machine operators;
- **IT (Hardware)**: management, installation, and maintenance of corporate IT infrastructure. Typical roles: hardware technicians, network installers, technical support staff, server maintenance personnel.

At the same time, in terms of geographical risk - particularly concerning production in the Far East - the Hearing Aid and Hearing Aid Packaging categories have been identified as higher-risk areas.

## [S2-1] POLICIES RELATED TO VALUE CHAIN WORKERS

To effectively manage the impacts, risks, and opportunities associated with workers across its value chain, Amplifon implemented targeted policies that reinforce its commitment to human rights protection and compliance with international regulations. These principles are clearly outlined in the Code of Ethics and the Supplier Code of Conduct, which define, among other aspects, the expectations and responsibilities regarding suppliers in relation to workers throughout the entire value chain, with a primary focus on the supply chain. The Supplier Code of Conduct establishes the minimum standards and best practices regarding the following aspects:

- **Business ethics and compliance**: suppliers must operate in accordance with the highest ethical standards, in line with the principles and values expressed in Amplifon's Code of Ethics. Suppliers are required to ensure full compliance with applicable laws and act according to fair competition principles, anti-corruption policies, integrity, and transparency. Furthermore, suppliers must protect third-party privacy and intellectual property and ensure the responsible sourcing of conflict minerals;
- **Health, safety, and workers' rights**: suppliers must treat all employees, external collaborators, and their own suppliers with respect, ensuring the protection of human dignity, health, safety, and fundamental human rights. Specifically, they are required to uphold child labour protections, prevent forced or coerced labour, promote diversity and inclusion, eliminate discrimination and harassment, guarantee fair wages and working hours, ensure occupational health and safety, and respect freedom of association and collective bargaining rights;
- **Environmental protection**: suppliers must minimise the environmental impact of their operations, particularly in relation to compliance and performance in the most relevant areas such as energy consumption, water resource management, waste disposal, and biodiversity protection.

In 2023, mandatory acceptance of the Supplier Code of Conduct was integrated into the qualification process for new suppliers, ensuring that all new suppliers formally acknowledge and adhere to its principles. Additionally, the requirement to sign the Code was extended to existing suppliers who were qualified before the Code's adoption, with priority given to those with the largest global expenditure and those providing critical goods or services.

The human rights protection of value chain workers is further reinforced in the Sustainability Policy, previously detailed in the "Policies, actions, metrics and targets" paragraph of the "General disclosures (ESRS 2)" chapter, outlining the guiding principles and initiatives the Group aims to pursue. In this regard, during the reporting year, no cases of non-compliance with human rights involving workers in Amplifon's value chain were reported. Moreover, value chain workers have access to the Group's whistleblowing system, which allows them to report concerns related to human rights violations, ensuring a safe and confidential channel to address any breaches or concerns regarding the protection of fundamental rights.

# MANAGEMENT OF IMPACTS, RISKS, AND OPPORTUNITIES CONCERNING THE VALUE CHAIN WORKERS

## [S2-2] PROCESSES FOR ENGAGING WITH VALUE CHAIN WORKERS ABOUT IMPACTS

Given the nature and characteristics of its business relationships, Amplifon has not yet implemented a dedicated process aimed at considering the perspectives of value chain workers, including potentially vulnerable or marginalised workers, in decisions or activities related to managing worker-related impacts. However, indirect tools are in place, such as the supplier due diligence process on ESG topics and a dedicated email address (for further details, refer to paragraph "Sustainability governance" in "General disclosures (ESRS 2)" chapter). Through these channels, suppliers and value chain workers can at any time express their opinions and report any concerns regarding potential violations of the minimum standards and principles set out in the Supplier Code of Conduct. Additionally, the Whistleblowing system can support the Group in identifying specific impacts related to workers in its value chain. For further details on the operation, registration, and management of whistleblowing reports, please refer to paragraph "Policies, actions, metrics and targets" in "General disclosures (ESRS 2)" chapter.

## [S2-3] PROCESSES TO REMEDIATE NEGATIVE IMPACTS AND CHANNELS FOR VALUE CHAIN WORKERS TO RAISE CONCERNS

To date, Amplifon has not identified any direct or indirect negative impacts affecting workers in its value chain. However, should potential areas of impact be identified, Amplifon is committed to taking action to address any unfavourable condition and managing the situation promptly and appropriately. For this reason, as outlined in the Supplier Code of Conduct, a dedicated email address (scoc@amplifon.com), managed by the Global Procurement & Supply Chain team, has been established. This channel allows suppliers to report potential non-compliance related to ESG matters or to raise concerns regarding potential violations of the minimum standards and principles set out in the Code[37]. All new suppliers are required to accept the Supplier Code of Conduct during the onboarding phase - except for categories to which the Code does not apply (e.g., individuals, governments). For suppliers already qualified before the publication of the Code in 2022, Amplifon has requested them to sign an acceptance letter confirming their adherence to the Code.

All Group suppliers are therefore informed about the contents of the Code, which also encourages the dissemination and communication of available reporting channels to supplier employees, including the dedicated email address. The ESG supplier assessment process represents the next step following the signing of the Code and enables Amplifon to verify not only the acceptance of these standards but also their effective implementation by suppliers.

37. At present, there are no specific policies in place to protect individuals who use these reporting processes from retaliation.

# ACTIONS, METRICS AND TARGETS

## [S2-4] TAKING ACTION ON MATERIAL IMPACTS ON VALUE CHAIN WORKERS, AND APPROACHES TO MANAGING MATERIAL RISKS AND PURSUING MATERIAL OPPORTUNITIES RELATED TO VALUE CHAIN WORKERS, AND EFFECTIVENESS OF THOSE ACTIONS

## [S2-5] TARGETS RELATED TO MANAGING MATERIAL NEGATIVE IMPACTS, ADVANCING POSITIVE IMPACTS, AND MANAGING MATERIAL RISKS AND OPPORTUNITIES

## WORKING CONDITIONS AND OTHER WORK-RELATED RIGHTS

To manage and mitigate the identified risks, Amplifon uses the EcoVadis platform to:

- Conduct supplier risk mapping, based on sector and geography.
- Request the completion of a questionnaire.
- Define and monitor the implementation of specific action plans.

Based on the risk level identified during the mapping phase, Amplifon requests medium- to high-risk suppliers to complete the questionnaire. This questionnaire, tailored to the supplier's profile (size, geography, sector), serves as a key tool to ensure alignment with the ethical and sustainability practices promoted by Amplifon. Specifically, it includes an in-depth assessment of worker rights, covering working conditions, compliance with current regulations, workplace safety, and the protection of fundamental rights.

The analysis of these questionnaires helps identify potential social, environmental, and ethical risks, providing a clear overview of supplier sustainability and segmenting them based on risk level (low, medium, or high). For suppliers classified as medium- to high-risk in the EcoVadis assessment, Amplifon provides a dedicated Action Plan aimed at supporting them in improving their practices and mitigating identified risks, fostering continuous progress towards higher standards. Where particularly significant risks emerge, additional corrective measures are defined in collaboration with the global ESG Procurement and Sustainability teams, along with the managers of the relevant business functions. These measures may include, if necessary, the termination of the partnership with the supplier. Specifically, in 2024, 12 suppliers were required to develop an Action Plan, resulting in 37 corrective actions, of which 6 have already been implemented by suppliers. These actions were distributed as follows: 9 in environmental areas, 12 in social aspects, and 16 in governance.

The supplier evaluation and monitoring process is not a one-off initiative but a continuous cycle that allows Amplifon to identify new critical issues, address potential misalignments between business objectives and social impacts, and ensure constant improvement along the value chain.

This dynamic approach guarantees that the prevention and mitigation of negative impacts on workers are fully integrated into Amplifon's procurement and supply chain management practices. Suppliers with stronger ESG performance are prioritised in the selection process, helping to steer business decisions towards more responsible partnerships.

Through the structured questionnaire supported by EcoVadis platform, Amplifon aims to assess its suppliers' performance in relation to ESG topics, aligning with its Sustainability Plan objective: "Achieve Supplier Code of Conduct (SCoC) acceptance and conduct supplier ESG assessment of 100% of the main direct suppliers and at least 50% of key indirect suppliers, by spend, by 2026". Progress is monitored annually. The Procurement & Supply Chain function, led by the Chief Procurement & Supply Chain Officer, is responsible for overseeing and implementing these measures.

The direct suppliers included in this evaluation are global and regional manufacturers of hearing aids, accessories, and batteries with an annual expenditure exceeding €1,000. Meanwhile, indirect suppliers are global and regional suppliers primarily focused on providing goods and services in the Marketing, IT, and Retail sectors at a global level. Spending categories such as donations, human resources expenses, professional fees and compensations, real estate and rents, travel and entertainment, and other non-supplier-related expenses are excluded. Additionally, within the EcoVadis platform, suppliers who are required to complete the ESG assessment can access benchmark data comparing their ESG performance against their industry peers.

# ESRS S4 – CONSUMERS AND END-USERS

# STRATEGY FOR MANAGING CONSUMERS AND END-USERS

## [ESRS S4 – SBM-3] MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

| SUSTAINABILITY TOPIC | DESCRIPTION | IRO | POSITION ALONG THE VALUE CHAIN | | | TIME HORIZON | | |
|---|---|---|---|---|---|---|---|---|
| | | | *Upstream* | *Own Operations* | *Downstream* | *Short-term* | *Medium-term* | *Long-term* |
| **Social inclusion of consumers and/or end-users**<br>Non-discrimination; Access to products and services | Difficulties for customers and people with hearing loss in accessing and using hearing care products and services due to physical, social, and digital barriers | Actual negative impact | | | ● | ● | ● | ● |
| **Personal safety of consumers and/or end-users**<br>Health and safety | Maintaining the quality, reliability, and safety standards of products, accessories, and services offered by leveraging the expertise of hearing care specialists, resulting in customer and end-user safety and satisfaction | Actual positive impact | | | ● | ● | ● | ● |
| **Information-related impacts for consumers and/or end-users**<br>Privacy | Loss of personal data and customer information due to breaches in data privacy systems and non-compliance with the Global Privacy Policy | Potential negative impact | | | ● | ● | ● | ● |
| **Information-related impacts for consumers and/or end-users**<br>Privacy | Risk of possible non-compliance with international and national regulations related to Privacy and Data Protection, that may lead to fines, sanctions, litigations and reputational impacts | Risk (resulting from impact) | | ● | | | | ● |
| **Social inclusion of consumers and/or end-users**<br>Access to products and services | Potential risk that the development of innovative technologies / services may require changes in Amplifon's business model | Risk (resulting from impact) | ● | ● | ● | | | ● |
| **Social inclusion of consumers and/or end-users**<br>Access to products and services | A change in regulations (e.g., reimbursement conditions, insurance tenders, accessibility to the national health service, selling requirements), as well the increasing attention to the industry from the different stakeholders, could have an effect on the market and therefore on performance | Risk | | ● | | ● | ● | ● |
| **Social inclusion of consumers and/or end-users**<br>Access to products and services | Amplifon is committed in investing in activities that promote the accessibility to hearing care (e.g., free complete hearing tests), including the digitalization and innovation of processes and services provided (e.g., innovative solutions, diagnostic tools), that may increase the consumers base and foster social inclusion/hearing care | Opportunities | ● | ● | | | | ● |

Amplifon includes in the considerations of this paragraph all end users that may be subject to relevant impacts, including those related to its own operations, value chain, products, services, and commercial relationships.

Amplifon divides the potential end users of the products and services it sells into different categories, considering, among other things, age and level of hearing loss as relevant metrics for the purposes of their clustering.

Within these categories, customers over 70 and customers with a moderate or greater level of hearing loss constitute the most representative sample. Additionally, Amplifon distinguishes its consumers and end customers (both current and potential) based on their level of awareness and engagement regarding hearing loss management:

- No Action: individuals who have not yet taken any step to address their hearing loss;
- Leads: individuals aware of their hearing loss who have begun taking action;
- Prospects: individuals who have contacted a store, gathered information, or are currently testing a hearing aid;
- Adopters: individuals who already own a hearing aid.

The products offered by the Group are characterised by various attributes; one of these is that they are not intrinsically harmful to people or increase the risk of chronic diseases.

At the same time, the services that the Group offers, by their nature, require the collection of a large amount of health information considered ‘sensitive’ pursuant to, among others, EU Regulation 2016/679 and therefore, due to the sensitivity of this data, the Group’s customers and end users could suffer a negative impact on their rights if it is mismanaged.

In order to protect its customers from such negative impacts, Amplifon adopts strict measures to guarantee the protection of such data, operating in full compliance with applicable regulations and adopting specific actions, see the paragraph “Actions, metrics and targets” in this chapter for more information. To ensure the safe and effective use of hearing devices, Amplifon guarantees that consumers and end users receive accurate and accessible information on the products and services offered.

As a leader in the hearing care retail sector, Amplifon stipulates agreements with manufacturers to ensure the supply of hearing devices that comply with regulatory requirements before being placed on the market. These devices bear the CE marking for the European market, Food and Drug Administration (FDA) approval for the US market, Unique Device Identification (UDI) compliance declarations (where applicable), and instructions for use in the official language of the respective country.

The Group monitors regulatory developments, innovations, best practices, and technological advancements and regularly organises training sessions for in-store sales staff. These sessions cover key product features, usage, maintenance, and compliance requirements. The company is committed to ensure the highest standards of safety, performance, and compliance for all products and services offered, strictly adhering to the Medical Device Regulation (EU), Food and Drug Administration (FDA) regulations for the US market, and all local regulatory provisions in the countries where Amplifon operates, including those governing the certification of professionals.

Amplifon is also the manufacturer of the Amplifon App, a CE-marked medical device developed in-house and distributed since 2019 in various EU and APAC countries, as well as in the United States under the Miracle-Ear brand, with FDA approval. The Amplifon App complies with both the Medical Device Regulation (MDR) for medical devices and the latest European guidelines on medical devices. To obtain CE marking, Amplifon has established its own Quality Management System, ensuring compliance with ISO 13485:2016 and the MDR regulation. The company has implemented operational procedures, some of which are specifically designed to prevent and manage potential incidents.

It should also be noted that the Medical Device Regulation (MDR) involves Amplifon in a dual role: as a distributor, through partnerships with leading hearing aid manufacturers, and as a manufacturer, thanks to the development of its own mobile app.

In compliance with the requirements of the MDR, Amplifon ensures the regulatory compliance of distributed devices, working closely with manufacturers to verify CE marking, declarations of conformity, Unique Device Identification (UDI), and other mandatory documentation.

Amplifon is committed to maintaining full device traceability, ensuring optimal transportation and storage conditions, and collaborating with regulatory authorities and manufacturers to implement corrective actions when required. Additionally, post-market surveillance and adherence to Good Distribution Practices are key priorities for Amplifon. The Group also provides ongoing training to its personnel and collaborates with manufacturers to ensure hearing care professionals remain up to date on technological advancements and regulatory updates, guaranteeing a high-quality service for consumers.

Regarding the Group’s positive impact in maintaining the quality, reliability, and safety standards of the products, accessories, and services it offers, this is directly linked to the expertise of its audiologists, ensuring both security and satisfaction for customers and end users. This commitment materialises through **Ampli-care**, a programme designed to improve accessibility and quality of life for individuals with hearing difficulties. The programme is based on an integrated product offerings, services, and personalised experiences. Furthermore, the Amplifon App enhances accessibility to services by enabling remote support, eliminating the need for customers to visit a physical store. This is achieved through video tutorials for troubleshooting minor issues, the ability to control hearing device functions in real time directly from a smartphone, and "Companion", an exclusive feature of the Amplifon App. The Companion function analyses hearing device usage data in real time and processes them through an artificial intelligence algorithm, providing tailored recommendations, such as battery replacement alerts or suggestions on the most suitable programme based on surrounding sounds. Additionally, with more than 3,300 shop-in-shops and corners located in third-party retail outlets such as pharmacies, optical stores, and medical clinics, the Group seeks to reach people with hearing loss even in rural or low-density population areas. Moreover, through home visits, Amplifon serves customers with reduced mobility, who may not be able to visit a store in person. For further details, please refer to the "Sustainability Governance" paragraph of the "General disclosures (ESRS 2)" chapter.

Given the nature of the services and products offered, all consumers and end users can be considered vulnerable. However, the Group acknowledges certain key demographics as particularly vulnerable, specifically customers over 70 years old and individuals with moderate to severe hearing loss. These vulnerabilities, considering the characteristics of the Group's customer base, may not only be health-related but also extend to financial and economic aspects. For this reason, in several countries where the Group operates, the social market - which includes the reimbursement of hearing aids and related services by national healthcare systems - helps address this financial vulnerability. Additionally, the Group offers consumer credit financing, facilitating access to hearing care services and devices.

Regarding the risk identification process, the Group, as a leader in the hearing care retail sector, provides the market and its customer base with a clearly defined and highly specialised category of hearing care products and services. The analysis of Amplifon's product and service portfolio suggests that exposure to material risks may vary among target consumers based on differences in generational demographics, degree of hearing loss, or market type (private/public).

## [S4-1] POLICIES RELATED TO CONSUMERS AND END-USERS

Amplifon has implemented targeted policies to manage the impacts, risks, and opportunities associated with consumers and end-users, adopting a global approach that encompasses all consumer groups without distinction. The Group's policies - including the Sustainability Policy (updated in the reporting year to reinforce key principles), the Code of Ethics, and the Privacy Policy - establish clear and rigorous principles aligned with the highest international standards.

The Sustainability Policy, in particular, sets out specific commitments to promote social inclusion among the Group's customers, continuously enhancing accessibility to the products and services offered. This includes eliminating economic, physical, and geographical barriers, as well as strengthening customer safety and well-being. Furthermore, Amplifon is committed to ensure the responsible management of personal and sensitive data, safeguarding data subjects and their information through technical and organisational measures in compliance with applicable national and international regulations. This commitment is also reinforced in the Code of Ethics and the Group Data Privacy Policy. For further details, please refer to the "Policies, actions, metrics and targets" paragraph of the "General disclosures (ESRS 2)" chapter.

The commitment is reflected in the adherence to internal customer management procedures and in the provision of products, services, and related information that meet or exceed customer expectations. Furthermore, the Group is committed to ensure that marketing, sales, and communication activities are conducted responsibly and reliably, in full compliance with local regulations and in accordance with ethical and professional standards. For more information on the involvement of its customers, please refer to the section "Management of impacts, risks and opportunities concerning consumers and end users" in this chapter.

Aspects related to the protection of human rights for consumers and end users are addressed within the Sustainability Policy, as described in the "Policies, actions, metrics and targets" paragraph of the "General disclosures (ESRS 2)" chapter.

# MANAGEMENT OF IMPACTS, RISKS, AND OPPORTUNITIES CONCERNING CONSUMERS AND END-USERS

## [S4-2] PROCESSES FOR ENGAGING WITH CONSUMERS AND END-USERS ABOUT IMPACTS

Amplifon recognises the crucial importance of consumer and end-user perspectives in shaping its decisions and activities, ensuring the effective identification and management of both current and potential impacts. To achieve this goal, Amplifon adopts an inclusive approach, integrating the expectations, needs, and feedback of consumers and end users into decision-making processes and strategic initiatives through the following activities:

- **Amplifon 360**: a proprietary protocol that integrates innovative methods and tools for assessing customers' hearing capabilities and needs, providing tailored solutions. It supports hearing care professionals on a daily basis in selecting the most suitable products and services for each customer profile;
- **Market research**: studies conducted by external research institutes to assess customer satisfaction levels, understand needs, and identify drivers and barriers to the adoption of hearing devices among both customers and prospective users. These include interviews, focus groups, and surveys, conducted via telephone or online, with profiling based on age, level of hearing impairment, and consumer type. In key markets, these studies are conducted on average around ten times per year, though frequency may vary depending on specific needs;
- **Voice of Customers (VOC)**: A feedback collection system managed through dedicated call centres, providing a direct and accessible channel for immediate consumer interactions. Frequency managed ad hoc according to need and country;
- **Net Promoter Score (NPS)**: A metric used to measure customer satisfaction through messages and emails. This programme is centrally managed and implemented in Amplifon's key markets. NPS surveys are sent daily, depending on the eligibility of each customer in relation to the specific touchpoint they have interacted with;
- **Communication campaigns**: the definition of commercial and service campaigns aims at engaging the audience, raise awareness, drive interactions, and ultimately lead to conversion. These campaigns are launched at different stages of the customer journey. They aim to raise awareness among those who have not yet undergone a hearing test, encourage those who have taken the test but have not yet made a purchase to return to the store and complete their journey, and strengthen the relationship with existing customers in the post-purchase phase. These campaigns undergo a pre-test phase to determine the most effective messaging and a post-test phase to collect feedback on understanding, appeal, and intent of reacting to the message received.

Customer and end-user engagement primarily takes place through telephone communications, the majority of which are outbound, initiated by Amplifon towards the end consumer. A significant proportion of these interactions also involve caregivers, whom Amplifon recognises as playing a key role in both the decision-making process and the overall interaction with the end consumer. For this reason, the Group has developed dedicated communication methodologies tailored to caregivers and has created dedicated spaces for them within its stores. The operational responsibility for ensuring consumer and end-user engagement and translating insights into business strategy lies with the Marketing function, coordinated by the Chief Marketing, Technology and Innovation Officer.

Given the inherently vulnerable nature of its consumers and end users to identified impacts, Amplifon implements the previously mentioned measures to understand their perspectives. This inclusive approach reflects Amplifon's commitment to equally addressing the needs of all consumers and end users.

## [S4-3] PROCESSES TO REMEDIATE NEGATIVE IMPACTS AND CHANNELS FOR CONSUMERS AND END-USERS TO RAISE CONCERNS

Amplifon adopts a structured approach to effectively address and remedy any significant negative impacts caused or contributed to by its activities on consumers and end-users. This approach includes a range of dedicated channels designed to quickly identify issues, provide fair and transparent solutions, and monitor the effectiveness of corrective actions through consumer feedback and predefined evaluation metrics. Specifically, dedicated communication channels allow consumers and end-users to directly express concerns, make requests, and receive assistance. These channels include customer service support, digital platforms, online forms, and telephone hotlines, all of which are easily accessible via the Amplifon website or the Amplifon app. One of the most accessible and direct ways for consumers to communicate their needs and concerns is through call centres, which serve as a dedicated service designed to provide timely and effective support. Amplifon has established specific performance objectives for these interactions (which may be of a commercial nature or expressions of concerns/complaints). Amplifon is committed to ensure that at least 97% of inbound calls are answered. The effectiveness of these channels is monitored through dedicated records, documenting the nature of consumer inquiries and their satisfaction levels. Additionally, all Amplifon stores provide customers with clear information on how to request support or submit feedback, ensuring a transparent and accessible process.

For more details on the management of reports related to the products distributed by the Group, please refer to the paragraph on “Actions, metrics and targets” in the chapter “Entity Specific Social Disclosure”.

# ACTIONS, METRICS AND TARGETS

## [S4-4] TAKING ACTION ON MATERIAL IMPACTS ON CONSUMERS AND END-USERS, AND APPROACHES TO MANAGING MATERIAL RISKS AND PURSUING MATERIAL OPPORTUNITIES RELATED TO CONSUMERS AND END- USERS, AND EFFECTIVENESS OF THOSE ACTIONS

## [S4-5] TARGETS RELATED TO MANAGING MATERIAL NEGATIVE IMPACTS, ADVANCING POSITIVE IMPACTS, AND MANAGING MATERIAL RISKS AND OPPORTUNITIES

Amplifon is committed to continuously addressing significant impacts on consumers and end-users, managing relevant risks, and capitalising on opportunities through targeted actions and the definition of objectives, metrics, and targets. To effectively manage identified significant impacts while ensuring an integrated and responsible approach, the Group allocates dedicated financial resources and leverages the combined efforts of various corporate functions, including Marketing, Legal, and Cybersecurity (IT).

Amplifon has implemented various actions and additional initiatives with the primary objective of contributing positively to improving social outcomes for consumers, particularly in relation to the protection of their personal data. Key actions undertaken include:

- **Supplier Assessments**: Amplifon has adopted a proactive approach in evaluating suppliers, with a particular focus on personal data protection. This approach involves conducting a preliminary assessment to determine the privacy risk level of suppliers, helping to mitigate potential negative impacts on consumers;
- **Biannual Risk Assessment**: Amplifon carries out a biannual privacy risk assessment for its subsidiaries, enabling more timely and targeted risk management.

In 2024, no significant issues or incidents related to human rights involving consumers and end-users were reported.

## INFORMATION-RELATED IMPACTS FOR CONSUMERS AND/OR END-USERS

Based on its business operations and the outcomes of the double materiality assessment, Amplifon has adopted a set of actions aimed at preventing, mitigating, and, where necessary, remedying negative impacts and managing significant risks for consumers and end-users.

**Policies, procedures, and programmes on data privacy and cybersecurity** – The Group has implemented organisational measures to ensure the protection of personal data, aiming to reduce the risk of data breaches. These measures are uniformly applied across all Amplifon entities, ensuring a centralised and secure management of personal data throughout the value chain. Amplifon has published a Global Privacy Policy, governing the management of personal data across all the regions where the Group operates. Additionally, it has defined guidelines for managing cross-border data transfers, as well as for the use of artificial intelligence and data privacy.

**Data privacy and cybersecurity control system** – The Group, through its legal entities, carries out regular compliance checks to ensure adherence to applicable privacy and cybersecurity regulations at the local level. These checks also assess the technical and organisational measures in place to safeguard personal and sensitive data.

**Data privacy training initiatives** – Awareness initiatives and training programmes have been implemented to reinforce compliance with applicable regulations, significantly improving employees' awareness and competence in privacy matters and dedicated communication campaigns. Training on personal data protection is mandatory and is assigned to all employees and new joiners, both in Europe and outside the EU, thus helping to ensure compliance with regulations and strengthen the company culture on the subject.

## PERSONAL SAFETY OF CONSUMERS AND/OR END-USERS

**Training Hearing Care Professionals** – Amplifon has developed dedicated training programmes for HCPs, with the goal of ensuring a minimum of three training days, as outlined in the strategic plan.

# SOCIAL INCLUSION OF CONSUMERS AND/OR END-USERS

**Free complete hearing tests** – This initiative provides free complete hearing tests to prospective and existing customers, enhancing accessibility to audiological services. The programme aims to generate total savings exceeding €600 million for prospects and customers over the 2024–2026 period. Progress will be monitored annually, using a baseline of €184 million recorded in 2023. The geographical scope covers 10 out of 26 countries, selected based on data availability in the new front-office systems, which allow for tracking completed tests across four frequency levels. The implementation period is set from 2024 to 2026, with continuous monitoring to ensure alignment with the defined targets and the achievement of expected results.

**Percentage of countries adopting the New Store Protocol (%)** - The Group aims to implement the New Store Protocol in at least one-third of its markets by 2026. This initiative is designed to enhance service quality, improve the customer experience, and optimise data collection, fostering increasingly innovative and engaging hearing experiences. Additionally, it contributes to the achievement of the Company's objectives related to process efficiency and quality. The application scope is global, with a baseline of 4% recorded in 2023, the reference year for tracking progress. The implementation period spans from 2024 to 2026. Progress is monitored annually. As this is a new target, there are no changes compared to previous metrics or objectives.

**NPS – Net Promoter Score** - The Net Promoter Score (NPS) measures customer satisfaction by asking how likely they are to recommend a company on a scale from 0 to 10. The score is calculated by subtracting the percentage of detractors (0–6) from the percentage of promoters (9–10). The objective is to collect statistically relevant data, increasing the volume of responses to allow more in-depth analyses and the identification of concrete improvement actions. Additionally, specific actions will be implemented to further improve satisfaction among detractor customers (scores between 0 and 6), including a follow-up in-store visit aimed at restoring customer satisfaction.

**Inbound call management via call centre** - As previously mentioned, the call management metric is designed to ensure that at least 97% of incoming calls - which may be commercial inquiries or concerns/complaints - are successfully handled. This objective aims to minimise unanswered calls and enhance the operational efficiency of the call centre. This target is directly linked to the Group's Sustainability Policy, significantly impacting customer service quality. The target level is defined in relative terms.

# ENTITY-SPECIFIC SOCIAL DISCLOSURE

| DESCRIPTION | IRO | POSITION ALONG THE VALUE CHAIN | | | TIME HORIZON | | |
|---|---|---|---|---|---|---|---|
| | | Upstream | Own Operations | Downstream | Short-term | Medium-term | Long-term |
| Positive impact on community well-being and support for people in need through local development initiatives and philanthropic activities | Actual positive impact | | | ● | ● | ● | ● |
| Positive impacts on individuals and economic systems generated by technological innovations in processes, services, and products | Actual positive impact | | | ● | ● | ● | ● |
| Increased customer satisfaction and improved service quality due to the development of systems that analyse customer needs and efficiently manage reports and complaints | Potential positive impact | | | ● | ● | ● | ● |
| Increased awareness and sensitivity regarding the importance of hearing well-being and responsible listening | Actual positive impact | | | ● | ● | ● | ● |

The impacts described in this section primarily highlight positive effects on the well-being of vulnerable communities, supported by targeted initiatives. Additionally, the importance of technological innovation is underscored, as it significantly improves processes and services, contributing to greater customer satisfaction and enhancing the overall quality of Amplifon's offering. Another key point is on raising awareness of hearing wellbeing and the importance of responsible listening, not only among customers and prospects but also among young people under 35, with the aim of creating a positive and lasting impact in society.

# POLICIES

Through the principles outlined in the Group Sustainability Policy, Amplifon promotes awareness and prevention activities, educating communities on hearing health and working to reduce the consequences of hearing loss. These efforts are supported by the promotion of responsible listening behaviours, combining awareness initiatives on the importance of protecting hearing and preventing long-term damage. Furthermore, in 2023, Amplifon adopted a Corporate Volunteering Policy, formalising its commitment to encouraging employee participation in volunteering activities promoted by the Group's Foundations. This policy was drafted and issued by Amplifon S.p.A. and is directly applicable to all its employees, while also serving as a reference framework for all Group companies.

Amplifon actively supports its Group Foundations - Amplifon Foundation, Fundación GAES Solidaria, and Miracle-Ear Foundation - by promoting corporate volunteering, contributing to the dissemination of scientific knowledge, sponsoring clinical research, and collaborating with universities, scientific institutions, national and international organisations. These initiatives aim to strengthen the positive impact on vulnerable communities, improving their quality of life through access to prevention and treatment of hearing disorders, while also increasing public awareness of the importance of responsible listening. For more information on the Group's social impact commitments, please refer to the Sustainability Policy in the "Policies, actions, metrics and targets" paragraph of the "General disclosures (ESRS 2)" chapter.

In its continuous efforts to enhance customer satisfaction and improve service quality, Amplifon remains committed at providing a highly personalised, premium service that meets the specific needs of each individual customer. This commitment aligns with the company's purpose: helping people rediscover the full emotional experience of sound, generating a positive impact on the quality of life of both customers and the communities in which they live. This dedication is also reflected in the principles of the Group Sustainability Policy.

# ACTIONS, METRICS AND TARGETS

Amplifon is committed to enhancing community well-being, improving the quality of services offered, and raising awareness on hearing health through concrete actions. In response to the identified impacts, Amplifon outlines the actions, metrics, and targets addressed in this section.

## Positive impact on community well-being and support for people in need through local development initiatives and philanthropic activities

Amplifon is committed to supporting the activities of its Foundations to help spread the "sound of inclusion". Specifically:

- **Amplifon Foundation** – Established in early 2020 in Italy, this foundation aims to give back to the communities in which the Group operates, ensuring that everyone can reach their full potential through social inclusion, particularly for elderly and vulnerable individuals.
- **Miracle-Ear Foundation** – Founded in 1990, this foundation provides hearing aids, follow-up services, and educational resources to individuals with hearing loss who lack financial resources for treatment. It also develops important prevention programmes.
- **Fundación GAES Solidaria** – Established in 1996 and formally recognised as a foundation in 2018, its mission is to create opportunities for individuals with hearing loss and limited financial means, enabling them to develop their language and communication skills through local and international hearing-related projects. The activities of these foundations are also supported by Amplifon employees and customers.

In line with its Sustainability Plan target, which includes supporting the development of Amplifon Foundation and expanding its activities beyond Italy through donations of at least €5 million between 2024 and 2026, the company donated €1.75 million to Amplifon Foundation in 2024. During the year, the Amplifon Foundation extended its activities to Australia and France.

Beyond this financial contribution, in 2024, and in line with the target of reaching at least 5,000 employees' participations in volunteering initiatives and Social Ambassadorship initiatives promoted by the Group's Foundations over the 2024-2026 period, Amplifon facilitated the participation of over 3,800 employees in these initiatives.

# EXAMPLES OF ACTIVITIES OF THE AMPLIFON FOUNDATION, THE GAES SOLIDARIA FOUNDATION AND THE MIRACLE-EAR FOUNDATION IN WHICH GROUP EMPLOYEES PARTICIPATED

## TI PASSO A PRENDERE

The project involves 40 elderly residents in the Corvetto district of Milan, implemented with Memorabilia and the Community of Sant'Egidio. Together with the elderly, the volunteers attend performances at some of the most famous theatres in Milan, from Teatro Menotti to Piccolo Teatro.

## LET'S DREAM

This volunteering initiative involved 50 Amplifon employees, contributing a total of 300 hours through ten events held in Italian care homes. The project brought together residents and volunteers for dance performances, meals prepared by renowned chefs, community outings, football matches, and other special experiences. The activities are chosen based on the dreams and wishes of care home residents, which Amplifon volunteer teams work to make a reality.

## ONE DAY

Organised in collaboration with care homes participating in Ciao! - an Amplifon Foundation initiative aimed at strengthening the connection between care homes and local communities - this programme enhances entertainment opportunities and moments of social interaction for residents. Based on requests from care homes, a dedicated event is organised with a group of volunteers to enrich the lives of elderly residents.

## INDOVINA CHI VIENE A CASA? *(GUESS WHO'S COMING HOME?)*

This Amplifon Foundation initiative combats loneliness and promotes active ageing among elderly individuals facing socioeconomic and physical vulnerabilities. The programme engaged 80 beneficiaries and 30 volunteers in home support and social inclusion activities, fostering stronger community ties.

## TEAMING PROGRAM

A Fundación GAES Solidaria initiative involving around 600 employees, who voluntarily donate €1 per month from their salaries. In 2024, the programme raised approximately €17,000, which was allocated to local community support, medical research, and disaster relief efforts. In 2024 the Foundation awarded seven grants of €2,000 each and one grant of €3,000 to research and solidarity projects directly selected by employees.

## +Q PALABRAS PROJECT IN EQUATORIAL GUINEA

In collaboration with the NGO Más que Salud, Fundación GAES Solidaria deployed a team of hearing care professionals to provide audiological assistance to the local population. During the mission, the team conducted audiometric tests, fitted hearing aids, and delivered training sessions for local healthcare workers, ensuring a long-lasting positive impact on the community.

## MIRACLE MISSIONS

Hearing aid donation programmes carried out in collaboration with franchisees and employees within the Miracle-Ear network. In 2024, three missions were organised across the United States, resulting in the donation of over 800 hearing aids to more than 400 individuals in underserved communities, along with ongoing maintenance support to ensure continued benefit over time.

## Positive impact on community well-being and support for people in need through local development initiatives and philanthropic activities

Given its role and significance within the communities in which it operates, Amplifon launched "**We Care**" in 2019. This programme encourages more responsible behaviours and consolidates the Group's social impact initiatives, complementing the social inclusion activities promoted by the Group's Foundations.

Below are the key initiatives undertaken in 2024:

| | |
|---|---|
| **AMPLIFON ITALIA & CORPORATE** | Amplifon Italy donated approximately €200,000 to support various causes, including the "Una Laurea con Amplifon" project, which provides scholarships for high school graduates pursuing a university degree in Hearing Aid Technology. Additionally, the company donated over 70 hearing aids, along with receivers and ear domes, to charity missions in developing countries. |
| **AMPLIFON FRANCE** | The company continued its collaboration with the association *Les Enfants Sourds du Cambodge*, carrying out two humanitarian missions in Cambodia. During these missions, approximately 500 hearing aids were distributed to children in local communities. Furthermore, Amplifon France employees contributed by donating an additional 600 hearing devices to support the initiative. |
| **AMPLIFON PORTUGAL** | Amplifon Portugal continued its support for Missão São Tomé, a programme that has been assisting over 120 children with hearing impairments for the past 13 years. |
| **AMPLIFON USA** | Amplifon employees in the United States actively supported local non-profit organisations in the Twin Cities, Minnesota (Minneapolis and Saint Paul), contributing both financially - donating over $25,000 - and through more than 400 hours of volunteer work. Additionally, the We Care programme continued to support the Minnesota Wild Deaf & Hard of Hearing hockey team, an organisation dedicated to ensuring equal playing opportunities for individuals with hearing loss. |
| **AMPLIFON AUSTRALIA** | Colleagues in Australia participated in various We Care initiatives, including the donation of hearing aids to individuals in need through the industry association Hearing Aid Bank, a donation of AUD 10,000 to the charity Salvation Army, and purchasing Christmas gifts for children living in poverty. |
| **AMPLIFON GERMANY** | In Germany, Amplifon employees organised a Christmas gift drive for residents of a care facility in Hamburg. They also supported the initiative "*Apparecchi acustici per il Brasile*" (Hearing Aids for Brazil), collecting and donating more than 2,500 hearing devices to individuals in need. |

## Positive impacts on individuals and economic systems generated by technological innovations in processes, services, and products

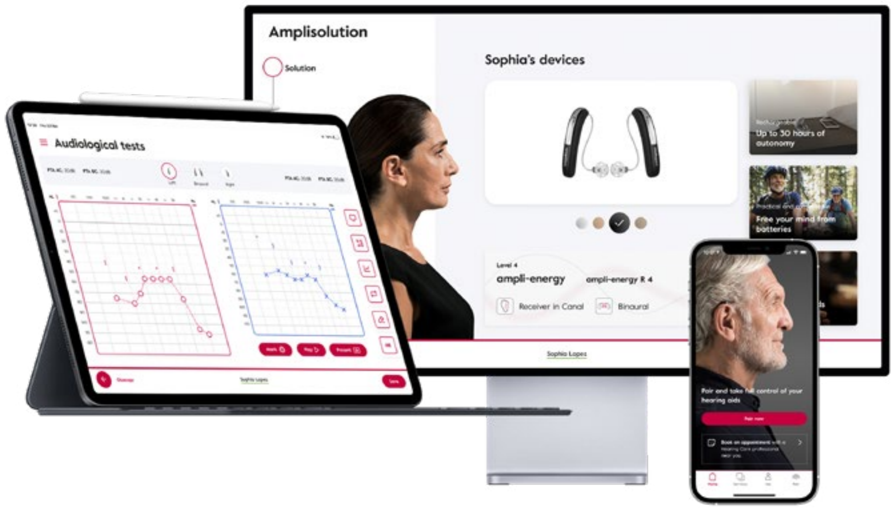
**Amplifon X** – the Group's internal start-up, fully dedicated to Amplifon's digital innovation strategy. It is responsible for the software design and end-to-end development of highly innovative digital solutions aimed at enhancing both in-store and remote services. The key digital solutions and initiatives by Amplifon X include:

- **Amplifon App**
  The App supports customers in using their hearing aids, achieving a 23% penetration rate in 2024 and maintaining high user ratings ranging from 4.2 to 5. The app enables customers to manage hearing aid functions in real time, schedule appointments with their hearing care professional, access video tutorials for troubleshooting, and more, directly from their smartphone. This ensures that some customer needs can be met remotely, improving accessibility and convenience. Thanks to the "Companion" feature, exclusive to the Amplifon App, hearing aid usage data is analysed in real time and processed through an artificial intelligence algorithm. This provides personalised suggestions, such as battery replacement alerts or recommendations for the most suitable programme based on ambient sounds, making the initial adaptation period smoother and more enjoyable.

- **OtoPad**
  This internally developed audiometer uses an iPad, designed to benefit both hearing care professionals and customers. For professionals, it improves the accuracy of test results, allowing for a more precise fitting of hearing aids. For customers, it enhances engagement in the hearing care journey, making the assessment process unique, interactive, and personalised. In 2024, more than 300 OtoPads were installed in Amplifon stores, enabling hundreds of thousands of hearing tests. The 2025 objective is to continue the roll-out, expanding the installation in existing markets and introducing it in new countries.

- **Otokiosk**
  An internally developed audiometer that also uses an iPad, but is specifically designed for customer self-use. As a medical device, it ensures high reliability of results while expanding access to hearing loss assessments by providing a faster, more autonomous testing experience outside of traditional stores. Additionally, Otokiosks can be used in-store to optimise productivity, enabling preliminary hearing tests to identify individuals who do not have hearing loss. In 2024, over 400 Otokiosks were installed. For 2025, the goal is to continue expanding installations, allowing an increasing number of people to evaluate their hearing independently.

- **University research partnerships**
  Amplifon collaborates with leading universities, including the University of Milan, KU Leuven (Belgium), Vanderbilt University, and Amplifon CRSA, to develop new hearing tests. These studies aim to enhance diagnostic accuracy and improve accessibility to hearing solutions.



**Centro Ricerche e Studi Amplifon (CRS)** – founded in 1971 by Algernon Charles Holland in Italy, the Centro Ricerche e Studi Amplifon (CRS) is now also active in Spain and France. Its purpose is to consolidate investments and resources in the development, research, and theoretical-practical training in the fields of audiology and otolaryngology. The CRS has always been dedicated to advancing and sharing scientific knowledge in collaboration with universities and national and international scientific societies. Since its inception, it has organised numerous scientific courses and conferences, supported the publication of research studies, and provided scholarships - both nationally and internationally - for medical specialists (ENTs and audiologists-phoniatrists) as well as speech therapists.

In particular, in 2024 the CRS undertook the following initiatives:

- Training courses and ECM-accredited conferences: CRS organised a satellite session at the CRS International Conference during the World Congress of Audiology in Paris, titled “There is More to Audiology than Meets the Ear”, in September 2024. Additionally, training courses for ENT specialists were conducted by local medical teams in Italy and France.
- CRS coordinated research projects and published specialised studies, including the “Study on the Impact of the Masker Babble Spectrum on the Acceptable Noise Level”, and the CRS International Report, featuring the “What the Audiogram Doesn’t Tell Us” presentation from the 2023 CRS International Congress.
- CRS maintains an extensive scientific library, dedicated to professionals, researchers, and students.

## Increased customer satisfaction and improved service quality due to the development of systems that analyse customer needs and efficiently manage reports and complaints

Through Ampli-care, a platform designed to provide an exclusive and highly personalised audiological experience, both during in-store visits and throughout the entire customer journey, Amplifon aims to establish a fully integrated ecosystem around the customer. By leveraging advanced data collection and cutting-edge technologies, the Group ensures that personalisation and service quality remain at the highest standard and consistent across all customer touchpoints. For further information, please refer to paragraph “Policies, actions, metrics and targets” of the “General disclosures (ESRS 2)” chapter; Moreover, a key component of Amplifon’s offering is the Amplifon 360 Protocol, which is also described in the aforementioned section as a differentiating element of the Group’s offering. This protocol delivers higher customer engagement and unmatched personalisation, ensuring that each individual receives a tailored hearing solution. It also serves to standardise service quality at an exceptionally high level across all locations.

Additionally, the relationship between hearing care professionals and customers is supported by a Customer Relationship Management (CRM) system, which collects detailed insights on customer motivations and preferences. With its advanced data management system, Amplifon can map customer behaviour, analyse purchasing decisions, and even anticipate future trends. By integrating these systems and adopting a data-driven approach, the Group, in alignment with its mission, seeks to understand the unique needs of each customer to provide them with the best possible solution and an exceptional experience, and transform the way hearing care is perceived and experienced, making it natural and intuitive for customers to rely on high-quality service and the expertise of Amplifon’s specialists.

Additionally, the CRM system tracks customer interactions, enabling the company to efficiently manage feedback, concerns, and complaints. For further details, please refer to the “[S4-2] Processes for engaging with consumers and end-users about impacts” paragraph of the “[ESRS S4] – Consumers and end-users” chapter.

In addition, also for the purposes of MDR, a contact person has been appointed in each European country where the Group operates to receive reports and complaints from end consumers. The purpose of this figure is to ensure compliance with the procedures and conditions expressed in the Quality Agreements defined with the manufacturers and to manage the related activities. This achievement is testament to the Group’s meticulous approach to upholding the integrity of the supply chain, ensuring that the products distributed by the Group adhere to the required regulatory standards, reinforcing the safety and reliability of the medical devices it distributes. These reports and complaints are handled on the basis of the relevance and recurrence of the complaint received; in 2024, 11 complaints were affected by ‘escalation’.

## Increased awareness and sensitivity regarding the importance of hearing well-being and responsible listening

**Listen Responsibly** – Programme designed to increase awareness of hearing well-being and responsible listening. By 2028, its goal is to engage at least 20 million people aged 18 to 35, including students, through digital communication campaigns and events. To date, the programme has already reached over 9.6 million young people under 35. The educational journey is enhanced by the Listen Responsibly App, which encourages students and citizens to become pioneers of a new acoustic ecology. The app features a noise tracker, which detects environmental noise levels and generates an interactive sound map of urban acoustic ecology. The Group has set a target of at least 110,000 total noise measurements by 2026. By the end of 2024, Amplifon had already recorded 89,027 measurements.

# GOVERNANCE INFORMATION

## ESRS G1 – BUSINESS CONDUCT

## IMPACTS, RISKS AND OPPORTUNITIES RELATED TO GOVERNANCE

| SUSTAINABILITY TOPIC | DESCRIPTION | IRO | POSITION ALONG THE VALUE CHAIN | | | TIME HORIZON | | |
|---|---|---|---|---|---|---|---|---|
| | | | *Upstream* | *Own Operations* | *Downstream* | Short-term | Medium-term | Long-term |
| **Corporate culture; Protection of whistle-blowers** | Increased customer loyalty and employee trust resulting from the strengthening and dissemination of an ethical corporate culture based on principles of integrity, fairness, non-discrimination, and respect for human rights | Actual positive impact | | ● | | ● | ● | ● |
| **Corporate culture** | Negative impacts on the economy, markets, and stakeholder trust due to potential anti-competitive behaviour, monopolistic practices, and instances of corruption | Potential negative impact | | ● | | | | ● |
| **Corruption and bribery** Prevention and detection including training; Incidents | Non-compliance with applicable laws, regulations, and internal and external standards, potentially leading to negative economic and legal repercussions for stakeholders | Potential negative impact | ● | ● | ● | ● | ● | ● |
| **Management of relationships with suppliers including payment practices** | Strengthening ESG criteria in supply chain management and supplier performance (both direct and indirect), generating positive social and environmental impacts in the communities in which they operate | Actual positive impact | ● | | | ● | ● | ● |
| **Corporate culture** | Potential failure to meet minimum ethical conduct standards along the supply chain, as well as missed opportunities for responsible sourcing | Potential negative impact | ● | | | ● | ● | |
| **Corporate culture** | Potential risk related to misleading communication on financial disclosure, non-financial disclosure and / or other communication initiatives that may have an impact on corporate reputation, given also the Company's increasing relevance and the involvement in initiatives of public interest. | Risk (resulting from impact) | | ● | | | | ● |
| **Corporate culture** | Potential risk related to evolving climate change regulations (e.g., European taxonomy, Green Deal, reporting) to be compliant with[38] | Risk (resulting from impact) | | ● | | | | ● |
| **Management of relationships with suppliers including payment practices** | Potential risk related to business partners along the Group supply chain not fully respecting the ethical and social standards, including human rights, also due to not structured control on third parties, potentially leading to non-compliance events and reputational impacts on the Group[39] | Risk (resulting from impact) | ● | | | | | ● |

38. This risk has been deemed material under both ESRS E1 (*Climate change*) and ESRS G1 (*Business conduct*).
39. This risk has been deemed material under both ESRS S2 (*Workers in the value chain*) and ESRS G1 (*Business conduct*).

# MANAGEMENT OF IMPACTS, RISKS, AND OPPORTUNITIES CONCERNING THE GROUP'S GOVERNANCE

## [G1-1] BUSINESS CONDUCT POLICIES AND CORPORATE CULTURE

The Code of Ethics, detailed in the "Policies, actions, metrics and targets" paragraph of the "General disclosures (ESRS 2)" chapter, is at the core of Amplifon's corporate approach. It defines and promotes a corporate culture based on the principles of legality, honesty, integrity, fairness, transparency, and efficiency. The Code outlines the fundamental values and standards of conduct that guide the daily actions of all individuals within the Group. Moreover, it forms an integral part of the Organisation, Management, and Control Model adopted by Amplifon S.p.A., in compliance with Italian Legislative Decree 231/2001 ("Model 231").

To reinforce these ethical values, Amplifon has adopted specific corporate policies that further strengthen the integrity and consistency of its corporate culture. Among these, the Whistleblowing Policy, which establishes a reporting system for potential misconduct or violations, and the Anti-Corruption Policy, aimed at preventing and addressing both active and passive corruption.

Amplifon has developed a structured reporting management process, formalised in the Whistleblowing Policy. This policy defines the rules, reporting channels, and management procedures for handling reports, encouraging both internal and external stakeholders to report any actual or suspected violations of: the Code of Ethics, the Anti-Corruption Policy, the Internal policies and procedures (including Model 231), the applicable laws and regulations within each Group entity. The confidentiality of all received reports is ensured, in compliance with applicable legislation. In 2024, Amplifon continued to closely monitor and manage the matters relevant to the Group, with the involvement of the relevant corporate functions also in the area of compliance and/or organisation.

A dedicated section on the Whistleblowing System has been made available on the corporate website and intranet, providing clear guidance on reporting procedures and the relevant channels. Furthermore, the policy outlines the available reporting channels, the reporting process and how reports are handled, the roles and responsibilities, and the rights and obligations of the whistleblower, in compliance with applicable regulations. The objective is to establish a system that facilitates the reporting of misconduct, safeguards the confidentiality of reports, and protects the identity of the whistleblower and all individuals involved in the reports. This approach is designed to reduce the risk of misconduct within the Group. To this end, the policy explicitly states that whistleblowers are protected against any form of retaliation or discrimination, whether direct or indirect, in connection with their report. Specifically, no employee or individual within the Group may be dismissed, demoted, suspended, threatened, harassed, or otherwise discriminated against in their working conditions for making a report in accordance with the Group's Whistleblowing Policy. Protection is also guaranteed even if the report, though ultimately unfounded, was made based on reasonable belief that the information was true at the time of reporting. The rollout of the Whistleblowing system continued throughout 2024, with its gradual adoption across all Group countries, in full compliance with applicable regulations. As part of the progressive implementation of the Whistleblowing Policy and reporting channels across different countries, an obligatory online training programme has been developed. This programme is designed to inform and train all Amplifon employees and collaborators on the appropriate conduct in cases where they become aware of unlawful behaviour.

For further details on anti-corruption policies related to the prevention of active and passive corruption, please refer to the "Policies, actions, metrics and targets" paragraph on the Anti-Corruption Policy of the "General disclosures (ESRS 2)" chapter. which also contains information regarding the corporate functions most exposed to corruption risks. It should also be noted that the corporate functions that could be most exposed to the risk of active and passive corruption are those that perform activities considered 'sensitive' within the meaning of the Anti-Bribery Policy, e.g. the Procurement, Human Resources, Medical Area functions, and all those that have relations with representatives of public institutions.

## [G1-2] MANAGEMENT OF RELATIONSHIPS WITH SUPPLIERS

Managing relationships with suppliers is a critical aspect for the Group, as it has a direct impact on the quality of products and services offered, as well as on overall operational efficiency. For this reason, from the qualification phase onwards, all suppliers - whether involved in procurement contracts, sourcing, or the supply of goods and services - are required to sign Amplifon's Code of Ethics. As outlined in this Code of Ethics, and in alignment with the UN Global Compact Principles and international conventions, Amplifon strictly opposes suppliers that, in violation of fundamental human rights and principles of freedom and dignity, engage in forced or child labour, or any form of discrimination. Furthermore, as in previous years, Amplifon continues to require all hearing device suppliers, whose contracts are subject to periodic renegotiation, to recognise and adhere to the principles outlined in Amplifon's Sustainability Policy. Additionally, as previously mentioned in the "Policies, actions, metrics and targets" paragraph of the "General disclosures (ESRS 2)" chapter, the Supplier Code of Conduct defines the principles and standards of conduct required from all suppliers and business partners across various areas, including: business ethics and compliance, anti-corruption, human and labour rights, diversity and inclusion, health and safety, and environmental responsibility, among others. As of 2023, the mandatory acceptance of this Code has been integrated into the qualification processes of new suppliers. Additionally, the requirement to sign the Code was extended to existing suppliers who were qualified before the Code's adoption, with priority given to those with the largest global expenditure and those providing critical goods or services. Amplifon assesses the risks associated with its supply chain by adopting a risk-based methodology, considering both the supplier's industry sector and geographical location. This approach enables the identification of potential risks within the supply chain. The progressive adoption of the Supplier Code of Conduct and the identification of potential ESG risks among suppliers have been made possible through the global supplier assessment framework, implemented in 2023. This framework consists of two internal tools: the first tool assesses a supplier's inherent ESG risk level, based on industry sector (with a pilot phase in 2024 covering Marketing, IT, Store Furniture, and Construction) and geographical risk (sector- and country-specific), and the second tool evaluates the residual ESG risk, based on ESG-related data and information provided directly by suppliers via a self-assessment questionnaire. Using the first tool, the framework classifies each supplier into low, medium, or high ESG inherent risk categories, based on widely adopted and internationally recognised indicators covering key ethical, social, and environmental topics. The ESG Self-Assessment Questionnaire consists of a mandatory "Must-Have" section (e.g. compliance and policy-related information), and a "Best Practices" section (e.g. sustainability performance and maturity level), which suppliers must complete. Their responses are then evaluated using a specific scoring methodology.

## [G1-3] PREVENTION AND DETECTION OF CORRUPTION AND BRIBERY

Amplifon adopts a zero-tolerance approach towards corruption, both active and passive, as well as illicit favours, collusive behaviour, and solicitations for undue advantages. To prohibit all forms of active and passive corruption, the Group has established general principles outlined in its Anti-Corruption Policy. Amplifon has implemented a whistleblowing system for managing reports, including any violations, suspected violations, or non-compliant behaviours related to the Anti-Corruption Policy. This system enables more effective monitoring of potential misconduct or non-compliance with the Policy, as well as with applicable laws and regulations. Reports are received by the Whistleblowing Committee, which provides semi-annual updates - or more frequently when necessary - to the Control, Risk, and Sustainability Committee, as well as to the Supervisory Board in cases relevant to Italian Legislative Decree 231/2001. These updates include a summary report on the actions taken in response to the reports received.

As detailed in the "Policies, actions, metrics and targets" paragraph of the "General disclosures (ESRS 2)" chapter the Anti-Corruption Policy provides guidelines to ensure that Amplifon operates based on loyalty, fairness, transparency, honesty, and integrity. In the course of 2024, anti-corruption compliance assessments were carried out on selected countries in order to verify the level of implementation of the Policy's safeguards and the actions to be implemented locally to ensure its correct and complete application.

The Organisation, Management, and Control Model (Model 231), together with the Supervisory Board, regulates and oversees corporate administrative liability in compliance with Italian legislation. Its implementation is aimed at ensuring corporate activities are conducted with integrity and transparency with the aim of preventing the commission of offences under Italian Legislative Decree 231/2001, and safeguarding Amplifon's reputation and protecting employees and business partners. Amplifon S.p.A.'s Model 231 consists of a general and a special section. In the general part, among the various topics covered, the contents of the Decree are illustrated, the procedures for the establishment and functioning of the Supervisory Board are defined, and the system of sanctions, communication and training of personnel, as well as the reporting channels that the Company has adopted, also with reference to violations pursuant to the Decree. In the special section, on the other hand, the control protocols for the corporate activities deemed as 'sensitive' for the purpose of Italian Legislative Decree 231/2001 are outlined, and the conduct and measures to be observed are described in order to reduce the risk of committing the offences under the Decree. The Code of Ethics constitutes the essential foundation of Model 231: the two documents form a set of internal rules aimed at disseminating a culture based on ethics and corporate transparency. The need to update the Model 231 is periodically assessed in relation to regulatory developments and organizational changes, in line with best practices and industry standards. In particular, during 2024, Amplifon S.p.A. Model 231 was updated in order to incorporate the main regulatory changes that have occurred, the organisational changes that have taken place and, also from an evolutionary perspective, the results of the in-depth studies carried out. Additionally, the Model includes the update of Amplifon S.p.A. Whistleblowing Policy, which has taken into account further details derived from the interpretative position papers published regarding Italy's Whistleblowing Decree.

The updated Model 231 was officially approved by the Board of Directors on 30 July 2024.

In general, Amplifon Group subsidiaries, where applicable, adopt compliance programmes in accordance with local regulations that establish corporate administrative liability.

Amplifon ensures that all employees are promptly informed about updates to the Anti-Corruption Policy and Whistleblowing Policy via email and intranet communications. Regular awareness campaigns are conducted to reinforce key anti-corruption principles, and a summary version of the Policy - containing Amplifon's core anti-corruption principles - is publicly available for third parties on Amplifon's website.

To strengthen employee awareness on corruption and bribery, Amplifon has implemented anti-corruption training programmes aligned with existing policies (Anti-Corruption Policy and Code of Ethics). These principles promote the highest standards in all business relationships, ensuring that activities are conducted with loyalty, fairness, transparency, honesty, and integrity. The Policy also sets out specific rules to prevent, detect, and manage corruption risks. At the local level, anti-corruption training and awareness activities are adapted in line with Group guidelines, while taking into account the specific country-level requirements. The Anti-Corruption Policy identifies the main areas potentially exposed to the risk of corruption (e.g. management of relations with public institution representatives, agents, suppliers and business partners, giving of gifts, donations and sponsorships), which are associated with specific corporate functions. Despite these identified risk areas, anti-corruption and bribery training is mandatory for all employees, regardless of their specific function or role.

Amplifon's Board of Directors is regularly updated on regulatory developments, including anti-corruption matters, through periodic briefings from the Supervisory Board, which also provides them in the area of corruption.

## [GI-4] INCIDENTS OF CORRUPTION OR BRIBERY

In line with its commitment to transparency and integrity, Amplifon provides the following information regarding cases of active or passive corruption that occurred during the reporting period. Amplifon has not received any convictions, and consequent fines, for violations of the law on active and passive corruption. Consequently, due to the absence of such cases, no action was taken against violations of the procedures and rules for combating corruption and bribery.

Similarly, the Group had no proven cases of active and passive bribery and no cases of contracts with business partners that were terminated or not renewed due to violations related to active and passive bribery in 2024.

# ENTITY-SPECIFIC GOVERNANCE DISCLOSURE

| | | POSITION ALONG THE VALUE CHAIN | | | TIME HORIZON | | |
|---|---|---|---|---|---|---|---|
| DESCRIPTION | IRO | *Upstream* | *Own Operations* | *Downstream* | Short-term | Medium-term | Long-term |
| The reliance on technology and the acceleration towards digitalization could be accompanied by an increasing relevance of cybersecurity, as well as the changes in the geopolitical scenario and potential third-party vulnerabilities could lead to an increasing number of cyber-attacks | Risk (resulting from impact) | | ● | | ● | ● | ● |

Amplifon addresses the risks associated with accelerated digitalisation and the increasing importance of cybersecurity through a structured and proactive approach.


CONSOLIDATED FINANCIAL STATEMENTS
REPORT ON OPERATIONS
AMPLIFON AT A GLANCE

# POLICIES

To mitigate cybersecurity risks, Amplifon has implemented specific policies aimed at protecting data and preventing cyberattacks. The Global Data Privacy Policy governs operations in this area; for more details, please refer to the "Policies, actions, metrics and targets" paragraph of the "General disclosures (ESRS 2)" chapter. Furthermore, the Group has developed an operational cybersecurity framework to establish clear security guidelines for employees, suppliers, and external developers. This framework will be officially published in 2025, ensuring that all new employees receive proper training on the Group's cybersecurity policies.

# ACTIONS, METRICS AND TARGETS

In 2024, Amplifon reinforced its cybersecurity oversight, expanding its coverage to foster shared responsibility and enhance collaboration between departments. To mitigate potential risks, the company launched several initiatives:

**Cybersecurity training** - Amplifon invests in continuous cybersecurity training for employees, with a particular focus on emerging threats such as deepfake attacks and phishing. Through dedicated training programmes, the Company raises awareness about cyber risks, equipping employees with the skills to detect and counteract threats. The goal is to build an informed and proactive workforce, contributing to the protection of corporate data and IT systems. This commitment includes the monthly deployment of phishing simulations to enhance employee preparedness. In 2024, the Company conducted 4,418 hours of cybersecurity training. Additionally, Amplifon is developing a cybersecurity skills database to track employees' competencies in the field.

**ISO 27001 Certification and NIS2 Compliance** - Amplifon has launched a project to obtain ISO 27001 certification at the corporate level, involving the preparation of a comprehensive dossier detailing required processes, policies, and documentation. This initiative serves as a preparatory phase for extending the certification to all countries where the company operates. The company is also working on compliance with the EU Network and Information Systems Directive 2 (NIS2). For Q1 2025, Amplifon has scheduled assessments to prepare for ISO 27001 audits and NIS2 compliance checks. To monitor the cybersecurity maturity level of individual countries regarding ISO certification and regulatory compliance, Amplifon has introduced a documentation framework and an internal assessment programme. This initiative helps identify areas for improvement and corrective actions. To ensure compliance, the Company conducts regular cybersecurity audits and penetration tests and has introduced specialised training pathways.

**Cybersecurity and privacy assessment for new suppliers** - Amplifon S.p.A. has introduced a mandatory cybersecurity and privacy assessment programme for all new suppliers, covering every new contract and contract renewal for existing business partners. This approach ensures proactive risk management concerning data security and privacy.

**Cybersecurity audits** - systematic and in-depth evaluations of a company's IT systems, networks, and security policies. Amplifon aims to conduct at least four annual audits targeting critical suppliers.

**Digital transformation and security enhancements** – Amplifon continued its digital transformation strategy in 2024, adopting new technologies to optimise secure business process management. These advancements reinforce cyber resilience while enabling more efficient and secure operations in an evolving digital environment. Among the new technologies that have been implemented are, for example:

- a Datalake solution that, acting as a vast data warehouse, allows the efficient and secure collection, storage and analysis of large volumes of information and their correlation, enabling better business decisions based on accurate and complete data;
- an XDR (Extended Detection and Response) solution that contributes to the creation of an integrated view of possible threats from different sources, facilitating the detection of and immediate response to cyber-attacks;
- a sophisticated mail security solution, considering phishing attacks as one of the main threats to Amplifon.

**Security rating** - In 2024, Amplifon's cybersecurity team worked to maintain the company's "A" security rating on Security Scorecard - an independent platform that evaluates publicly available and open-source cybersecurity data to assess an organisation's security posture. In 2024, the company continued its efforts to obtain HiTrust certification (planned for next year in the Americas region) while maintaining compliance with SOC 2 (System and Organization Controls) certification, already in effect in the United States.

For further details on data privacy and cybersecurity activities and programme, please refer to the "Actions, metrics and targets" paragraph of the "ESRS S4 – Consumers and end-users" chapter.


amplifon

# ANNEX

## INDEX OF DISCLOSURE REQUIREMENTS

| LIST OF MATERIAL DR | PAGE REFERENCE |
|---|---|
| **ESRS 2 – GENERAL DISCLOSURES** | |
| BP-1 – General basis for preparation of sustainability statement | 92 |
| BP-2 – Disclosures in relation to specific circumstances | 92 |
| GOV-1 – The role of the administrative, management and supervisory bodies | 94 |
| GOV-2 – Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies | 98 |
| GOV-3 – Integration of sustainability-related performance in incentive schemes | 99 |
| GOV-4 – Statement on due diligence | 99 |
| GOV-5 – Risk management and internal controls over the sustainability reporting | 102 |
| SBM-1 – Strategy, business model and value chain | 103 |
| SBM-2 – Interests and views of stakeholders | 116 |
| SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model | 120 |
| IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities | 120 |
| IRO-2 – Disclosure requirements in ESRS covered by the undertaking's sustainability statement | 120 |
| **ESRS E1 – CLIMATE CHANGE** | |
| ESRS 2 SBM-3-E1 – Material impacts, risks and opportunities and their interaction with strategy and business model | 147 |
| ESRS 2 IRO-1-E1 – Description of processes to identify and assess relevant climate-related impacts, risks and opportunities | 130 |
| E1-1 Transition plan for climate change mitigation | 149 |
| ESRS 2 GOV-3-E1 – Integration of sustainability-related performance in incentive schemes | 99 |
| E1-2 – Policies related to climate change mitigation and adaptation | 149 |
| E1-3 – Actions and resources in relation to climate change policies | 150 |
| E1-4 – Targets related to climate change mitigation and adaptation | 150 |
| E1-5 – Energy consumption and mix | 150 |
| E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions | 152 |
| E1-9 – Anticipated financial effects from material physical and transition risks and potential climate-related opportunities | Disclosure subject to phase-in |
| **ESRS S1 – OWN WORKFORCE** | |
| ESRS 2 SBM-3-S1 – Material impacts, risks and opportunities and their interaction with strategy and business model | 158 |
| S1-1 – Policies related to own workforce | 160 |

# LIST OF DATAPOINTS IN CROSS-CUTTING AND TOPICAL STANDARDS THAT DERIVE FROM OTHER EU LEGISLATION

| Disclosure Requirement and related datapoint | SFDR reference | Pillar 3 reference | Benchmark Regulation reference | EU Climate Law reference | Material/ Non-material | Page reference |
|---|---|---|---|---|---|---|
| ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d) | Annex I, Table 1, Indicator no. 13 | | Delegated Regulation (EU) 2020/1816, Annex II | | Material | 95 |
| ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e) | | | Delegated Regulation (EU) 2020/1816, Annex II | | Material | 95 |
| ESRS 2 GOV-4 Statement on due diligence paragraph 30 | Annex I, Table 3, Indicator no. 10 | | | | Material | 99-102 |
| ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i | Indicator number 4 of Table #1 of Annex 1 | Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453(6) Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk | Delegated Regulation (EU) 2020/1816, Annex II | | Data point not applicable | |
| ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii | Indicator number 9 of Table #2 of Annex 1 | | Delegated Regulation (EU) 2020/1816, Annex II | | Data point not applicable | |
| ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii | Indicator number 14 of Table #1 of Annex 1 | | Delegated Regulation (EU) 2020/1818(7), Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II | | Data point not applicable | |
| ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv | | | Delegated Regulation (EU) 2020/1818(7), Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II | | Data point not applicable | |
| ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14 | | | | Regulation (EU) 2021/1119, Article 2(1) | Data point not applicable | |

| Disclosure Requirement and related datapoint | SFDR reference | Pillar 3 reference | Benchmark Regulation reference | EU Climate Law reference | Material/ Non-material | Page reference |
|---|---|---|---|---|---|---|
| ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g) | | Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book-Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity | Delegated Regulation (EU) 2020/1818, Article12.1 (d) to (g), and Article 12.2 | | Data point not applicable | |
| ESRS E1-4 GHG emission reduction targets paragraph 34 | Indicator number 4 of Table #2 of Annex 1 | Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics | Delegated Regulation (EU) 2020/1818, Article 6 | | Data point not applicable | |
| ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38 | Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1 | | | | Material | 151 |
| ESRS E1-5 Energy consumption and mix paragraph 37 | Indicator number 5 of Table #1 of Annex 1 | | | | Material | 151 |
| ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43 | Indicator number 6 of Table #1 of Annex 1 | | | | Material | 151 |
| ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44 | Indicators number 1 and 2 Table #1 of Annex 1 | Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book-Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity | Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1) | | Material | 154 |

| Disclosure Requirement and related datapoint | SFDR reference | Pillar 3 reference | Benchmark Regulation reference | EU Climate Law reference | Material/ Non-material | Page reference |
|---|---|---|---|---|---|---|
| ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55 | Indicator number 3 of Table #1 of Annex 1 | Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics | Delegated Regulation (EU) 2020/1818, Article 8(1) | | Material | 152 |
| ESRS E1-7 GHG removals and carbon credits paragraph 56 | | | | Regulation (EU) 2021/1119, Article 2(1) | Non-material | |
| ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66 | | | Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II | | Disclosure subject to phase-in | |
| Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c) | | Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk | | | Disclosure subject to phase-in | |
| ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c) | | Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2: Banking book -Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral | | | Disclosure subject to phase-in | |
| ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities paragraph 69 | | | Delegated Regulation (EU) 2020/1818, Annex II | | Disclosure subject to phase-in | |
| ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28 | Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1 | | | | Non-material | |

| Disclosure Requirement and related datapoint | SFDR reference | Pillar 3 reference | Benchmark Regulation reference | EU Climate Law reference | Material/ Non-material | Page reference |
|---|---|---|---|---|---|---|
| ESRS E3-1 Water and marine resources paragraph 9 | Indicator number 7 of Table #2 of Annex 1 | | | | Non-material | |
| ESRS E3-1 Dedicated policy paragraph 13 | Indicator number 8 of Table #2 of Annex 1 | | | | Non-material | |
| ESRS E3-1 Sustainable oceans and seas paragraph 14 | Indicator number 12 of Table #2 of Annex 1 | | | | Non-material | |
| ESRS E3-4 Total water recycled and reused paragraph 28 (c) | Indicator number 6.2 of Table #2 of Annex 1 | | | | Non-material | |
| ESRS E3-4 Total water consumption in m3 per net revenue on own operations paragraph 29 | Indicator number 6.1 of Table #2 of Annex 1 | | | | Non-material | |
| ESRS 2 IRO-1 – E4 paragraph 16 (a) i | Indicator number 7 of Table #1 of Annex 1 | | | | Material | 132 |
| ESRS 2 IRO-1 – E4 paragraph 16 (b) | Indicator number 10 of Table #2 of Annex 1 | | | | Material | 132 |
| ESRS 2 IRO-1 – E4 paragraph 16 (c) | Indicator number 14 of Table #2 of Annex 1 | | | | Material | 132 |
| ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b) | Indicator number 11 of Table #2 of Annex 1 | | | | Non-material | |
| ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c) | Indicator number 12 of Table #2 of Annex 1 | | | | Non-material | |
| ESRS E4-2 Policies to address deforestation paragraph 24 (d) | Indicator number 15 of Table #2 of Annex 1 | | | | Non-material | |
| ESRS E5-5 Non-recycled waste paragraph 37 (d) | Indicator number 13 of Table #2 of Annex 1 | | | | Non-material | |
| ESRS E5-5 Hazardous waste and radioactive waste paragraph 39 | Indicator number 9 of Table #1 of Annex 1 | | | | Non-material | |
| ESRS 2 - SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f) | Indicator number 13 of Table #3 of Annex 1 | | | | Material | 158 |
| ESRS 2 - SBM3 - S1 Risk of incidents of child labour paragraph 14 (g) | Indicator number 12 of Table #3 of Annex 1 | | | | Material | 158 |
| ESRS S1-1 Human rights policy commitments paragraph 20 | Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I | | | | Material | 160 |

| Disclosure Requirement and related datapoint | SFDR reference | Pillar 3 reference | Benchmark Regulation reference | EU Climate Law reference | Material/ Non-material | Page reference |
|---|---|---|---|---|---|---|
| ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21 | | | Delegated Regulation (EU) 2020/1816, Annex II | | Material | 160 |
| ESRS S1-1 Processes and measures for preventing trafficking in human beings paragraph 22 | Indicator number 11 of Table #3 of Annex 1 | | | | Material | 160 |
| ESRS S1-1 Workplace accident prevention policy or management system paragraph 23 | Indicator number 1 of Table #3 of Annex 1 | | | | Material | 162 |
| ESRS S1-3 Grievance/ complaints handling mechanisms paragraph 32 (c) | Indicator number 5 of Table #3 of Annex 1 | | | | Material | 163 |
| ESRS S1-14 Number of fatalities and number and rate of work- related accidents paragraph 88 (b) and (c) | Indicator number 2 of Table #3 of Annex 1 | | Delegated Regulation (EU) 2020/1816, Annex II | | Non-material | |
| ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e) | Indicator number 3 of Table #3 of Annex 1 | | | | Non-material | |
| ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a) | Indicator number 12 of Table #1 of Annex 1 | | Delegated Regulation (EU) 2020/1816, Annex II | | Non-material | |
| ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b) | Indicator number 8 of Table #3 of Annex 1 | | | | Non-material | |
| ESRS S1-17 Incidents of discrimination paragraph 103 (a) | Indicator number 7 of Table #3 of Annex 1 | | | | Material | 175 |
| ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a) | Indicator number 10 Table #1 and Indicator number 14 Table #3 of Annex I | | Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1) | | Material | 175 |
| ESRS 2 SBM-3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b) | Indicators number 12 and n. 13 Table #3 of Annex I | | | | Material | 178 |

| Disclosure Requirement and related datapoint | SFDR reference | Pillar 3 reference | Benchmark Regulation reference | EU Climate Law reference | Material/ Non-material | Page reference |
|---|---|---|---|---|---|---|
| ESRS S2-1 Human rights policy commitments paragraph 17 | Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I | | | | Material | 179 |
| ESRS S2-1 Policies related to value chain workers paragraph 18 | Indicators number 11 and n. 4 Table #3 of Annex I | | | | Material | 179 |
| ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19 | Indicator number 10 of Table #1 of Annex 1 | | Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1) | | Material | 179 |
| ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19 | | | Delegated Regulation (EU) 2020/1816, Annex II | | Material | 179 |
| ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36 | Indicator number 14 of Table #3 of Annex 1 | | | | Material | 178 |
| ESRS S3-1 Human rights policy commitments paragraph 16 | Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I | | | | Non-material | |
| ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17 | Indicator number 10 of Table #1 of Annex 1 | | Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1) | | Non-material | |
| ESRS S3-4 Human rights issues and incidents paragraph 36 | Indicator number 14 of Table #3 of Annex 1 | | | | Non-material | |
| ESRS S4-1 Policies related to consumers and end-users paragraph 16 | Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I | | | | Material | 184 |
| ESRS S4-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 17 | Indicator number 10 of Table #1 of Annex 1 | | Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1) | | Material | 184 |

| Disclosure Requirement and related datapoint | SFDR reference | Pillar 3 reference | Benchmark Regulation reference | EU Climate Law reference | Material/ Non-material | Page reference |
|---|---|---|---|---|---|---|
| ESRS S4-4 Human rights issues and incidents paragraph 35 | Indicator number 14 of Table #3 of Annex 1 | | | | Material | 184 |
| ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b) | Indicator number 15 of Table #3 of Annex 1 | | | | Material | 137, 196 |
| ESRS G1-1 Protection of whistle- blowers paragraph 10 (d) | Indicator number 6 of Table #3 of Annex 1 | | | | Data point not applicable | |
| ESRS G1-4 Fines for violation of anti- corruption and anti- bribery laws paragraph 24 (a) | Indicator number 17 of Table #3 of Annex 1 | | Delegated Regulation (EU) 2020/1816, Annex II | | Material | 200 |
| ESRS G1-4 Standards of anti- corruption and anti- bribery paragraph 24 (b) | Indicator number 16 of Table #3 of Annex 1 | | | | Data point not applicable | |

Milano, March 6th 2025

for the Board of Directors
Chief Executive Officer
Enrico Vita

**Disclaimer**
This report contains forward looking statements (“Outlook”) regarding future events and the Amplifon Group’s operating, economic and financial results. These forecasts, by definition, contain elements of risk and uncertainty, insofar as they are linked to the occurrence of future events and developments. The actual results may be very different with respect to the original forecast due to several factors, the majority of which are out of the Group’s control.


amplifon
Soluções auditivas

# CONSOLIDATED FINANCIAL STATEMENTS AS AT

## DECEMBER 31st, 2024

# INDEX

## CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31st, 2024

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION(*)

(€ thousands)

| | | 12/31/2024 | 12/31/2023 | Change |
|---|---|---|---|---|
| **ASSETS** | | | | |
| **Non-current assets** | | | | |
| Goodwill | **Note 3** | 1,945,495 | 1,799,574 | 145,921 |
| Intangible fixed assets with finite useful life | **Note 4** | 428,360 | 416,589 | 11,771 |
| Property, plant, and equipment | **Note 5** | 253,924 | 221,516 | 32,408 |
| Right-of-use assets | **Note 6** | 492,064 | 478,153 | 13,911 |
| Equity-accounted investments | **Note 36** | 2,527 | 2,444 | 83 |
| Hedging instruments | **Note 8** | 4,454 | 12,933 | (8,479) |
| Deferred tax assets | **Note 28** | 77,332 | 82,701 | (5,369) |
| Contract costs | **Note 11** | 10,494 | 11,275 | (781) |
| Other assets | **Note 7** | 52,884 | 46,835 | 6,049 |
| **Total non-current assets** | | **3,267,534** | **3,072,020** | **195,514** |
| **Current assets** | | | | |
| Inventories | **Note 9** | 93,180 | 88,320 | 4,860 |
| Trade receivables | **Note 10** | 226,754 | 231,253 | (4,499) |
| Contract costs | **Note 11** | 7,734 | 6,840 | 894 |
| Other receivables | **Note 12** | 107,552 | 100,184 | 7,368 |
| Hedging instruments | **Note 8** | 878 | 549 | 329 |
| Other financial assets | **Note 13** | 296 | 901 | (605) |
| Cash and cash equivalents | **Note 14** | 288,834 | 193,148 | 95,686 |
| **Total current assets** | | **725,228** | **621,195** | **104,033** |
| **TOTAL ASSETS** | | **3,992,762** | **3,693,215** | **299,547** |

(€ thousands)

| | | 12/31/2024 | 12/31/2023 | Change |
|---|---|---|---|---|
| **LIABILITIES** | | | | |
| **Net Equity** | | | | |
| Share capital | **Note 15** | 4,528 | 4,528 | - |
| Share premium reserve | | 202,712 | 202,712 | - |
| Treasury shares | | (29,358) | (17,495) | (11,863) |
| Other reserves | | (77,628) | (53,608) | (24,020) |
| Retained earnings | | 904,374 | 809,643 | 94,731 |
| Profit (loss) for the period | | 145,374 | 155,139 | (9,765) |
| **Group net equity** | | **1,150,002** | **1,100,919** | **49,083** |
| **Minority interests** | | **222** | **759** | **(537)** |
| **Total net equity** | | **1,150,224** | **1,101,678** | **48,546** |
| **Non-current liabilities** | | | | |
| Medium/long-term financial liabilities | **Note 17** | 952,283 | 710,267 | 242,016 |
| Lease liabilities | **Note 18** | 387,597 | 383,909 | 3,688 |
| Provisions for risks and charges | **Note 19** | 20,925 | 19,379 | 1,546 |
| Liabilities for employees' benefits | **Note 20** | 15,457 | 12,963 | 2,494 |
| Hedging instruments | **Note 8** | 1,157 | - | 1,157 |
| Deferred tax liabilities | **Note 28** | 99,493 | 98,451 | 1,042 |
| Payables for business acquisitions | **Note 21** | 5,885 | 7,229 | (1,344) |
| Contract liabilities | **Note 23** | 153,766 | 153,716 | 50 |
| Other long-term liabilities | **Note 21** | 35,667 | 26,379 | 9,288 |
| **Total non-current liabilities** | | **1,672,230** | **1,412,293** | **259,937** |
| **Current liabilities** | | | | |
| Trade payables | **Note 22** | 377,100 | 358,955 | 18,145 |
| Payables for business acquisitions | **Note 24** | 11,510 | 9,554 | 1,956 |
| Contract liabilities | **Note 23** | 122,914 | 120,043 | 2,871 |
| Tax liabilities | **Note 24** | 49,830 | 74,433 | (24,603) |
| Other payables | **Note 24** | 197,460 | 181,101 | 16,359 |
| Hedging instruments | **Note 8** | 739 | 242 | 497 |
| Provisions for risks and charges | **Note 25** | 2,403 | 1,268 | 1,135 |
| Liabilities for employees' benefits | **Note 26** | 4,094 | 3,713 | 381 |
| Short-term financial liabilities | **Note 27** | 277,518 | 316,413 | (38,895) |
| Lease liabilities | **Note 18** | 126,740 | 113,522 | 13,218 |
| **Total current liabilities** | | **1,170,308** | **1,179,244** | **(8,936)** |
| **TOTAL LIABILITIES** | | **3,992,762** | **3,693,215** | **299,547** |

(*)Transactions with related parties have not been reported separately because not material both at single entity and at consolidated level. Please refer to note 39 for more details.

# CONSOLIDATED INCOME STATEMENT(*)

| (€ thousands) | | FY 2024 | | | FY 2023 | | | |
|---|---|---|---|---|---|---|---|---|
| | | Recurring | Non-recurring | Total | Recurring | Non-recurring | Total | Change |
| Revenues from sales and services | Note 29 | 2,409,241 | - | 2,409,241 | 2,260,084 | - | 2,260,084 | 149,157 |
| Operating costs | Note 30 | (1,848,006) | (6,587) | (1,854,593) | (1,727,574) | (14,738) | (1,742,312) | (112,281) |
| Other income and costs | Note 31 | 6,442 | - | 6,442 | 9,077 | - | 9,077 | (2,635) |
| **Gross operating profit (EBITDA)** | | **567,677** | **(6,587)** | **561,090** | **541,587** | **(14,738)** | **526,849** | **34,241** |
| **Amortization, depreciation and impairment** | **Note 32** | | | | | | | |
| Amortization of intangible fixed assets with finite useful life | | (108,062) | - | (108,062) | (93,448) | - | (93,448) | (14,614) |
| Depreciation of property, plant, and equipment | | (61,710) | - | (61,710) | (54,391) | - | (54,391) | (7,319) |
| Right-of-use depreciation | | (131,586) | - | (131,586) | (119,292) | - | (119,292) | (12,294) |
| Impairment losses and reversals of non-current assets | | (1,360) | (1,558) | (2,918) | (506) | - | (506) | (2,412) |
| | | **(302,718)** | **(1,558)** | **(304,276)** | **(267,637)** | **-** | **(267,637)** | **(36,639)** |
| **Operating result** | | **264,959** | **(8,145)** | **256,814** | **273,950** | **(14,738)** | **259,212** | **(2,398)** |
| **Financial income, expenses and value adjustments to financial assets** | **Note 33** | | | | | | | |
| Group's share of the result of associated companies valued at equity and gains/losses on disposals of equity investments | | 225 | - | 225 | 555 | - | 555 | (330) |
| Interest income and expenses | | (34,740) | - | (34,740) | (27,737) | - | (27,737) | (7,003) |
| *Interest expenses on lease liabilities* | | (19,138) | - | (19,138) | (14,808) | - | (14,808) | (4,330) |
| Other financial income and expenses | | (3,184) | - | (3,184) | (5,966) | - | (5,966) | 2,782 |
| Exchange gains and losses, and inflation accounting | | (2,647) | - | (2,647) | (3,172) | - | (3,172) | 525 |
| *Gain (loss) on assets accounted at fair value* | | (550) | - | (550) | 1,663 | - | 1,663 | (2,213) |
| | | **(60,034)** | **-** | **(60,034)** | **(49,465)** | **-** | **(49,465)** | **(10,569)** |
| **Profit (loss) before tax** | | **204,925** | **(8,145)** | **196,780** | **224,485** | **(14,738)** | **209,747** | **(12,967)** |
| **Current and deferred income tax** | **Note 34** | | | | | | | |
| Current tax | | (49,805) | 1,772 | (48,033) | (65,713) | 4,087 | (61,626) | 13,593 |
| Deferred tax | | (3,177) | - | (3,177) | 6,904 | - | 6,904 | (10,081) |
| | | **(52,982)** | **1,772** | **(51,210)** | **(58,809)** | **4,087** | **(54,722)** | **3,512** |
| **Net profit (loss)** | | **151,943** | **(6,373)** | **145,570** | **165,676** | **(10,651)** | **155,025** | **(9,455)** |
| Net profit (loss) attributable to Minority interests | | 196 | - | 196 | (114) | - | (114) | 310 |
| **Net profit (loss) attributable to the Group** | | **151,747** | **(6,373)** | **145,374** | **165,790** | **(10,651)** | **155,139** | **(9,765)** |

(*)Transactions with related parties have not been reported separately because not material both at single entity and at consolidated level. Please refer to note 39 for more details.

| Earnings and dividend per share (€ per share) | Note 38 | FY 2024 | FY 2023 |
|---|---|---|---|
| **Earnings per share** | | | |
| - basic | | 0,64384 | 0,69285 |
| - Diluted | | 0,64214 | 0,68809 |
| Dividend per share (*) | | 0,29 | 0,29 |

(*) Dividend proposed by the Board of Directors at the Shareholders General Meeting convened on April 23rd, 2025.

# STATEMENT OF CONSOLIDATED COMPREHENSIVE INCOME

(€ thousands)

| | | FY 2024 | FY 2023 |
|---|---|---|---|
| **Net income (loss) for the period** | | **145,570** | **155,025** |
| **Other comprehensive income (loss) that will not be reclassified subsequently to profit or loss:** | | | |
| Remeasurement of defined benefit plans | **Note 20** | (2,603) | (4,501) |
| Tax effect on components of other comprehensive income that will not be reclassified subsequently to profit or loss | | 489 | 762 |
| **Total other comprehensive income (loss) that will not be reclassified subsequently to profit or loss after the tax effect (A)** | | **(2,114)** | **(3,739)** |
| **Other comprehensive income (loss) that will be reclassified subsequently to profit or loss** | | | |
| Gains/(losses) on cash flow hedging instruments | **Note 8** | (9,253) | (13,191) |
| Gains/(losses) from Foreign Currency Basis Spread on hedging instruments | **Note 8** | - | 516 |
| Gains/(losses) on exchange differences from translation of financial statements of foreign entities | | (15,061) | (57,935) |
| Tax effect on components of other comprehensive income that will be reclassified subsequently to profit or loss | | 2,221 | 3,132 |
| **Total other comprehensive income (loss) that will be reclassified subsequently to profit or loss after the tax effect (B)** | | **(22,093)** | **(67,478)** |
| **Total other comprehensive income (loss) (A)+(B)** | | **(24,207)** | **(71,217)** |
| **Comprehensive income (loss) for the period** | | **121,363** | **83,808** |
| Attributable to the Group | | 121,346 | 84,274 |
| Attributable to Minority interests | | 17 | (466) |

# STATEMENT OF CHANGES IN CONSOLIDATED EQUITY

(€ thousands)

| | | Share capital | Share premium reserve | Legal reserve | Other reserves | Treasury shares reserve | Stock grant reserve | Cash flow hedge reserve | Foreign Curr. Basis Spread Reserve | Actuarial gains and losses | Retained earnings | Translation differences | Profit (loss) for the period | Total Shareholders' equity | Minority interests | Total net equity |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Balance at 01/01/2023** | | **4,528** | **202,712** | **934** | **3,636** | **(49,895)** | **35,182** | **19,913** | **(392)** | **2,782** | **691,409** | **(50,825)** | **178,525** | **1,038,509** | **1,841** | **1,040,350** |
| Allocation of profit (loss) for 2022 | | | | | | | | | | | 178,525 | | (178,525) | - | | - |
| Share capital increase | | | | | | | | | | | | | | - | | - |
| Treasury shares | | | | | | | | | | | | | | - | | - |
| Dividend distribution | | | | | | | | | | | (65,361) | | | (65,361) | | (65,361) |
| Notional cost of stock grants | **Note 35** | | | | | | 27,305 | | | | | | | 27,305 | | 27,305 |
| Other changes | | | | | | 32,400 | (21,188) | | | | 4,980 | | | 16,192 | (616) | 15,576 |
| *- Stock Grant* | | | | | | *32,400* | *(21,188)* | | | | *(7,106)* | | | *4,106* | | *4,106* |
| *- Inflation accounting* | | | | | | | | | | | *12,890* | | | *12,890* | | *12,890* |
| *- Other changes* | | | | | | | | | | | *(804)* | | | *(804)* | *(616)* | *(1,420)* |
| Total comprehensive income (loss) for the period | | | | | | | | (10,025) | 392 | (3,739) | 90 | (57,583) | 155,139 | 84,274 | (466) | 83,808 |
| *- Hedge accounting* | **Note 8** | | | | | | | *(10,025)* | *392* | | | | | *(9,633)* | | *(9,633)* |
| *- Actuarial gains (losses)* | | | | | | | | | | *(3,739)* | | | | *(3,739)* | | *(3,739)* |
| *- Deferred taxes accounted for within Net Equity* | | | | | | | | | | | *90* | | | *90* | | *90* |
| *- Translation differences* | | | | | | | | | | | | *(57,583)* | | *(57,583)* | *(352)* | *(57,935)* |
| *- Result for FY 2023* | | | | | | | | | | | | | *155,139* | *155,139* | *(114)* | *155,025* |
| **Balance at 12/31/2023** | | **4,528** | **202,712** | **934** | **3,636** | **(17,495)** | **41,299** | **9,888** | **-** | **(957)** | **809,643** | **(108,408)** | **155,139** | **1,100,919** | **759** | **1,101,678** |

(€ thousands)

| | | Share capital | Share premium reserve | Legal reserve | Other reserves | Treasury shares reserve | Stock grant reserve | Cash flow hedge reserve | Actuarial gains and losses | Retained earnings | Translation differences | Profit (loss) for the period | Total Shareholders' equity | Minority interests | Total net equity |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Balance at 01/01/2024** | | **4,528** | **202,712** | **934** | **3,636** | **(17,495)** | **41,299** | **9,888** | **(957)** | **809,643** | **(108,408)** | **155,139** | **1,100,919** | **759** | **1,101,678** |
| Allocation of profit (loss) for 2023 | | | | | | | | | | 155,139 | | (155,139) | - | | - |
| Share capital increase | | | | | | | | | | | | | - | | - |
| Treasury shares | | | | | | (25,396) | | | | | | | (25,396) | | (25,396) |
| Dividend distribution | | | | | | | | | | (65,593) | | | (65,593) | | (65,593) |
| Notional cost of stock grants | **Note 35** | | | | | | 16,131 | | | | | | 16,131 | | 16,131 |
| Other changes | | | | | | 13,533 | (16,123) | | | 5,185 | | | 2,595 | (554) | 2,041 |
| *- Stock Grant* | | | | | | *13,533* | *(16,123)* | | | *1,364* | | | *(1,226)* | | *(1,226)* |
| *- Inflation accounting* | | | | | | | | | | *17,484* | | | *17,484* | | *17,484* |
| *- Other changes* | | | | | | | | | | *(13,663)* | | | *(13,663)* | *(554)* | *(14,217)* |
| Total comprehensive income (loss) for the period | | | | | | | | (7,032) | (2,114) | | (14,882) | 145,374 | 121,346 | 17 | 121,363 |
| *- Hedge accounting* | **Note 8** | | | | | | | *(7,032)* | | | | | *(7,032)* | | *(7,032)* |
| *- Actuarial gains (losses)* | | | | | | | | | *(2,114)* | | | | *(2,114)* | | *(2,114)* |
| *- Translation differences* | | | | | | | | | | | *(14,882)* | | *(14,882)* | *(179)* | *(15,061)* |
| *- Result for FY 2024* | | | | | | | | | | | | *145,374* | *145,374* | *196* | *145,570* |
| **Balance at 12/31/2024** | | **4,528** | **202,712** | **934** | **3,636** | **(29,358)** | **41,307** | **2,856** | **(3,071)** | **904,374** | **(123,290)** | **145,374** | **1,150,002** | **222** | **1,150,224** |

# STATEMENT OF CONSOLIDATED CASH FLOWS (*)

(€ thousands)

| | FY 2024 | FY 2023 |
|---|---|---|
| **OPERATING ACTIVITIES** | | |
| Net profit (loss) | 145,570 | 155,025 |
| Amortization, depreciation and impairment: | | |
| *- intangible fixed assets* | 108,446 | 93,506 |
| *- property, plant, and equipment* | 62,686 | 54,839 |
| *- right-of-use assets* | 131,586 | 119,292 |
| *- goodwill* | 1,558 | - |
| Provisions, other non-monetary items and gain/losses from disposals | 18,103 | 35,871 |
| Group's share of the result of associated companies | (221) | (550) |
| Financial income and expenses | 60,255 | 50,017 |
| Current and deferred taxes | 51,210 | 54,720 |
| ***Cash flow from operating activities before change in working capital*** | **579,193** | **562,720** |
| Utilization of provisions | (2,837) | (10,871) |
| (Increase) decrease in inventories | (2,465) | (11,361) |
| Decrease (increase) in trade receivables | 3,133 | (49,121) |
| Increase (decrease) in trade payables | 6,681 | 24,152 |
| Changes in other receivables and other payables | (7,710) | 27,490 |
| ***Total change in assets and liabilities*** | **(3,198)** | **(19,711)** |
| Dividends received | 147 | 198 |
| Interest received (paid) | (56,058) | (51,985) |
| Taxes paid | (68,926) | (77,679) |
| **Cash flow generated from (absorbed by) operating activities (A)** | **451,158** | **413,543** |

(€ thousands)

| | FY 2024 | FY 2023 |
|---|---|---|
| **INVESTING ACTIVITIES:** | | |
| Purchase of intangible fixed assets | (61,451) | (66,313) |
| Purchase of tangible fixed assets | (84,970) | (75,340) |
| Consideration from sale of non-current assets | 1,386 | 1,795 |
| **Cash flow generated from (absorbed by) operating investing activities (B)** | **(145,035)** | **(139,858)** |
| Purchase of subsidiaries and business units net of cash and cash equivalents acquired or dismissed | (192,531) | (108,469) |
| Increase (decrease) in payables for business acquisitions | 2,466 | (13,154) |
| **Cash flow generated from (absorbed by) acquisition activities (C)** | **(190,065)** | **(121,623)** |
| **Cash flow generated from (absorbed by) investing activities (B+C)** | **(335,100)** | **(261,481)** |
| **FINANCING ACTIVITIES:** | | |
| Increase (decrease) in financial payables | 198,575 | (15) |
| (Increase) decrease in financial receivables | (833) | 50,390 |
| Hedging instruments | - | (1,483) |
| Fees paid on long-term borrowings | (1,807) | (1,413) |
| Principal portion of lease payments | (128,959) | (116,187) |
| Other non-current assets and liabilities | 5,290 | (773) |
| Dividend distributed | (65,593) | (65,361) |
| Treasury shares purchase | (25,396) | - |
| Capital increases and minority shareholders' contributions and dividends paid to third parties by subsidiaries | (125) | (215) |
| **Cash flow generated from (absorbed by) financing activities (D)** | **(18,848)** | **(135,057)** |
| **Net increase in cash and cash equivalents (A+B+C+D)** | **97,210** | **17,005** |
| **Cash and cash equivalents at beginning of period** | **193,148** | **179,654** |
| Effect of exchange rate fluctuations on cash & cash equivalents | (1,524) | (3,511) |
| Flows of cash and cash equivalents | 97,210 | 17,005 |
| **Cash and cash equivalents at end of period** | **288,834** | **193,148** |

(*) Transactions with related parties have not been reported separately because not material both at single entity and at consolidated level. Please refer to note 39 for more details.

Related-party transactions relate to lease of the main office and certain stores, to recharges of maintenance costs and general services of the above-mentioned buildings and to commercial transactions, personnel costs and loans. Such loans are detailed in Note 39.

# SUPPLEMENTARY INFORMATION TO THE STATEMENT OF CONSOLIDATED CASH FLOWS

The fair value of the assets and liabilities of the business combinations referred to in Note 3 are summarized below:

(€ thousands)

| | FY 2024 | FY 2023 |
|---|---|---|
| - Goodwill | 143,151 | 81,339 |
| - Customer lists | 49,881 | 31,082 |
| - Trademarks and non-competition agreements | 1,509 | 5 |
| - Other intangible fixed assets | 3,677 | 504 |
| - Property, plant, and equipment | 11,610 | 8,727 |
| - Right-of-use assets | 14,043 | 1,209 |
| - Current assets | 16,380 | 6,523 |
| - Provisions for risks and charges | (1,890) | 2 |
| - Current liabilities | (31,353) | (11,989) |
| - Other non-current assets and liabilities | (25,420) | (7,623) |
| - Third parties equity | 14,088 | 1,653 |
| **Total investments** | **195,676** | **111,432** |
| Net financial debt acquired | 3,752 | 1,169 |
| **Total business combinations** | **199,428** | **112,601** |
| (Increase) decrease in payables through business acquisition | (2,466) | 13,154 |
| **Cash flow absorbed by (generated from) acquisitions** | **196,962** | **125,755** |
| (Cash and cash equivalents acquired) | (6,897) | (4,132) |
| **Net cash flow absorbed by (generated from) acquisitions** | **190,065** | **121,623** |

# NOTES

## 1. GENERAL INFORMATION

The Amplifon Group is global leader in the distribution of hearing solutions and the fitting of customized products.

The parent company Amplifon S.p.A. is based in Via Ripamonti 133, Milan, Italy. The Group is controlled directly by Ampliter S.r.l. (42.01% as at 31 December 2024), held by Amplifin S.r.l, which is owned at 88% by Susan Carol Holland. As a result of increased voting rights, on 31 December 2024 Ampliter S.r.l. held 59.08% of the voting rights.

The consolidated financial statements on 31 December 2024 have been prepared in accordance with International Financial Reporting Standards (IFRS) and the regulations implementing article 9 of Legislative Decree No. 38 of 28 February 2005. These standards include the IAS and IFRS issued by the International Accounting Standard Board, as well as the SIC and IFRIC interpretations issued by the International Financial Reporting Interpretations Committee, which were endorsed in accordance with the procedure set out in article 6 of Regulation (EC) no. 1606 of 19 July 2002 by 31 December 2024. International Financial Reporting Standards endorsed after that date and before the preparation of these financial statements are adopted in the preparation of this annual report only if early adoption is allowed by the endorsing regulation, by the reporting standard itself and the Group has elected to do so.

The publication of the consolidated financial statements of the Amplifon Group for the year closed on 31 December 2024, carried out in accordance with European Commission Delegated Regulation n. 2019/815, as amended, was authorized by the Board of Directors on 7 March 2024. This annual report is subject to the approval of the Annual Shareholders' Meeting of Amplifon S.p.A. convened on 23 April 2025.

The accounting policies adopted in the preparation of the annual report and a summary of the accounting principles and interpretations to be applied in the future are detailed in section 45 "Accounting Policies".

# 2. IMPACT OF THE CONFLICT IN UKRAINE, IN MIDDLE EAST, AND CLIMATE CHANGE ON THE GROUP'S PERFORMANCE AND FINANCIAL POSITION

The geopolitical uncertainty continues and persists due to the conflicts underway in the Middle East and Ukraine. There have been significant developments in the Middle East over the last few months. After a period of intense fighting, at the beginning of 2025 the two sides agreed to a ceasefire. Despite the ceasefire, the situation remains delicate. Isolated incidents and tensions persist, which call for constant monitoring of the region. The conflict, furthermore, has impacted the entire region, resulting in the involvement of other countries including Iran and Lebanon and affecting geopolitical dynamics in the Middle East, above all with respect to energy and financial markets. In this region, however, the Group only has about 24 points of sale in Israel which generate sales less than 1% of annual consolidated revenues and limited activities in nearby countries (Egypt) and does not have any direct or indirect business activities in Lebanon and Iran. As for the conflict between Ukraine and Russia, the situation remains fluid and complex, with continuous developments on both military and diplomatic levels. The Group has no business activities, direct or indirect, in either Ukraine, Russia or Byelorussia and limited activities in surrounding countries (Poland and Hungary).

The current macroeconomic and geopolitical backdrop, impacted by conflict and political elections in various countries, continues to be characterized by uncertainty and volatility. While inflation and interest rates have shown signs of a progressive decline, albeit with different trends in the different geographic areas, these factors could continue to impact demand and different cost items including, for example, the cost of debt. Generally, the hearing aid market has shown great resilience even in times of economic crisis thanks to the importance and non-discretional nature of hearing care, which remains a priority for consumers regardless of the economic conditions. This along with the use of public/private insurances and consumer loans, which facilitate access to services and hearing aids, contributes to the stability of the demand even in periods of economic uncertainty. The persistent uncertainty and volatility, particularly in Europe, could impact consumer confidence in general and cause consumers to postpone the purchase of a hearing aid which would, however, still be needed in the medium term.

Regarding climate change, the Amplifon Group's business model is based on providing retail hearing solutions. The goals, therefore, connected to transitioning to alternative sources of energy and the actions needed to address climate change are pursued through the steps taken by the Group to improve the energy efficiency of its business activities, as well as report on the greenhouse gas emissions generated along the value chain. Toward this end, the Group is committed to defining and presenting short-term targets for reducing emissions aligned with the Science-Based Target Initiative (SBTi) by 2025.
Furthermore, the Group's activities and business model do not entail significant exposure to the environmental risks connected specifically to climate change.

# 3. ACQUISITIONS AND GOODWILL

The Group continued with external growth in 2024 and acquired 393 points of sale, primarily as a result of the acquisitions made in China, the US (where two important acquisitions of franchisees were finalized) and Uruguay, for a total investment of €192,531 thousand, including the debt consolidated and the best estimate of the earn-out linked to sales and profitability targets payable over the next few years.

In 2024:

- 109 points of sale were acquired in China;
- 98 points of sale were acquired in the United States;
- 58 points of sale were acquired in Germany;
- 50 points of sale were acquired in France;
- 36 points of sale were acquired in Spain;
- 23 points of sale were acquired in Uruguay;
- 12 points of sale were acquired in Canada;
- 6 points of sale were acquired in Italy;
- 1 point of sale was acquired in Argentina.

In detail:

## SHARE DEALS (*)

| Company name | Date | Location |
|---|---|---|
| Shaanxi Xinhongchun Medical Equipment Co. | 01/01/2024 | China |
| Audical S.A.S | 01/02/2024 | Uruguay |
| Centro Auditivo S.A.S | 01/02/2024 | Uruguay |
| Ikako S.A. | 01/02/2024 | Uruguay |
| Audition Fontaine S.A.S. | 01/02/2024 | France |
| Provincial Hearing Aid Service (Halifax) Ltd. | 01/04/2024 | Canada |
| Rupert Hearing Ltd. | 01/16/2024 | Canada |
| Hörvergnügen GmbH | 01/22/2024 | Germany |
| Armor Audition S.A.S. | 02/01/2024 | France |
| AFL Audition Frank Lefevre S.A.S. | 02/01/2024 | France |
| GFL Audition S.A.S. | 02/01/2024 | France |
| Audea Hörcenter GmbH | 02/01/2024 | Germany |
| Pavel Hören und Sehen GmbH & Co. KG | 02/22/2024 | Germany |
| Grousseau S.A.S. | 03/01/2024 | France |
| Nadov Audition S.A.S. | 03/01/2024 | France |
| Hörwelt Duisburg GmbH | 03/07/2024 | Germany |
| Clarity Hearing | 03/15/2024 | Canada |
| Wilms Hörsysteme GmbH | 04/01/2024 | Germany |
| Pastel Audiologie S.A.S. | 04/01/2024 | France |
| Pastel Audition S.A.S. | 04/01/2024 | France |
| Audia Hearing Aid Centre Inc. | 04/02/2024 | Canada |
| Acoustiques des Halles S.A.S. | 06/01/2024 | France |
| Audition Détente S.A.S. | 06/01/2024 | France |
| The Hearing Institute of Ontario, Inc. | 06/14/2024 | Canada |
| Belletente S.A.S. | 07/01/2024 | France |
| Audiloire S.A.S. | 07/01/2024 | France |
| L'Oreillette Du Mans S.A.S. | 07/01/2024 | France |
| Aurissimans S.A.S. | 07/01/2024 | France |
| Anhui Amplifon Hearing Aid Business Co., Ltd. | 07/01/2024 | China |
| Pure Audiology & Hearing Aid Services, Inc. | 07/26/2024 | Canada |

## SHARE DEALS (*)

| Company name | Date | Location |
|---|---|---|
| AnLaiSheng (Inner Mongolia) Medical Equipment Co.Ltd | 08/01/2024 | China |
| L'Effet L'Arsene S.A.S. | 09/02/2024 | France |
| François Audition S.A.S. | 09/02/2024 | France |
| Audition Freres François S.A.S. | 09/02/2024 | France |
| FFF Audio S.A.S. | 09/02/2024 | France |
| Vouvray Audition S.A.S. | 09/02/2024 | France |
| Audifonos factory, S.L. | 09/12/2024 | Spain |
| Audifonos sevillaudio, S.L. | 09/12/2024 | Spain |
| Audio diagnostics, S.L. | 09/12/2024 | Spain |
| Audio elite sur, S.L. | 09/12/2024 | Spain |
| Audiolmenes, S.L. | 09/12/2024 | Spain |
| Corbaudio centros auditivos, S.L. | 09/12/2024 | Spain |
| Talayoaudio, S.L.U. | 09/12/2024 | Spain |
| Tecnoaudifonos, S.L.U. | 09/12/2024 | Spain |
| Audio nevada, S.L. | 09/12/2024 | Spain |
| Audioliva, S.L. | 09/12/2024 | Spain |
| Centro audio granada, S.L. | 09/12/2024 | Spain |
| Futurooigo, S.L. | 09/12/2024 | Spain |
| Centro auditivo sent, S.L. | 09/12/2024 | Spain |
| Esteponaudio, S.L. | 09/12/2024 | Spain |
| Recimetal cordoba, S.L. | 09/12/2024 | Spain |
| Soluciones auditivas de la subbetica, S.L. | 09/12/2024 | Spain |
| Soluciones auditivas y visuales gonzales, S.L. | 09/12/2024 | Spain |
| Soluciones profesionales de audiologia, S.L. | 09/12/2024 | Spain |
| Sonic technology españa, S.L. | 09/12/2024 | Spain |
| Sontec centros auditivos, S.L. | 09/12/2024 | Spain |
| Audioconseil S.A.S. | 10/01/2024 | France |
| Audition Oscar Thuaire S.A.S. | 10/01/2024 | France |
| Clarté Audition Sanguinet S.A.S. | 10/01/2024 | France |
| Clarté Audition Nord Landes S.A.S. | 10/01/2024 | France |
| St. Thomas Hearing Clinic Inc. | 11/01/2024 | Canada |

(*) All the companies were 100% acquired and were entirely consolidated on the acquisition date.

## ASSET DEALS

| Name | Date | Location |
|---|---|---|
| Ningxia Listening Shunan Medical Equipment Co. | 01/01/2024 | China |
| Shaanxi Xinhongchun Medical Equipment Co. | 01/01/2024 | China |
| HGH GmbH | 01/01/2024 | Germany |
| HearingPro, Inc., Las Davis Enterprises, Inc., and Miracle-Ear Centers of Arkansas LLC | 01/19/2024 | United States |
| Auric Hörcenter Salzgitter GmbH & Co. KG | 02/01/2024 | Germany |
| Payne Communications, Inc. | 02/23/2024 | United States |
| Audiomedical | 03/01/2024 | Italy |
| Châteaubriant | 03/18/2024 | France |
| Hörgeräte Wolfgang Grein | 04/01/2024 | Germany |
| auric Hörcenter Wolfsburg GmbH & Co. KG | 04/01/2024 | Germany |
| Beautiful Sound | 04/15/2024 | China |
| Hörgeräte-Akustik-Meisterbetrieb Dirk Hornig | 04/15/2024 | Germany |
| Hearing Instruments, Inc. & Precision Hearing Aids, LLC | 04/26/2024 | United States |
| auric hörcenter Dachau GmbH & Co. KG | 05/01/2024 | Germany |
| Der Hörgeräteladen | 05/15/2024 | Germany |
| Hörgeräte Vogt | 06/01/2024 | Germany |
| August Akustik | 06/01/2024 | Germany |
| Weitkamp Hörgeräte | 06/15/2024 | Germany |
| Zaddach Hörakustik | 06/15/2024 | Germany |
| Optik Hallmann GmbH | 06/15/2024 | Germany |
| Hörakustik Hofmann | 07/01/2024 | Germany |
| Remstal Hörgeräte | 07/01/2024 | Germany |
| Sitges Shop | 07/02/2024 | Spain |
| Ultimate Hearing Solutions II; III, IV; V; VI, LLC | 07/12/2024 | United States |
| Labat 2000 S.r.l. | 07/15/2024 | Italy |
| Tecnoaudio di Luccini Ines | 07/16/2024 | Italy |
| Franchisee Tucuman | 09/01/2024 | Argentina |
| Fondettes, Tours La Tranchèe | 09/02/2024 | France |
| Carrera Dieguez Centro Auditivo SL | 09/25/2024 | Spain |
| Audiboisalnes SL | 09/25/2024 | Spain |
| Rocket Tai | 10/01/2024 | China |
| Pennsylvania Hearing Aid Centers, Inc. | 10/18/2024 | United States |
| Audioral, S.L. | 12/10/2024 | Spain |

(€ thousands)

| | Total Purchase Price | Cash acquired | Financial debts acquired | Total Cost | Expected annual turnover (*) | Contribution to turnover from the purchase date |
|---|---|---|---|---|---|---|
| Total share deals | 123,041 | (6,897) | 3,752 | 119,896 | 46,560 | 31,614 |
| Total asset deals | 72,635 | - | - | 72,635 | 41,942 | 27,116 |
| **Total** | **195,676** | **(6,897)** | **3,752** | **192,531** | **88,502** | **58,730** |

(*) Annual turnover is the best available estimate of the turnover of the firm or business acquired during 2024.

Changes in goodwill and the amounts recognized during the year following acquisitions completed in the reporting period, broken down by Groups of Cash Generating Units, are detailed in the table below.

(€ thousands)

| | Net carrying value at 12/31/2023 | Business combinations | Disposals | Impairment | Other net changes | Net carrying value at 12/31/2024 |
|---|---|---|---|---|---|---|
| EMEA | 955,383 | 76,666 | - | (1,558) | 672 | 1,031,163 |
| Americas | 237,178 | 57,271 | - | - | 19,182 | 313,631 |
| Asia Pacific | 607,013 | 9,214 | - | - | (15,526) | 600,701 |
| **Total goodwill** | **1,799,574** | **143,151** | **-** | **(1,558)** | **4,328** | **1,945,495** |

"Acquisitions in the period" refers to the temporary allocation to goodwill of the portion of the purchase price paid, comprehensive of the deferred portion and the contingent consideration (earn-out) referred to in Notes 21 "Other long-term liabilities" and 24 "Other payables", which is not directly attributable to the fair value of assets and liabilities but, rather, based on the assumption that the positive contribution to cash flow will last for an indefinite period of time.
"Writedowns" refers to the impairment of goodwill in the equity investment Pilot Blankenfelde Medizinisch-Elektronische Geräte GmbH, active in a business not related directly to hearing aids.

"Other net changes" are almost entirely attributable to foreign exchange differences.

The carrying amounts and the fair value of assets and liabilities, deriving from the temporary allocation of the purchase price paid for business combinations and non-controlling interests in subsidiaries, are summarized below.

(€ thousands)

| | EMEA | Americas | Asia Pacific | Total |
|---|---|---|---|---|
| **Cost of acquisitions of the period** | **95,057** | **67,672** | **32,947** | **195,676** |
| **Assets and liabilities acquired – Book value** | | | | |
| Current assets | 6,154 | 3,329 | - | 9,483 |
| Current liabilities | (14,526) | (6,063) | (1,476) | (22,065) |
| **Net working capital** | **(8,372)** | **(2,734)** | **(1,476)** | **(12,582)** |
| Other intangible, tangible and right-of-use assets | 17,864 | 5,071 | 6,402 | 29,337 |
| Provisions for risks and charges | (1,890) | - | - | (1,890) |
| Other non-current assets and liabilities | (8,472) | (876) | (2,253) | (11,601) |
| **Non-current assets and liabilities** | **7,502** | **4,195** | **4,149** | **15,846** |
| **Net invested capital** | **(870)** | **1,461** | **2,673** | **3,264** |
| **Third Parties Equity** | **-** | **-** | **14,088** | **14,088** |
| **Net financial position** | **1,597** | **1,548** | **-** | **3,145** |
| **NET EQUITY ACQUIRED - BOOK VALUE** | **727** | **3,009** | **16,761** | **20,497** |
| **DIFFERENCE TO BE ALLOCATED** | **94,330** | **64,663** | **16,186** | **175,179** |
| **ALLOCATIONS** | | | | |
| Trademarks | 11 | 1,308 | - | 1,319 |
| Customer lists | - | 42 | 148 | 190 |
| Contract liabilities - Short and long-term | 30,849 | 12,206 | 6,824 | 49,879 |
| Deferred tax assets | (9,271) | (5,257) | - | (14,528) |
| Deferred tax liabilities | 1,442 | 2,680 | - | 4,122 |
| **Total allocations** | **(5,367)** | **(3,587)** | **-** | **(8,954)** |
| **GOODWILL** | **17,664** | **7,392** | **6,972** | **32,028** |

## IDENTIFICATION OF THE GROUPS OF CASH GENERATING UNITS

For the purposes of impairment testing the total goodwill stemming from the cost incurred for a business combination was allocated to groups of Cash Generating Units; these groups of Cash Generating Units were identified by region and benefit from synergies, as well as shared policies, and are autonomous in the management and use of resources.

The breakdown of Groups of Cash Generating Units and the criteria used to identify these groups are the same with respect to the financial Statements as at 31 December 2023.

The groups of cash generating units identified for the purpose of impairment testing in the period are:

- EMEA that includes Italy, France, the Netherlands, Germany, Belgium, Switzerland, Spain, Portugal, the UK, Hungary, Poland, Israel, and Egypt;
- AMERICAs which includes the individual businesses through which it operates in the US market (Franchising, Retail, and Managed Care) and the countries Canada, Argentina, Chile, Mexico, Panama, Ecuador, Colombia and Uruguay;
- ASIA PACIFIC which includes Australia, New Zealand, India, and China.

The recoverable value of goodwill is assessed at the higher of fair value and value in use. As at 31 December 2024, management used value in use for its valuations.

## IMPAIRMENT TESTS

All the groups of cash-generating units were subject to IAS 36 compliant impairment tests, based on the value in use calculated using the discounted cash flow (DCF) method net of tax consistent with the post-tax discount rates used.

The value in use of the groups of cash-generating units was determined by discounting the estimated future cash flows forecast in the three-year business plan (2025-2027) approved by the subsidiaries' Board of Directors, as well as in Amplifon's consolidated business plan (2025-2027) approved by the Board of Directors on 17 December 2024.

The impairment test was approved by the Board of Directors of the Parent Company before the approval of the Amplifon Group's consolidated financial statements.

The main assumptions that management used to estimate value in use include the discount rate (WACC), the growth rate (g), and the expected changes in revenues and costs during the period assumed for the calculation.

The rate adopted to discount the expected cash flows is the weighted average cost of capital (WACC) post-tax, which reflects the current market valuations, and was determined using the risk-free interest rate per CGU which is equal to the yield on ten-year government bonds, the beta, the equity risk premium and the cost of debt.

More in detail, the beta and equity risk premium were determined in accordance with best practices using a widely recognized, international database (Damodaran) which takes into account market and macroeconomic risks to determine the Equity Risk Premium and the systematic risk of a financial asset and the specific risks of the market in which the Group operates to determine beta. As there is no specific analysis of the hearing aid sector in the database, the beta was calculated based on the arithmetic average of the betas for Healthcare Products, Healthcare Support Services and Retail special lines. The current global market conditions are characterized by persistent uncertainty and volatility, as well as high interest rates and inflation, which impacts the forecasts for global economic growth. Particular attention was, therefore, paid to the sensitivity analysis and verifying that all the Groups of Cash Generating Units had sufficient headroom in the event there was an increase in the discount rates and a decrease in the growth rates described below.

The perpetual growth rate for each country was adjusted to reflect the International Monetary Fund's forecast for inflation in 2028.

| | EMEA | AMERICAS | ASIA PACIFIC |
|---|---|---|---|
| Growth rate | 1.92% | 2.69% | 2.34% |
| WACC (*) 2024 | 6.81% | 9.28% | 7.05% |
| Cash flow time horizon (explicit assumption) | 3Y | 3Y | 3Y |
| WACC (*) 2023 | 8.05% | 11.30% | 8.85% |

(*) The WACC of the Groups of CGUs was determined by weighting the WACCs of each CGU found in the region based on the respective EBITDA recorded in the last year of the business plan.

No loss in value was identified as a result of impairment testing.

All the Groups of Cash Generating Units were also subjected to sensitivity analyses in order to determine the change in underlying assumptions which, in light of the impact of this change on other variables, would result in the Groups of Cash Generating Units' recoverable value being equal to its book value. This analysis, shown below, showed that only significant deviations from the business targets, in interest rates and perpetual growth rates, would reduce the recoverable value to a level close to the book value of all the Groups of Cash Generating Units.

| | Negative changes (percentage points) in growth rate expected on the basis of each business plan which would make the CGU's recoverable value equal to its book value | Negative % changes in cash flow expected on the basis of each business plan which would make the CGU's recoverable value equal to its book value | Changes (percentage points) in the discount rates (WACC) which would make the CGU's recoverable value equal to its book value |
|---|---|---|---|
| EMEA | 17 p.p. | 71% | 12 p.p. |
| AMERICAS | 32 p.p. | 74% | 18 p.p. |
| ASIA PACIFIC | 5 p.p. | 48% | 4 p.p. |

# 4. INTANGIBLE FIXED ASSETS WITH USEFUL LIFE

The following tables show the changes in intangible assets.

(€ thousands)

| | Historical cost at 12/31/2023 | Accumulated amortization and write-downs at 12/31/2023 | Net book value at 12/31/2023 | Historical cost at 12/31/2024 | Accumulated amortization and write-downs at 12/31/2024 | Net book value at 12/31/2024 |
|---|---|---|---|---|---|---|
| Software | 289,839 | (171,112) | 118,727 | 356,982 | (220,799) | 136,183 |
| Licenses | 29,731 | (20,618) | 9,113 | 35,392 | (26,093) | 9,299 |
| Non-competition agreements | 19,484 | (14,614) | 4,870 | 23,601 | (19,300) | 4,301 |
| Customer lists | 474,972 | (276,910) | 198,062 | 524,674 | (316,879) | 207,795 |
| Trademarks and concessions | 95,028 | (50,803) | 44,225 | 94,720 | (56,145) | 38,575 |
| Other | 14,056 | (4,197) | 9,859 | 18,378 | (6,113) | 12,265 |
| Fixed assets in progress and advances | 31,733 | - | 31,733 | 19,942 | - | 19,942 |
| **Total** | **954,843** | **(538,254)** | **416,589** | **1,073,689** | **(645,329)** | **428,360** |

(€ thousands)

| | Net book value at 12/31/2023 | Investments | Disposals | Amortization | Business combinations | Impairment | Other net changes | Net book value at 12/31/2024 |
|---|---|---|---|---|---|---|---|---|
| Software | 118,727 | 28,241 | (126) | (48,226) | 110 | (63) | 37,520 | 136,183 |
| Licenses | 9,113 | 3,370 | (10) | (5,564) | 8 | (3) | 2,385 | 9,299 |
| Non-competition agreements | 4,870 | 2,662 | - | (4,508) | 190 | (186) | 1,273 | 4,301 |
| Customer lists | 198,062 | (150) | (27) | (41,059) | 49,881 | - | 1,088 | 207,795 |
| Trademarks and concessions | 44,225 | 14 | - | (6,627) | 1,311 | - | (348) | 38,575 |
| Other | 9,859 | (757) | (4) | (2,078) | 3,431 | (132) | 1,946 | 12,265 |
| Fixed assets in progress and advances | 31,733 | 28,071 | (482) | - | 136 | - | (39,516) | 19,942 |
| **Total** | **416,589** | **61,451** | **(649)** | **(108,062)** | **55,067** | **(384)** | **4,348** | **428,360** |

The change in “Business combinations” comprises:

- For €31,569 thousand, the temporary allocation of the price paid for acquisitions made in EMEA;
- For €16,526 thousand, the temporary allocation of the price paid for acquisitions made in Americas;
- For €6,972 thousand, the temporary allocation of the price paid for acquisitions made in APAC.

The increase in intangible fixed assets seen in the year (€61,451 thousand) is attributable mainly to investments in digital technology and information technology. The constant focus on the customer and the desire to increase control of operations fueled the significant work done on both technological infrastructures through the Symphony project, focused on providing customers with a highly personalized experience, as well as on the optimization of in-store systems and tools to support the Amplifon Product Experience, which has redefined Amplifon’s entire customer journey, including through store renovation. At the same time substantial work was also done on operating and back-office processes, as well as on systems used to streamline and centralize Group procurement.

The item “Other net changes” is explained by foreign exchange differences and the reclassification of work in progress completed in the period.

# 5. PROPERTY, PLANT AND EQUIPMENT

The following table shows the changes in property, plant and equipment.

(€ thousands)

| | Historical cost at 12/31/2023 | Accumulated amortization and write-downs at 12/31/2023 | Net book value at 12/31/2023 | Historical cost at 12/31/2024 | Accumulated amortization and write-downs at 12/31/2024 | Net book value at 12/31/2024 |
|---|---|---|---|---|---|---|
| Land | 129 | - | 129 | 165 | - | 165 |
| Buildings, constructions and leasehold improvements | 321,929 | (215,933) | 105,996 | 371,383 | (242,117) | 129,266 |
| Plant and machines | 43,102 | (34,441) | 8,661 | 47,495 | (37,922) | 9,573 |
| Industrial and commercial equipment | 91,892 | (71,140) | 20,752 | 97,332 | (74,844) | 22,488 |
| Motor vehicles | 1,259 | (838) | 421 | 1,416 | (765) | 651 |
| Computers and office machinery | 90,415 | (69,133) | 21,282 | 103,003 | (78,749) | 24,254 |
| Furniture and fittings | 136,733 | (100,349) | 36,384 | 154,918 | (109,838) | 45,080 |
| Other tangible fixed assets | 6,686 | (4,228) | 2,458 | 6,439 | (4,618) | 1,821 |
| Fixed assets in progress and advances | 25,433 | - | 25,433 | 20,626 | - | 20,626 |
| **Total** | **717,578** | **(496,062)** | **221,516** | **802,777** | **(548,853)** | **253,924** |

(€ thousands)

| | Net book value at 12/31/2023 | Investments | Disposals | Amortization | Business combinations | Impairment | Other net changes | Net book value at 12/31/2024 |
|---|---|---|---|---|---|---|---|---|
| Land | 129 | - | - | - | - | - | 36 | 165 |
| Buildings, constructions and leasehold improvements | 105,996 | 30,805 | 471 | (25,567) | 1,621 | (542) | 16,482 | 129,266 |
| Plant and machines | 8,661 | 2,168 | (45) | (2,655) | 1,440 | (40) | 44 | 9,573 |
| Industrial and commercial equipment | 20,752 | 5,359 | (79) | (6,469) | 480 | - | 2,445 | 22,488 |
| Motor vehicles | 421 | 139 | (137) | (154) | 161 | (17) | 238 | 651 |
| Computers and office machinery | 21,282 | 9,949 | (180) | (13,749) | 2,536 | (16) | 4,432 | 24,254 |
| Furniture and fittings | 36,384 | 13,908 | (17) | (12,449) | 2,074 | (218) | 5,398 | 45,080 |
| Other tangible fixed assets | 2,458 | (93) | (7) | (667) | 60 | (14) | 84 | 1,821 |
| Fixed assets in progress and advances | 25,433 | 22,735 | (313) | - | 3,238 | (129) | (30,338) | 20,626 |
| **Total** | **221,516** | **84,970** | **(307)** | **(61,710)** | **11,610** | **(976)** | **(1,179)** | **253,924** |

The investments made in the reporting period (€84,970 thousand) refer primarily to the opening of new stores and renewal of existing ones, as well as to the purchase of hardware needed for the implementation of Group Information Technology projects previously described.

The change in "business combinations" comprises:

- for €7,685 thousand, the temporary allocation of the price paid for acquisitions made in EMEA;
- for €1,213 thousand, the temporary allocation of the price paid for acquisitions made in Americas;
- for €2,712 thousand, the temporary allocation of the price paid for acquisitions made in APAC.

"Other net changes" is explained primarily by foreign exchange differences recorded in the reporting period and the reclassification of work in progress completed in the period.

# 6. RIGHT-OF-USE ASSETS

Right-of-use assets are broken down below:

(€ thousands)

| | Historical cost at 12/31/2023 | Accumulated amortization and write-downs at 12/31/2023 | Net book value at 12/31/2023 | Historical cost at 12/31/2024 | Accumulated amortization and write-downs at 12/31/2024 | Net book value at 12/31/2024 |
|---|---|---|---|---|---|---|
| Stores and offices | 880,210 | (418,590) | 461,620 | 955,892 | (483,899) | 471,993 |
| Motor vehicles | 31,377 | (17,828) | 13,549 | 35,504 | (17,687) | 17,817 |
| Electronic machinery | 4,644 | (1,660) | 2,984 | 4,368 | (2,114) | 2,254 |
| **Total** | **916,231** | **(438,078)** | **478,153** | **995,764** | **(503,700)** | **492,064** |

(€ thousands)

| | Net book value at 12/31/2023 | Increase | Decrease | Depreciation | Business combinations | Impairment | Other net changes | Net book value at 12/31/2024 |
|---|---|---|---|---|---|---|---|---|
| Stores and offices | 461,620 | 130,582 | (10,215) | (121,978) | 13,893 | - | (1,909) | 471,993 |
| Motor vehicles | 13,549 | 13,553 | (1,197) | (8,420) | 150 | - | 182 | 17,817 |
| Electronic machinery | 2,984 | 481 | (42) | (1,188) | - | - | 19 | 2,254 |
| **Total** | **478,153** | **144,616** | **(11,454)** | **(131,586)** | **14,043** | **-** | **(1,708)** | **492,064** |

The increase in right-of-use assets acquired in the year (€144,616 thousand) is explained by the renewal of existing leases and the network expansion.

The decreases in right-of-use assets refer to early terminations of rent contracts due to store relocations. No significant costs or fees were incurred as a result of these early terminations.

The change in “business combinations” comprises:

- for €9,464 thousand, the temporary allocation of the price paid for acquisitions made in EMEA;
- for €889 thousand, the temporary allocation of the price paid for acquisitions made in Americas;
- for €3,690 thousand, the temporary allocation of the price paid for acquisitions made in APAC.

“Other changes” refers mainly to foreign exchange differences recorded in the reporting period.

For more details refer to Note 18 “Lease liabilities”.

# 7. OTHER NON-CURRENT ASSETS

(€ thousands)

| | Balance at 12/31/2024 | Balance at 12/31/2023 | Change |
|---|---|---|---|
| Long-term financial receivables | 6,120 | 12,915 | (6,795) |
| Asset Plans and other restricted amounts | 1,637 | 1,362 | 275 |
| Other non-current assets | 45,127 | 32,558 | 12,569 |
| **Total** | **52,884** | **46,835** | **6,049** |

The increase in other non-current assets against the prior year is attributable mainly to the recognition of tax credits stemming from the super bonus discounts in accordance with Art. 119 of Legislative Decree 34/2020 and Art. 21 of Legislative Decree 34/2020, purchased from a top-tier bank with a nominal value of €69,995 thousand for €65,694 thousand to be repaid as the credits are used. In accordance with the current tax laws, these credits may be used to offset tax payments, withholding and other fiscal contributions.

These credits (and the related payments) are recognized at amortized cost, and when utilized, any remaining difference between the value at amortized cost and the nominal offsetting amount is recognized as financial income.

In 2024, credits used for offsetting amounted to €36,210 thousand and financial income, including discounting of credits, amounted to €2,876 thousand. Financial expenses for discounting payables amounted to €226 thousand.

As of December 31, 2024, the amount of these receivables recorded under 'Other Non-current Assets' amounts to €13,617 thousand, the short-term portion is recorded under 'Other Receivables' for €16,048 thousand, while the payables for the settlement of these receivables are classified under 'Other Short-term Liabilities' for €16,026 thousand and under 'Other Long-term Liabilities' for €13,599 thousand.

Other non-current assets on 31 December 2024 refer mainly to:

- for €14,489 thousand, suspended costs, commissions, and other compensation for post-sales services to be rendered in the future payable to agents in Italy who manage most of the Amplifon Italia S.p.A. stores;
- €12,480 thousand in security deposits called for in the leases for stores and offices.

The long-term financial receivables refer largely to the loans granted to Miracle Ear franchisees in the United States to support growth.

Both long-term financial receivables and other non-current assets are held until the contractual cash flows are received and discounted when the interest rate applied to the latter differs from the market rate.

The non-current assets broken down by the accounting method applied is shown below:

(€ thousands) December 31st, 2024

| Consolidated statement of financial position | Amortized cost | Fair Value through OCI | Fair Value through P&L |
|---|---|---|---|
| **Non-current assets** | | | |
| Financial assets measured at FV through P&L | | | |
| Financial long-term receivables | 6,120 | | |
| Asset plans and other restricted amounts | | | 1,637 |
| Other non-current assets | 45,127 | | |

(€ thousands) December 31st, 2023

| Consolidated statement of financial position | Amortized cost | Fair Value through OCI | Fair Value through P&L |
|---|---|---|---|
| **Non-current assets** | | | |
| Financial assets measured at FV through P&L | | | |
| Financial long-term receivables | 12,915 | | |
| Asset plans and other restricted amounts | | | 1,362 |
| Other non-current assets | 32,558 | | |

# 8. DERIVATIVES AND HEDGE ACCOUNTING

These are instruments not listed on official markets, entered into for the purpose of hedging interest rate and/or currency risk. The fair value of these instruments is determined by using valuation models based on market-derived inputs (source: Bloomberg) such as forward rates, exchange rates, etc. The valuation is performed using the DCF method. Own risk and counterparty risk (credit/debit value adjustments) were taken into account. These credit/debit value adjustments were determined based on market information such as the value of CDS (Credit Default Swaps) and used to determine counterparty risk, also taking into account the mutual break clause if present.

The following table shows the fair values of the derivatives outstanding at the end of the comparison period and at the reporting date showing the fair value of those derivatives that qualify as fair value hedges and cash flow hedges, and those that do not qualify for hedge accounting, separately.

| (€ thousands) | Fair value at 12/31/2024 | | Fair value at 12/31/2023 | |
|---|---|---|---|---|
| **Type** | **Assets** | **Liabilities** | **Assets** | **Liabilities** |
| Fair value hedge | - | - | - | - |
| Cash flow hedge | 4,836 | 1,157 | 12,933 | - |
| **Total hedge accounting** | **4,836** | **1,157** | **12,933** | **-** |
| Non hedge accounting | 496 | 739 | 549 | 242 |
| **Total** | **5,332** | **1,896** | **13,482** | **242** |

## CASH FLOW HEDGES

Cash flow hedges were made against the interest rate risk relating to medium/long-term outstanding debt of €413.1 million on 31 December 2024, of which €225 million negotiated during the year.

(€ thousands)

| Hedging purpose | Hedged risk | Fair value at 12/31/2024 | | Fair value at 12/31/2023 | |
|---|---|---|---|---|---|
| **Hedging purpose** | **Hedged risk** | **Assets** | **Liabilities** | **Assets** | **Liabilities** |
| Medium long-term bank loans | Interest rate | 4,836 | 1,157 | 12,933 | - |
| | **Total** | **4,836** | **1,157** | **12,933** | **-** |

The following table details the gains or losses from the derivatives currently in place and the impact on the statement of financial position of the cash flow hedge reserve. Amounts are shown before the tax effect.

| (€ thousands) | Recognized in net equity | Reclassified to the income statement - Effective portion | Reclassified to the income statement - Ineffective |
|---|---|---|---|
| | (Debit)/Credit | (Loss) Gain | (Loss) Gain |
| 1/1/2023 - 12/31/2023 | (12,675) | - | - |
| 1/1/2024 - 12/31/2024 | (9,253) | - | - |

The maturity of the hedges is in line with the duration of the item hedged. Please refer to Note 17 “Financial Payables” for details.

# NON-HEDGE ACCOUNTING DERIVATIVES

Non-hedge accounting derivatives comprise forwards hedging the exchange risk on transactions in currency other than the Company's or the individual subsidiary's reporting currency.

# VALUATION METHOD

The following tables show the breakdown of derivatives by the valuation method applied:

| (€ thousands) | December 31st, 2024 | |
|---|---|---|
| **Consolidated statement of financial position** | ***Fair value Net Equity*** | ***Fair Value through P&L*** |
| Asset Derivative Instruments – Cash flow hedge | 4,836 | |
| Liability Derivative Instruments – Cash flow hedge | 1,157 | |
| Asset Derivative Instruments - Non-hedge accounting | | 496 |
| Liability Derivative Instruments - Non-hedge accounting | | 739 |

| (€ thousands) | December 31st, 2023 | |
|---|---|---|
| **Consolidated statement of financial position** | ***Fair value Net Equity*** | ***Fair Value through P&L*** |
| Asset Derivative Instruments – Cash flow hedge | 12,933 | |
| Liability Derivative Instruments – Cash flow hedge | | |
| Asset Derivative Instruments - Non-hedge accounting | | 549 |
| Liability Derivative Instruments - Non-hedge accounting | | 242 |

The following table shows the fair value measurement on the basis of a hierarchy which reflects the level of significance of the data used for the valuation.
This hierarchy consists of the following levels:

1. listed (unadjusted) prices in active markets for identical assets and liabilities;
2. input data other than the above listed prices, but which can be observed directly or indirectly in the market;
3. input data on assets or liabilities not based on observable market data.

| (€ thousands) | 2024 | | | | 2023 | | | |
|---|---|---|---|---|---|---|---|---|
| | **Level I** | **Level 2** | **Level 3** | **Total** | **Level I** | **Level 2** | **Level 3** | **Total** |
| **Assets** | | | | | | | | |
| Hedging instruments | | | | | | | | |
| - Long-term | | 4,454 | | **4,454** | | 12,933 | | **12,933** |
| - Short-term | | 878 | | **878** | | 549 | | **549** |
| **Liabilities** | | | | | | | | |
| Hedging instruments | | | | | | | | |
| - Long-term | | 1,157 | | **1,157** | | - | | **-** |
| - Short-term | | 739 | | **739** | | 242 | | **242** |

There were no transfers between levels in 2024.

# 9. INVENTORIES

(€ thousands)

| | Balance at 12/31/2024 | | | Balance at 12/31/2023 | | |
|---|---|---|---|---|---|---|
| | Cost | Obsolescence provision | Net | Cost | Obsolescence provision | Net |
| Finished goods | 105,968 | (12,788) | 93,180 | 100,268 | (11,948) | 88,320 |
| **Total** | **105,968** | **(12,788)** | **93,180** | **100,268** | **(11,948)** | **88,320** |

Movements in the provision for obsolete inventories during the year are shown below:

(€ thousands)

| | |
|---|---|
| **Balance at 12/31/2023** | **(11,948)** |
| Provision | (2,046) |
| Utilization | 1,920 |
| Business combination | (763) |
| Translation differences and other movements | 49 |
| **Balance at 12/31/2024** | **(12,788)** |

# 10. TRADE RECEIVABLES

Trade receivables are detailed in the following table:

(€ thousands)

| | Balance at 12/31/2024 | Balance at 12/31/2023 | Change |
|---|---|---|---|
| Trade receivables | 226,504 | 231,053 | (4,549) |
| Trade receivables - Subsidiaries | 196 | 161 | 35 |
| Trade receivables - Parent company | 14 | 13 | 1 |
| Trade receivables - Associated companies and joint ventures | 40 | 26 | 14 |
| **Total trade receivables** | **226,754** | **231,253** | **(4,499)** |

The composition of trade receivables is detailed in the following table:

(€ thousands)

| | Balance at 12/31/2024 | Balance at 12/31/2023 | Change |
|---|---|---|---|
| Trade receivables | 246,685 | 247,722 | (1,037) |
| Sales returns liabilities | (1,945) | (1,829) | (116) |
| Allowance for doubtful accounts | (18,236) | (14,840) | (3,396) |
| **Total** | **226,504** | **231,053** | **(4,549)** |

The average collection time was around 30 days in 2024 and there is no significant concentration of credit risk.

€218,314 thousand of the trade receivables are held as part of a "held to collect" business model based on which contractual cash flows are collected at maturity and €28,371 thousand are held as part of a "hold to collect and sell" business model based on which contractual cash flows are collected at maturity or through a sale.

The face value of the factoring without recourse transactions carried out in the year amounted to €239,346 thousand (versus €239,797 thousand in the prior year) and relate primarily to receivables generated in the year and, therefore, did not have a significant impact on the comparison of working capital with the prior year.

Movements in the allowance for doubtful accounts in the year were as follows:

(€ thousands)

| | |
|---|---|
| **Balance at 12/31/2023** | **(14,840)** |
| Provisions | (5,402) |
| Reversals | 697 |
| Utilization for charges | 1,678 |
| Business combinations | (421) |
| Translation differences and other net charges | 52 |
| **Balance at 12/31/2024** | **(18,236)** |

In compliance with the mandatory disclosure requirements in Italy as per Law n. 124 of 4/8/17 n. 124, please note that in 2024 Amplifon Italia S.p.A. received a total of €56,734 thousand (as shown in 50,776 invoices) from public entities, of which €48,901 thousand (as shown in 43,766 invoices) through financial operators, and €7,833 thousand (as shown in 7,010 invoices) through direct deposits.

# II. CONTRACT COSTS

(€ thousands)

| | Balance at 12/31/2024 | Balance at 12/31/2023 | Change |
|---|---|---|---|
| Contract costs – Short-term | 7,734 | 6,840 | 894 |
| Contract costs – Long-term | 10,494 | 11,275 | (781) |
| **Total** | **18,228** | **18,115** | **113** |

The contract costs, of €18,228 thousand, refer to the costs incurred to obtain or fulfil contracts capitalized in accordance with IFRS 15. These typically include commissions and bonuses paid to employees and agents for each sale made in Italy which manage the majority of the Amplifon Italia S.p.A. stores. These costs are deferred and recognized in the income statement based on the level to which the relative contractual performance obligations were satisfied.

The significant changes in contract cost balances are shown below:

(€ thousands)

| | |
|---|---|
| **Net value at 12/31/2023** | **18,115** |
| Increase linked to customer contracts and reversals | (72) |
| Business combinations | 58 |
| Translation differences and other net changes | 127 |
| **Net value at 12/31/2024** | **18,228** |

The impact that the amortization of contract costs for contracts in place on 31 December 2024 will have on the income statement going forward is shown below:

(€ thousands)

| | 2025 | 2026 | 2027 | 2028 | 2029 and beyond |
|---|---|---|---|---|---|
| Contract costs | 7,737 | 5,088 | 2,976 | 1,620 | 807 |

# 12. OTHER RECEIVABLES

(€ thousands)

| | Balance at 12/31/2024 | Balance at 12/31/2023 | Change |
|---|---|---|---|
| Tax receivables | 27,557 | 32,466 | (4,909) |
| Other receivables | 51,570 | 35,566 | 16,004 |
| Non-financial prepayments and accrued income | 28,425 | 32,152 | (3,727) |
| **Total** | **107,552** | **100,184** | **7,368** |

## TAX RECEIVABLES

Tax receivables comprise mainly €17,035 thousand in VAT and other indirect tax credits held through maturity or through factoring without recourse (based on a held to collect business model) and €5,525 thousand in tax advances to be used to offset future tax payables.

Factoring without recourse of VAT credits amounted to €19,771 thousand in the reporting period with net proceeds reaching €19,279 thousand (€23,755 thousand and €23,156 thousand, respectively, on 31 December 2023).

## OTHER RECEIVABLES

Other receivables are held with a view to collecting the contractual cash flows at maturity.
The increase against the prior year is attributable mainly to the recognition of tax credits stemming from the current portion of the superbonus discounts (current portion of €16,048 thousand), as reported in Note 7 "Other non-current assets".

## NON-FINANCIAL ACCRUALS AND PREPAID EXPENSES

This item refers for:

- €11,996 thousand to services to be rendered in the future and for which revenue recognition is deferred (mainly post-sales services) relating primarily to agents in Italy which manage the majority of the Amplifon Italia S.p.A stores;
- € 9,485 thousand to other services and prepaid costs;
- €3,380 thousand to advertising;
- € 1,994 thousand to costs related to leases which do not qualify as lease components
- as defined by *IFRS16 – Leasing*;
- € 1,570 thousand to insurance premiums.

# 13. OTHER FINANCIAL ASSETS

(€ thousands)

| | Balance at 12/31/2024 | Balance at 12/31/2023 | Change |
|---|---|---|---|
| Other financial assets | 18 | 851 | (833) |
| Financial prepayments and accrued income | 278 | 50 | 228 |
| **Total** | **296** | **901** | **(605)** |

"Other financial assets" amounted to €296 thousand on 31 December 2024 compared to €901 thousand on 31 December 2023.

# 14. CASH AND CASH EQUIVALENTS

(€ thousands)

| | Balance at 12/31/2024 | Balance at 12/31/2023 | Change |
|---|---|---|---|
| Bank current accounts | 233,057 | 190,356 | 42,701 |
| Short-term bank deposits | 53,957 | 1,262 | 52,695 |
| Funds | 97 | 117 | (20) |
| Cash on hand | 1,723 | 1,413 | 310 |
| **Total** | **288,834** | **193,148** | **95,686** |

Cash and cash equivalents amounted to €288,834 thousand on 31 December 2024, an increase of €95,686 thousand compared to the €193,148 thousand recorded on 31 December 2023. This change is explained mainly by the €75 million loan taken out with Mediobanca on 19 December 2024, used to refinance short-term debt maturing at the beginning of 2025.

Cash and cash equivalents are deposited with top-rated banks and earn interest at market rates.

The ratings assigned to financial assets by S&P are broken down below:

(€ thousands) Rating S&P short-term

| | Balance at 12/31/2024 | A-1+ | A-1 | A-2 | A-3 | B | Other (*) |
|---|---|---|---|---|---|---|---|
| **Non-current assets** | | | | | | | |
| Hedging instruments – long-term | 4,454 | | | | | | |
| **Current assets** | | | | | | | |
| Hedging instruments – short-term | 878 | | | | | | |
| Bank current accounts, short-term bank deposits, and funds | 287,111 | 17,595 | 70,830 | 158,653 | 327 | 193 | 39,513 |
| Cash on hand | 1,723 | | | | | | |

(*) The “Other” column refers primarily to time deposit balances with counterparties that are unrated, but which satisfy ECB’s minimum capital requirements, as well as with institutions not domiciled in the European Union.

# 15. SHARE CAPITAL

On 31 December 2024 the share capital comprised 226,388,620 ordinary shares with a par value of €0.02 fully paid in and subscribed, unchanged with respect to 31 December 2023.

In 2024 920,000 treasury shares were purchased and 456,399 shares were transferred following the exercise of performance stock grants.

During the reporting period 37,500 shares were transferred as the second deferred payment for the Otohub S.r.l acquisition made in 2019.

A total of 1,068,249 treasury shares, equal to 0.472% of the share capital, were held on 31 December 2024.

Movements in the treasury shares held are shown in the following table.

| | No. of treasury shares | Average purchase price (Euro) FV of transferred rights (Euro) | Total amount (€ thousands) |
|---|---|---|---|
| **Held at 12/31/2023** | **642,148** | **27.245** | **17,495** |
| Purchases | 920,000 | 27.605 | 25,396 |
| Transfers due to exercise of performance stock grants | (456,399) | 27.396 | (12,503) |
| Transfer due to exercise of acquisition’s deferred payment | (37,500) | 27.457 | (1,030) |
| **Held at 12/31/2024** | **1,068,249** | **27.482** | **29,358** |

# 16. NET FINANCIAL POSITION

The Group's net financial position, including lease liabilities, prepared in accordance with the ESMA guideline 32-382-1138 of 4 March 2021 and CONSOB's Warning Notice n. 5/21 of 29 April 2021, is shown below.

(€ thousands)

| | | 12/31/2024 | 12/31/2023 | Change |
|---|---|---|---|---|
| A | Cash | 288,834 | 193,148 | (95,686) |
| B | Cash equivalent | - | - | - |
| C | Short term investments | - | 883 | (883) |
| D | **Total Cash, Cash Equivalents and Short-Term Investments (A+B+C)** | **288,834** | **194,031** | **(94,803)** |
| E | Current financial payables (including bonds, but excluding current portion of medium/ long-term debt) | 140,008 | 146,200 | 6,192 |
| | - Other financial payables and bank overdrafts | 139,765 | 146,507 | 6,742 |
| | - Hedging derivatives | 243 | (307) | (550) |
| F | Current portion of medium/long-term financial debt | 276,985 | 294,055 | (17,070) |
| | - Financial accruals and deferred income | 6,771 | 6,001 | 770 |
| | - Payables for business acquisitions | 11,510 | 9,554 | 1,956 |
| | - Bank borrowings | 131,964 | 164,978 | (33,014) |
| | - Lease Liability – current portion | 126,740 | 113,522 | 13,218 |
| G | **Current Financial Indebtedness (E+F)** | **416,993** | **440,255** | **(23,262)** |
| H | **Net Current Financial Indebtedness (G-D)** | **128,159** | **246,224** | **219,636** |
| I | Non current financial payables | 997,983 | 753,337 | 244,646 |
| | - Bank borrowings – Non current portion | 604,501 | 362,199 | 242,302 |
| | - Payables for business acquisitions – Non current portion | 5,885 | 7,229 | (1,344) |
| | - Lease Liability – Non current portion | 387,597 | 383,909 | 3,688 |
| J | Bonds | 350,000 | 350,000 | - |
| | - Eurobond 2020-2027 | 350,000 | 350,000 | - |
| K | Trade and other non current payables | - | - | - |
| L | **Non Current Financial Indebtedness (I+J+K)** | **1,347,983** | **1,103,337** | **244,646** |
| M | **Total Financial Indebtedness (H+L)** | **1,476,142** | **1,349,561** | **126,581** |

Excluding lease liabilities (€514,337 thousand on 31 December 2024), net financial debt amounted to €961,805 thousand on 31 December 2024, broken down as follows:

(€ thousands)

| | Balance at 12/31/2024 | Balance at 12/31/2023 | Change |
|---|---|---|---|
| Cash and Cash Equivalents | 288,834 | 193,148 | 95,686 |
| Short Term Investments | - | 883 | (883) |
| **Cash, Cash Equivalents and Short-Term Investments** | **288,834** | **194,031** | **94,803** |
| Current Financial Indebtedness (excluding lease liabilities) | 290,253 | 326,733 | (36,480) |
| **Current Financial Indebtedness (excluding lease liabilities)** | **1,419** | **132,702** | **(131,283)** |
| Non-current Financial Indebtedness (excluding lease liabilities) | 960,386 | 719,428 | 240,958 |
| **Total Financial Indebtedness (excluding lease liabilities)** | **961,805** | **852,130** | **109,675** |

The Group's financial structure was strengthened by a few important transactions in 2024:

- In June 2024 Amplifon S.p.A. subscribed the last €50 million tranche of the €350 million loan granted by the European Investment Bank (EIB) to support innovation and digitalization. €300 million of this loan had already been subscribed in 2023.
- In September 2024 Amplifon S.p.A. signed a €50 million ESG-linked facility, backed by SACE's Garanzia Futuro, which will be used to finance the international rollout of Amplifon's new store format which aims to provide consumers with an immersive and highly personalized experience, thanks to the visual and digital elements integrated in an innovative and sustainable design;
- In October 2024 Amplifon S.p.A. signed a 5-year €200 million ESG linked credit facility with UniCredit and Cassa Depositi e Prestiti (CDP) comprising 2 tranches: €100 million granted by UniCredit, to support the Group's development initiatives and €100 million granted by CDP which co-financed Amplifon's investments in innovation in Italy that are already supported by the above-mentioned loan with EIB.
- In December 2024, Amplifon S.p.A. signed another €75 million ESG-linked credit facility with Mediobanca - Banca di Credito Finanziario to support the Group's development initiatives.
- During the year, as agreed with the lenders and based on the original loan agreements, the ESG KPI relative to the €560 million in ESG-linked lines of credit were updated to reflect the KPIs and targets included in the new sustainability plan.

**Long-term debt**, excluding lease liabilities, amounts to €960,386 thousand on 31 December 2024 (€719,428 thousand on 31 December 2023), of which €5,885 thousand refers to the long- term portion of deferred payments for acquisitions. The increase in the period of €240,958 thousand is attributable mainly to the new facilities stipulated during the year which were used to refinance short-term debt, net the reclassification of portions of long-term bank debt expiring in the next 12 months, from long-to short-term.

The short-term portion of net financial debt, excluding lease liabilities, fell by €131,283 thousand, going from €132,702 thousand on 31 December 2023 to €1,419 thousand on 31 December 2024.

More in detail, **short-term debt** amounts to €290,253 thousand, a decrease of €36,480 thousand. The available liquidity (€288,834 thousand), is close to the overall value of short-term debt which comprises primarily the short-term portion of long-term bank debt (€131,964 thousand), the hot money accounts used to support treasury activities and other short-term credit lines (€139,765 thousand), the interest payable on the Eurobond (€3,474 thousand) and on other bank loans (€1,929 thousand) and, lastly, the best estimate of the deferred payments for acquisitions (€11,510 thousand).

Bank loans, and the Eurobond 2020-2027, are included in the statement of financial position as follows:

a. under the item "Medium/long-term financial liabilities" described in the Note 17 "Financial liabilities" of the explanatory notes for the long-term portion.

(€ thousands)

| | Balance at 12/31/2024 |
|---|---|
| Eurobond 2020-2027 | 350,000 |
| Loan with the European Investment Bank | 125,000 |
| Other medium/long-term debt | 479,501 |
| Fees on Eurobond 2020-2027 and bank loans | (2,218) |
| **Medium/long-term financial liabilities** | **952,283** |

b. under the item "Financial liabilities (current)", described in the Note 27 "Short-term financial debt" of the explanatory notes for the current portion.

(€ thousands)

| | Balance at 12/31/2024 |
|---|---|
| Bank overdraft and other short-term debt (including current portion of other long-term debt) | 271,702 |
| Other financial payables | 7,049 |
| Fees on bank loans | (1,233) |
| **Short-term financial liabilities** | **277,518** |

The other items comprising net financial debt can be found in the financial statements.

# 17. FINANCIAL LIABILITIES

Financial liabilities are broken down as follows:

(€ thousands)

| | Balance at 12/31/2024 | Balance at 12/31/2023 | Change |
|---|---|---|---|
| Eurobond 2020-2027 | 350,000 | 350,000 | - |
| Loan with the European Investment Bank | 125,000 | 75,000 | 50,000 |
| Other medium long-term bank loans | 479,501 | 287,199 | 192,302 |
| Fees on Eurobond 2020-2027 and bank loans. | (2,218) | (1,932) | (286) |
| **Total medium/long-term financial liabilities** | **952,283** | **710,267** | **242,016** |
| Short term debt | 277,518 | 316,413 | (38,895) |
| - of which current portion of short-term bank loans | 131,964 | 164,978 | (33,014) |
| - of which debts for account overdrafts and other short-term liabilities | 139,765 | 146,299 | (6,534) |
| - of which fees for bank loans | (1,233) | (1,073) | (160) |
| **Total short-term financial liabilities** | **277,518** | **316,413** | **(38,895)** |
| **Total financial liabilities** | **1,229,801** | **1,026,680** | **203,121** |

The main financial liabilities are detailed below.

## EUROBOND 2020-2027

This is a €350,000 thousand 7-year nonconvertible bond with a fixed annual coupon of 1.125% that is listed on the Luxembourg Stock Exchange's unregulated market.

| Issue Date | Debtor | Maturity | Nominal value (€/000) | *Fair value* (Eur/000) | Nominal interest rate | Interest rate after hedging |
|---|---|---|---|---|---|---|
| 02/13/2020 | Amplifon S.p.A. | 02/13/2027 | 350,000 | 337,490 | 1.125% | N/A |
| | **Total in Euro** | | **350,000** | **337,490** | | |

# BANK LOANS

The main bilateral and pooled loans are detailed below:

| Issue Date | Debtor | Type | Maturity | Nominal value (€//000) | Outstanding debt (€/000) | *Fair Value* (Eur/000) | Rate in use (*) | Outstanding debt hedged (€/000) | *Swap rate+* applicable margin (**) | Fixed Rate | Final rate in use |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 04/06/2020 | Amplifon S.p.A. | *Amortizing* | 04/06/2025 | 50,000 | 7,142 | 7,203 | 4.96% | 7,142 | 0.88% | | 0.88% |
| 04/07/2020 | Amplifon S.p.A. | *Amortizing* | 04/07/2025 | 150,000 | 30,000 | 30,256 | 4.10% | 20,000 | 1.25% | | 1.25% |
| 04/23/2020 | Amplifon S.p.A. | *Amortizing* | 04/30/2025 | 35,000 | 11,375 | 11,420 | 3.67% | 11,375 | 0.99% | | 0.99% |
| 04/28/2020 | Amplifon S.p.A. | *Amortizing* | 10/31/2025 | 50,000 | 25,000 | 25,362 | 3.94% | | | | 3.94% |
| 04/29/2020 | Amplifon S.p.A. | *Amortizing* | 04/29/2025 | 78,000 | 9,750 | 9,513 | 2.89% | 6,825 | 1.56% | | 1.56% |
| 12/23/2021 | Amplifon S.p.A. | *Amortizing* | 12/23/2026 | 210,000 | 142,800 | 147,569 | 3.53% | 142,800 | 1.11% | | 1.11% |
| 12/15/2023 | Amplifon S.p.A. | *Amortizing* | 12/15/2032 | 75,000 | 75,000 | 79,367 | 3.65% | | | 3.65% | 3.65% (***) |
| 12/29/2023 | Amplifon S.p.A. | *RCF - no cleandown* | 09/30/2026 | 60,000 | 60,000 | 61,501 | 4.01% | | | 4.01% | 4.01% |
| 06/27/2024 | Amplifon S.p.A. | *Amortizing* | 06/27/2033 | 50,000 | 50,000 | 53,741 | 3.90% | | | 3.90% | 3.90% (***) |
| 06/30/2024 | Amplifon S.p.A. | *Amortizing* | 09/30/2029 | 50,000 | 50,000 | 51,284 | 3.66% | 50,000 | 3.25% | | 3.25% |
| 10/15/2024 | Amplifon S.p.A. | *Amortizing* | 10/15/2029 | 200,000 | 200,000 | 208,135 | 3.28% | 100,000 | 3.43% | 3.28% | (****) |
| 12/19/2024 | Amplifon S.p.A. | *Amortizing* | 12/19/2029 | 75,000 | 75,000 | 83,298 | 3.70% | 75,000 | 3.33% | | 3.33% |
| | **Total** | | | **1,083,000** | **736,067** | **768,649** | | **413,142** | | | |

(*) The nominal interest rate comprises the benchmark rate (Euribor) plus the applicable spread.
(**) An Interest Rate Swap was used to hedge these loans against interest rate risk at the IRS rate plus a spread.
(***) The EIB is fixed rate through 12/15/2027; it will subsequently be adjusted to reflect current market conditions, and the Group may choose either a fixed or a floating rate.
(****) The rate for the €100 million tranche of this loan is 3.43% and 3.28% for the remainder.

The current loans, in thousands of euro and broken down by maturity, are shown below.

| Debtor<br>Maturity | Average interest rate 2024/360 | Balance as at 12/31/2023 | Repayments as at 12/31/2024 | New loans | Business combination | Balance as at 12/31/2024 | Short term portion | Medium/Long term portion |
|---|---|---|---|---|---|---|---|---|
| *Eurobond 2020-2027*<br>Amplifon S.p.A.<br>1.125%<br>02/13/2027 | 1.125% | **350,000** | | | | **350,000** | | 350,000 |
| *BNL amortizing*<br>Amplifon S.p.A.<br>*Euribor* 6m +1.25%<br>04/06/2025 | 0.88% | **21,428** | (14,286) | | | **7,142** | 7,142 | |
| *Unicredit Amortizing*<br>Amplifon S.p.A.<br>*Euribor* 6m + *margin grid*<br>04/07/2025 | 2.95% | **90,000** | (60,000) | | | **30,000** | 30,000 | |
| *Credit Agricole amortizing*<br>Amplifon S.p.A.<br>*Euribor* 6m +1.10%<br>06/30/2025 | 0.86% | **21,875** | (10,500) | | | **11,375** | 11,375 | |
| *Sparkasse amortizing*<br>Amplifon S.p.A.<br>*Euribor* 3M + 1.05%<br>06/30/2025 | 4.81% | **3,055** | (3,055) | | | **-** | | |
| *BPM amortizing*<br>Amplifon S.p.A.<br>*Euribor* 6m +1.05%<br>10/31/2025 | 4.90% | **50,000** | (25,000) | | | **25,000** | 25,000 | |
| *CDP/MPS amortizing*<br>Amplifon S.p.A.<br>*Euribor* 6m +1.65%<br>04/29/2025 | 3.16% | **29,250** | (19,500) | | | **9,750** | 9,750 | |
| *Pool, (UCI, MB, BNL/BNP) (*)*<br>Amplifon S.p.A.<br>*Euribor* 6m + *margin grid*<br>12/23/2026 | 0.96% | **176,400** | (33,600) | | | **142,800** | 37,800 | 105,000 |
| *EIB fixed interest rate*<br>2023- 2032<br>Amplifon S.p.A.<br>12/15/2032 | 3.65% | **75,000** | | | | **75,000** | 5,000 | 70,000 |
| *Intesa RCF no cleandown (*)*<br>Amplifon S.p.A.<br>*Euribor* 6m +1.15%<br>09/30/2026 | 4.75% | **60,000** | | | | **60,000** | | 60,000 |
| *EIB fixed interest rate*<br>2023- 2033<br>Amplifon S.p.A.<br>06/27/2033 | 3.90% | **-** | | 50,000 | | **50,000** | | 50,000 |
| *Credit Agricole /SACE (*)*<br>Amplifon S.p.A.<br>*Euribor* 3m +0.985%<br>09/30/2029 | 3.25% | **-** | | 50,000 | | **50,000** | 5,882 | 44,118 |
| *Unicredit Cassa Depositi e Prestiti (*)*<br>Amplifon S.p.A.<br>*Euribor* 6m + *margin grid*<br>10/15/2029 | 3.36% | **-** | | 200,000 | | **200,000** | | 200,000 |
| *Mediobanca (*)*<br>Amplifon S.p.A.<br>*Euribor* 6m +1.25%<br>12/19/2029 | 3.32% | **-** | | 75,000 | | **75,000** | | 75,000 |
| **Total long-term loans** | | **877,008** | **(165,941)** | **375,000** | | **1,086,067** | **131,949** | **954,118** |
| **Others** | | **302** | | | **82** | **384** | | **384** |
| **TOTAL** | | **877,310** | **(165,941)** | **375,000** | **82** | **1,086,451** | **131,949** | **954,502** |

(*) Loans "*sustainability linked*", for which the achievement of specific indicators of the Amplifon S.p.A. Sustainability Plan will trigger a mechanism for adjusting the margin applied to the loan. It is confirmed that during the year, the ESG KPIs set for these loans have been met.

The maturities of financial debt on 31 December 2024 based on contractual obligations are shown below:

(€ thousands)

| | *Eurobond 2020-2027* | Loan EIB | Bank loans | Total |
|---|---|---|---|---|
| 2025 | | 5,000 | 126,949 | 131,949 |
| 2026 | | 16,667 | 228,715 | 245,382 |
| 2027 | 350,000 | 16,667 | 63,715 | 430,382 |
| 2028 | | 16,667 | 64,020 | 80,687 |
| 2029 | | 16,667 | 128,052 | 144,719 |
| 2030 | | 16,667 | | 16,667 |
| 2031 | | 16,667 | | 16,667 |
| 2032 | | 16,667 | | 16,667 |
| 2033 | | 3,331 | | 3,331 |
| **Total** | **350,000** | **125,000** | **611,451** | **1,086,451** |

The Group's loans, bonds, and revolving credit lines are subject to the following financial covenants:

- Net financial indebtedness, excluding lease liabilities, to the **net worth ratio** must not exceed 1.65;
- the **Leverage Ratio**, calculated as the ratio of net financial debt, excluding lease liabilities, to EBITDA recorded in the last four quarters (determined excluding the fair value of the stock-based payments, based solely on recurring business, and restated if the Group's structure should change significantly), must not exceed 2.85;
- the **Interest Cover**, calculated as the ratio of EBITDA (restated consistently with the EBITDA used to calculate the leverage ratio) recorded in the last four quarters and the net interest owed in the same four quarters, must not exceed 4.9.

Typically, in the event of sizeable acquisitions, the first two ratios may be increased to 2.20 and 3.26, respectively, for a period of not more than 12 months, twice over the life of the respective loans.

The trigger events for these covenants and the spikes relative to sizeable acquisitions (i.e. increase in the ratios, for a period of not more than 12 months, twice over the life of the respective loans) are summarized below:

| Primary Credit Facility Agreement | Leverage Ratio | Net Worth Ratio | Interest Cover | Spike |
|---|---|---|---|---|
| - Medium/long-term bilateral loans with top-tier banking institutions of €55 million, with last expiration in 2025;<br>- Irrevocable credit lines with top-tier banking institutions of €140 million with last expiration in 2025. | ≤ 2.85 | ≤ 1.65 | - | ≤ 3.26 (Leverage Ratio)<br>≤ 2.20 (Net Worth Ratio) |
| - €7.1 million bank loan expiring in 2025. | ≤ 2.85 | - | > 4.90 | ≤ 3.26 (Leverage Ratio) |
| -Medium/long-term bilateral loans with top-tier banking institutions of €21.1 million with last expiration in 2025;<br>-Irrevocable lines of credit with top-tier banking institutions amounted to €100 million (explained by the sustainability-linked facility) expiring in 2026. | ≤ 2.85 | ≤ 1.65 | > 4.90 | ≤ 3.26 (Leverage Ratio)<br>≤ 2.20 (Net Worth Ratio) |

The following sustainability linked loans were not subject to financial covenants:

- the loan negotiated at the end of 2021 which replaced the syndicated loan used for the GAES acquisition with a residual outstanding of €142.8 million;
- the €300 million revolving facility negotiated at the end of May 2023;
- the €50 million loan negotiated at the end of September 2024;
- the €200 million pool loan stipulated in October 2024;
- the €75 million loan stipulated in December 2024.

Moreover, the €350 million loan stipulated with the European Investment Bank (EIB), of which €125 million utilized on 31 December 2024, are not subject to financial covenants.

As a result of an MFL or Most Favorable Lender clause the financial covenants to which other loans are subject (current or future) will also be applied to the banks financing these lines.

The three financial covenants and the relative spikes shown in the table above are, therefore, applied to these credit lines to the extent that they are also applied to the other facilities.

The covenant ratios on 31 December 2024 were as follows:

| | Value as at 12/31/2024 |
|---|---|
| Net financial indebtedness excluding lease liabilities/Group net equity (Net Worth Ratio) | 0.84 |
| Net financial position excluding lease liabilities/EBITDA for the last four quarters (Leverage Ratio) | 1.63 |
| EBITDA for the last 4 quarters/Net financial expenses (Interest Cover) | 17.77 |

The above-mentioned ratios were determined based on an EBITDA which was restated in order to reflect the main normalized, structural changes.

(€ thousands)

| | Value as at 12/31/2024 |
|---|---|
| Group EBITDA FY 2024 | 561,090 |
| Fair value of stock grant assignment | 16,131 |
| EBITDA normalized (from acquisitions and disposals) | 6,773 |
| Acquisitions and non-recurring costs | 7,809 |
| EBITDA for the covenant calculation | 591,803 |

The same agreements are also subject to other covenants applied in current international practice which limits the ability to issue guarantees and complete sales and lease backs, as well as extraordinary transactions involving the sale of assets.

Based on management's expectations (Group's 2025-2027 3-year plan approved by the Parent Company's Board of Directors on 17 December 2024) on 31 December 2024 there are no foreseeable circumstances which could cause the covenants to be breached.

The breakdown of financial liabilities by the accounting method applied is shown below:

| (€ thousands) | 12/31/2024 | | |
|---|---|---|---|
| | Amortized cost | Fair value Net Equity | Fair Value through P&L |
| Total non-current financial liabilities | 952,283 | | |
| Total current financial liabilities | 277,518 | | |

| (€ thousands) | 12/31/2023 | | |
|---|---|---|---|
| | Amortized cost | Fair value Net Equity | Fair Value through P&L |
| Total non-current financial liabilities | 710,267 | | |
| Total current financial liabilities | 316,413 | | |

# 18. LEASE LIABILITIES

The lease liabilities stem from long-term leases and rental agreements. These liabilities are equal to the present value of future installments payable over the lease term.

The finance lease liabilities are shown in the statement of financial position as follows:

(€ thousands)

| | Value at 12/31/2024 | Value at 12/31/2024 | Change |
|---|---|---|---|
| Short term lease liabilities | 126,740 | 113,522 | 13,218 |
| Long term lease liabilities | 387,597 | 383,909 | 3,688 |
| **Total lease liabilities** | **514,337** | **497,431** | **16,906** |

The impact that these lease liabilities had on the income statement in the reporting period is shown below:

(€ thousands)

| | 12/31/2024 |
|---|---|
| Interest charges on leased assets | (19,138) |
| Right-of-use depreciation | (131,586) |
| Costs for short-term leases and leases for low value assets | (19,655) |

The maturities of the Group's lease liabilities based on undiscounted contractual cash flows are summarized below:

(€ thousands)

| Description | < 1 year | Between 1 and 2 years | Between 2 and 3 years | Between 3 and 4 years | Between 4 and 5 years | > 5 years |
|---|---|---|---|---|---|---|
| Undiscounted lease liabilities | 130,953 | 114,895 | 91,253 | 69,607 | 53,217 | 128,991 |

The maturities of the Group's lease liabilities based on discounted contractual payments are summarized below:

(€ thousands)

| Description | < 1 year | Between 1 and 2 years | Between 2 and 3 years | Between 3 and 4 years | Between 4 and 5 years | > 5 years |
|---|---|---|---|---|---|---|
| Lease liabilities | 126,740 | 101,876 | 81,329 | 61,146 | 45,481 | 97,765 |

# 19. PROVISIONS FOR RISKS AND CHARGES (MEDIUM/LONG-TERM)

(€ thousands)

| | Value at 12/31/2024 | Value at 12/31/2023 | Change |
|---|---|---|---|
| Product warranty provision | 1,416 | 1,191 | 225 |
| Contractual risk provision | 3,399 | 3,420 | (21) |
| Agents' leaving indemnity | 13,515 | 13,092 | 423 |
| Other risk provisions | 2,595 | 1,676 | 919 |
| **Total** | **20,925** | **19,379** | **1,546** |

(€ thousands)

| | Net value as at 12/31/2023 | Provision | Utilization | Reversal | Other net changes | Translation differences | Business combinations | Net value at 12/31/2024 |
|---|---|---|---|---|---|---|---|---|
| Product warranty provision | 1,191 | 872 | (647) | - | - | - | - | 1,416 |
| Contractual risk provision | 3,420 | 434 | (615) | (18) | - | (4) | 182 | 3,399 |
| Agents' leaving indemnity | 13,092 | 477 | (119) | - | - | 65 | - | 13,515 |
| Other risk provisions | 1,676 | - | (200) | - | 90 | (23) | 1,052 | 2,595 |
| **Total** | **19,379** | **1,783** | **(1,581)** | **(18)** | **90** | **38** | **1,234** | **20,925** |

The "Agents' leaving indemnity" refers mainly to Amplifon Italia S.p.A.'s provisions for the indemnity of €12,357 thousand.

The main assumptions used in the actuarial calculation of Amplifon Italia S.p.A.'s agents' leaving indemnity were:

| | FY 2024 |
|---|---|
| **Economic assumptions** | |
| Annual discount rate | 3.18% |
| **Demographic assumptions** | |
| Probability of agency contract termination by the company | 2.70% |
| Probability of agent's voluntary termination | 8.25% |
| Mortality rate | RG48 |
| Disability percentage | INPS tables divided by age and sex |

# 20. LIABILITIES FOR EMPLOYEES' BENEFITS (MEDIUM/LONG-TERM)

(€ thousands)

| | Balance at 12/31/2024 | Balance at 12/31/2023 | Change |
|---|---|---|---|
| Defined-benefit plans | 14,569 | 11,669 | 2,900 |
| Other defined-benefit plans | 775 | 758 | 17 |
| Other provisions for personnel | 113 | 536 | (423) |
| **Total** | **15,457** | **12,963** | **2,494** |

Provisions for defined-benefit plans mainly include the severance pay potentially owed by the Italian companies, as well as severance owed by the Swiss, French, Israeli and Belgian subsidiaries.

The way in which these benefits are guaranteed varies based on the legal, tax and economic conditions of each country in which the Group operates.

Movements in the provision for defined-benefit plans are detailed below:

(€ thousands)

| | FY 2024 |
|---|---|
| **Net present value of the liability at the beginning of the year** | **11,669** |
| Current service cost | 417 |
| Financial charges | 132 |
| Actuarial losses (gains) | 2,603 |
| Amounts paid | (223) |
| Translation differences | (29) |
| Reversal | - |
| **Net present value of the liability at the end of the year** | **14,569** |

The current cost of severance indemnity is recognized under personnel expenses in the consolidated financial statements, while actuarial gains and losses are recognized in the statement of comprehensive income.

The main assumptions used in the actuarial estimate of the liability for employee benefits include the following:

FY 2024

| | Italy | France | Switzerland | Israel | Belgium |
|---|---|---|---|---|---|
| **Economic assumptions** | | | | | |
| Annual discount rate | 3.18% | 3.16% | 0.80% | 5.73% | 3.70% |
| Expected annual inflation rate | 2.00% | 3.16% | 2.00% | 2.72% | 2.10% |
| Annual rate of increase of severance indemnity | 3.00% | 3.00% | 2.00% | 5.99% | 44.7% |
| **Economic assumptions** | | | | | |
| Annual discount rate | RG48 mortality tables published by the General Accounting Office of the State | INSEE 2022 | BVG 2020 GT (generational) | Circular letter 2022-9-18 | National mortality tables with a 5-year age setback adjustment |
| Expected annual inflation rate | INPS tables divided by age and sex | N/A | BVG 2020 | Circular letter 2022-9-18 | N/A |
| Annual rate of increase of severance indemnity | 100% on meeting the requirements for compulsory national social insurance | 60-67 years | 100% on meeting the age requirements (65M/64F) | Male - 67<br>Female - 62 | 100% on meeting the age requirements (65M/64F) |

FY 2023

| | Italy | France | Switzerland | Israel |
|---|---|---|---|---|
| **Economic assumptions** | | | | |
| Annual discount rate | 3.08% | 3.65% | 1.40% | 5.77% |
| Expected annual inflation rate | 2.00% | 3.65% | 2.00% | 2.80% |
| Annual rate of increase of severance indemnity | 3.00% | 3.00% | 2.00% | 6.03% |
| **Economic assumptions** | | | | |
| Annual discount rate | RG48 mortality tables published by the General Accounting Office of the State | INSEE 2022 | BVG 2020 GT (generational) | Circular letter 2022-9-18 |
| Expected annual inflation rate | INPS tables divided by age and sex | N/A | BVG 2020 | Circular letter 2022-9-18 |
| Annual rate of increase of severance indemnity | 100% on meeting the requirements for compulsory national social insurance | 60-67 years | 100% on meeting the age requirements (65m/64f) | Male - 67<br>Female - 62 |

Provisions for other benefits are attributable primarily to the mandatory benefits recognized by the Australian subsidiaries (€690 thousand) when an employee reaches a certain level of job seniority.

# 21. OTHER LONG-TERM LIABILITIES

(€ thousands)

| | Value at 12/31/2024 | Value at 12/31/2024 | Change |
|---|---|---|---|
| Payables for business acquisitions | 5,885 | 7,229 | (1,344) |
| Other long-term debt | 35,667 | 26,379 | 9,288 |
| **Total** | **41,552** | **33,608** | **7,944** |

Acquisition liabilities include the long-term portion of the contingent consideration (earn-out), determined based on income/economic estimates available at the end of 2024, to be paid on acquisitions of companies and business units made in the United States, Spain, France and Germany, if certain sales and/or profitability targets are reached.

Other long-term debt shows an increase in the reporting period, explained mainly by the long-term portion of debt stemming mainly from the recognition of the purchase of €13,599 thousand in superbonus tax credits (not present on 31 December 2023). Refer to Note 7 "Other non-current assets" for further details.

Lastly, long-term debt also includes the liabilities of Amplifon RE for the reinsurance of loss & damage policies for €17,237 thousand (€16,544 thousand on 31 December 2023) and the long-term portion of deferred payments to suppliers for the purchase of fixed assets for € 3,906 thousand (€5,221 thousand on 31 December 2023).

The breakdown of long-term liabilities by the accounting method applied is shown below.

(€ thousands) 12/31/2024

| | Amortized cost | Fair value Net Equity | Fair Value through P&L |
|---|---|---|---|
| Payable for business acquisition | | | 5,885 |
| Other long-term debt | 35,667 | | |

(€ thousands) 12/31/2023

| | Amortized cost | Fair value Net Equity | Fair Value through P&L |
|---|---|---|---|
| Payable for business acquisition | | 3,652 | 3,577 |
| Other long-term debt | 26,379 | | |

# 22. TRADE PAYABLES

(€ thousands)

| | Value at 12/31/2024 | Value at 12/31/2024 | Change |
|---|---|---|---|
| Trade payables – Joint ventures | 3,003 | 2,973 | 30 |
| Trade payables – Related parties | 22 | 493 | (471) |
| Trade payables – Third parties | 374,075 | 355,489 | 18,586 |
| **Total** | **377,100** | **358,955** | **18,145** |

The Group adheres to a credit agreement (reverse factoring or indirect factoring) based on which suppliers can transfer their credits with the Group to a financial institution and receive early payment of their invoices. The Group does not eliminate the original liabilities to which the agreement applies from its accounts insofar as no legal release has been obtained nor have any substantive changes been made to the original liability as a result of the agreement. The agreement does not result in a significant lengthening of the Group's payment terms beyond the normal expirations established prior to adhering to the agreement or with the suppliers who do not adhere to the agreement.
The Group, furthermore, may not postpone payment to the financial institution of its trade payables and does not have to pay additional interest to the financial institution on the amounts owed by the suppliers. The amounts factored by the suppliers are classified as trade payables as the nature and purpose of the financial liabilities are not any different from those of the other trade payables. The trade payables which have yet to expire transferred to the factor by the suppliers amounted to €31,193 thousand on December 2024.

The average collection time on trade payables was around 110 days in 2024.

# 23. CONTRACT LIABILITIES

(€ thousands)

| | Value at 12/31/2024 | Value at 12/31/2024 | Change |
|---|---|---|---|
| Contract liabilities – Short-term | 122,914 | 120,043 | 2,871 |
| Contract liabilities – Long-term | 153,766 | 153,716 | 50 |
| **Total** | **276,680** | **273,759** | **2,921** |

The contract liabilities refer to deferred income for goods and services provided to customers over time (e.g. after sales services, extended warranties, material rights, batteries). These are recognized in the income statement based on the level to which the different contractual performance obligations have been satisfied.

The changes in contract liabilities in the year are shown below:

(€ thousands)

| | |
|---|---|
| **Net value at 12/31/2023** | **273,759** |
| Increase linked to customer contracts | 47,948 |
| Recognized revenues that were included in the opening balance | (60,643) |
| Business combinations | 14,528 |
| Currency translation differences and other net changes | 1,088 |
| **Net value at 12/31/2024** | **276,680** |

The revenue recognized in 2024 stemming from fulfilled contractual obligations, included in the opening balance of contract liabilities at January 1st, 2024, amounted to €60,643 thousand.

More in detail, the contract liabilities that should be extinguished over the next few years, resulting in the recognition of the revenue allocated, are shown below:

(€ thousands)

| | 2025 | 2026 | 2027 | 2028 | 2029 and beyond |
|---|---|---|---|---|---|
| Contract liabilities | 123,112 | 73,518 | 43,834 | 23,581 | 12,635 |

For a description of the performance obligations relating to goods and services provided over time, please refer to Note 29 “Revenue from sales and services”.

# 24. OTHER PAYABLES

(€ thousands)

| | Value at 12/31/2024 | Value at 12/31/2024 | Change |
|---|---|---|---|
| Other payables | 175,085 | 163,133 | 11,952 |
| Accrued expenses and deferred income | 16,029 | 11,924 | 4,105 |
| Sales returns - liability | 6,346 | 6,044 | 302 |
| **Total other payables** | **197,460** | **181,101** | **16,359** |
| Tax payables | 49,830 | 74,433 | (24,603) |
| Payables for business acquisitions | 11,510 | 9,554 | 1,956 |
| **Total** | **258,800** | **265,088** | **(6,288)** |

The other payables comprise mainly: (i) €77,389 thousand relating to amounts owed to the personnel; (ii) €52,479 thousand relating to commissions and bonuses payable to agents; (iii) €24,058 thousand relating to social security liabilities; (iv) €16,026 thousand relating to the short-term portion of the amount owed for the purchase of superbonus tax credits (which were not present on 31 December 2023, for further details refer to Note 7 "Other non-current assets"), and (v) €5,029 thousand relating to customer down-payments.

Acquisition liabilities include the short-term portion of the contingent consideration (earn-out) to be paid long-term on acquisitions of companies and business units made in Germany, France, Belgium, Canada, the United States, and China if certain sales and/or profit targets are reached.  Acquisition liabilities include the fair value of the put and call options on the remaining minority interests in Medtechnica Ortophone Ltd (Israel). These options are classified as Level 3 on the fair value hierarchy scale.

Tax payables include: (i) €24,479 thousand in direct taxes; (ii) €10,073 thousand in withholding taxes; (iii) €15,278 thousand in VAT and other indirect taxes.

The €6,436 thousand provision for sales returns is calculated based on the best estimate of the liabilities for returns made through the direct channel.

The breakdown of other payables by the accounting method applied is shown below:

| (€ thousands) | 12/31/2024 | | |
|---|---|---|---|
| | Amortized cost | Fair value Net Equity | Fair Value through P&L |
| Other debts | 247,290 | | |
| Payables from business acquisitions | | 1,908 | 9,602 |

| (€ thousands) | 12/31/2023 | | |
|---|---|---|---|
| | Amortized cost | Fair value Net Equity | Fair Value through P&L |
| Other debts | 255,534 | | |
| Payables from business acquisitions | | | 9,554 |

# 25. PROVISIONS FOR RISKS AND CHARGES (CURRENT PORTION)

(€ thousands)

| | Value at 12/31/2024 | Value at 12/31/2024 | Change |
|---|---|---|---|
| Other provisions for risks | 2,403 | 1,268 | 1,135 |
| **Total** | **2,403** | **1,268** | **1,135** |

The other provisions for risks and charges include mainly the potential liabilities for costs allocated for restoring premises to the original condition when leases expire.

# 26. LIABILITIES FOR EMPLOYEES' BENEFITS (CURRENT PORTION)

(€ thousands)

| | Value at 12/31/2024 | Value at 12/31/2024 | Change |
|---|---|---|---|
| Other provisions for risks – current portion | 4,094 | 3,713 | 381 |
| **Total** | **4,094** | **3,713** | **381** |

The amount refers to the current portion of liabilities for the employee benefits described in Note 20 "Liabilities for employees' benefits (medium/long-term")."

# 27. SHORT-TERM FINANCIAL DEBT

(€ thousands)

| | Value at 12/31/2024 | Value at 12/31/2024 | Change |
|---|---|---|---|
| Bank current accounts | 2,615 | 58,287 | (55,672) |
| Short-term bank borrowings | 121,552 | 88,012 | 33,540 |
| Current portion of long-term debts | 131,964 | 164,978 | (33,014) |
| **Payables to banks and other financing** | **256,131** | **311,277** | **(55,146)** |
| Current portion of fees on loans | (1,233) | (1,073) | (160) |
| Short-term financial debt | 15,571 | 208 | 15,363 |
| Financial accrued expenses and deferred income | 7,049 | 6,001 | 1,048 |
| **Total** | **277,518** | **316,413** | **(38,895)** |

For current portions of medium-long term loans please see Note 17 "Financial Liabilities".

The €7,049 thousand in financial accruals and deferred income relates primarily to the interest owed on the Eurobond 2020-2027 (€3,474 thousand) and other medium/long term loans (€1,929 thousand).

# 28. DEFERRED TAX ASSET AND LIABILITIES

The net balance of deferred tax assets and liabilities on 31 December 2024 can be broken down as follows:

(€ thousands)

| | Value at 12/31/2024 | Value at 12/31/2024 | Change |
|---|---|---|---|
| Deferred tax assets | 77,332 | 82,701 | (5,369) |
| Deferred tax liabilities | (99,493) | (98,451) | (1,042) |
| **Net position** | **(22,161)** | **(15,750)** | **(6,411)** |

The net change in deferred tax assets and liabilities is detailed below:

(€ thousands)

| | Balance as at 12/31/2023 | Recognized in P&L | Recognized in net equity | Business combinations | Exchange differences and other changes | Balance as at 12/31/2024 |
|---|---|---|---|---|---|---|
| Deferred tax on severance indemnity and pension funds | 4,084 | (147) | 489 | - | 72 | 4,498 |
| Deferred tax on tax losses carried forward | 2,186 | 2,722 | - | 1 | 98 | 5,007 |
| Deferred tax on inventory | 12,460 | (3,497) | - | - | - | 8,963 |
| Deferred tax on tangibles, intangibles and goodwill | (43,977) | (3,130) | - | 325 | 1,090 | (45,692) |
| Deferred tax on trademarks and concessions | (38,130) | 7,028 | - | (6,452) | 202 | (37,352) |
| Deferred tax on other provisions | 9,919 | 2,682 | - | - | (2,477) | 10,124 |
| Deferred tax on contract liabilities and contract costs | 12,215 | (2,334) | - | 1,250 | 133 | 11,264 |
| Deferred tax on leasing | 5,066 | 620 | - | - | 29 | 5,715 |
| Substitute tax on the release of goodwill | 6,400 | (1,280) | | - | - | 5,120 |
| Other deferred tax | 14,027 | (5,841) | 2,221 | 44 | (259) | 10,192 |
| **Total** | **(15,750)** | **(3,177)** | **2,710** | **(4,832)** | **(1,112)** | **(22,161)** |

Deferred tax assets on prior year tax losses carried forward are as follows:

(€ thousands)

| | Value at 12/31/2024 | Value at 12/31/2024 | Change |
|---|---|---|---|
| Spain | 308 | - | 308 |
| Germany | 954 | 1,085 | (131) |
| Israel | 113 | 18 | 95 |
| China | 3,282 | 714 | 2,568 |
| Argentina | 316 | - | 316 |
| Poland | 34 | - | 34 |
| Portugal | - | 369 | (369) |
| **Total** | **5,007** | **2,186** | **2,821** |

No deferred tax assets for the following prior year tax losses were recognized on 31 December 2024 as recoverability is not reasonably certain.

(€ thousands)

| | Prior year tax losses | Rate | Deferred tax assets not recognized in the consolidated financial statements | Due date |
|---|---|---|---|---|
| Canada | 22,760 | 26.50% | 6,031 | 7-20 years |
| China | 4,941 | 25.00% | 1,235 | 2-3 years |
| Colombia | 4,634 | 35.00% | 1,622 | 5-12 years |
| India | 8,876 | 26.00% | 2,308 | 1-8 years |
| Mexico | 6,287 | 30.00% | 1,886 | 4-10 years |
| Panama | 6 | 25.00% | 2 | 1 year |
| UK | 92,616 | 25.00% | 23,154 | - |
| Hungary | 611 | 9.00% | 55 | 1-3 years |
| **Total** | **140,731** | | **36,293** | |

# 29. REVENUES FROM SALES AND SERVICES

The breakdown of the Group's revenues by customer contracts is shown below.

(€ thousands)

| | FY 2024 | FY 2023 | Change |
|---|---|---|---|
| Revenues from sale of products | 2,091,093 | 1,956,353 | 134,740 |
| Revenues from services | 318,148 | 303,731 | 14,417 |
| **Total revenues from sales and services** | **2,409,241** | **2,260,084** | **149,157** |
| Goods and services provided at a point in time | 2,091,093 | 1,956,353 | 134,740 |
| Goods and services provided over time | 318,148 | 303,731 | 14,417 |
| **Total revenues from sales and services** | **2,409,241** | **2,260,084** | **149,157** |

Consolidated revenues from sales and services amounted to €2,409,241 thousand in 2024, an increase of €149,157 thousand (+6.6%) compared to the prior year.

The increase against 2023 is explained for €76,186 thousand (+3.4%) by organic growth and for €82,594 thousand (+3.6%) by acquisitions, while the foreign exchange effect contributed negatively for €9,623 thousand (-0.4%). The revenues from the Argentinian subsidiary were impacted by the inflation accounting used in accordance with IAS 29 "Inflation Accounting", which contributed positively to organic growth (+0.2%), but had no impact on the foreign exchange effect.

Revenues from services rendered were €14,417 thousand higher and refer mainly to the deferred revenues for post-sales services which are recognised over time based on the extent to which the performance obligations have been satisfied.

For the breakdown of revenues by geographical area refer to Note 44 "Segment Information".

The main goods and services provided by the Amplifon Group in 2024, as well as the nature and terms of the performance obligations, are described below.

| Goods and services | Nature and fulfillment terms |
|---|---|
| Hearing aid and fitting | Part of a single and inseparable performance obligation, comprised of the hearing aid, fitting and personalization of the solution using computerized systems to satisfy each person's needs. The Group recognized the relative revenue when the fitting has been completed or at the end of the trial period, when provided. |
| Other goods | Batteries, cleaning kits, and other accessories.<br>The Group recognizes the revenue relative to other goods when the goods are transferred, which can happen at the time of sale (ex. batteries, cleaning kits and other accessories) or over time. |
| After sales services | After sales services include:<br>- Cleaning, regulation and revision of the hearing aid;<br>- Periodic hearing tests;<br>- Post – sales assistance;<br>The Group recognizes the revenue generated by after sales services over the life of the contract, generally 4-5 years. The amount of the revenue recognized is based on the input method. |
| Extended warranties | Extended warranties are provided in addition to mandatory warranties that the supplier must provide.<br>The Group recognizes the revenue from extended warranties in equal amounts over the duration of the extension. |
| Material rights | *Material rights include, for example, discounts on future purchases or loyalty points.* The Group recognizes the revenue from material rights when the rights are exercised by the customer or when the probability that the customer exercises the remaining rights is remote. |

The deferred revenues for goods transferred and services rendered over time which will be realized in subsequent years and included in the short- and long-term contract liabilities on 31 December 2024 are shown below:

(€ thousands)

| | 2025 | 2026 | 2027 | 2028 | 2029 and beyond |
|---|---|---|---|---|---|
| Revenues for goods and services provided over time | 123,112 | 73,518 | 43,834 | 23,581 | 12,635 |

Services rendered over time refer mainly to after-sales services, extended warranties, material rights and batteries (if delivered over time).

# 30. OPERATING COSTS

(€ thousands)

| | FY 2024 | FY 2023 | Change |
|---|---|---|---|
| Cost of raw materials, consumables and supplies and change in inventories of raw materials, consumables and supplies | (369,786) | (348,857) | (20,929) |
| Personnel expenses – Points of sale | (533,409) | (506,617) | (26,792) |
| Commissions – Points of sale | (128,803) | (121,553) | (7,250) |
| Rental costs – Points of sale | (13,408) | (13,189) | (219) |
| **Total** | **(1,045,406)** | **(990,216)** | **(55,190)** |
| Other personnel expenses | (330,593) | (297,887) | (32,706) |
| Other rental costs | (6,248) | (2,747) | (3,501) |
| Other costs for services | (472,346) | (451,462) | (20,884) |
| **Total other operating costs** | **(809,187)** | **(752,096)** | **(57,091)** |
| **Total operating costs** | **(1,854,593)** | **(1,742,312)** | **(112,281)** |

The operating costs incurred in 2024 include non-recurring expenses of €6,587 thousand, explained for €3,447 thousand by the second phase of the GAES integration, for €1,678 thousand, by the costs incurred to implement amendments to the Company's Articles of Association, including relative to the enhanced voting rights, comprising primarily tax, legal and financial consultancies, as well as the expenses related to the organization of the Extraordinary Shareholders' Meeting held on 30 April 2024, for €1,282 thousand, by the notional cost of the one-off assignment made by the shareholder Ampliter of 500,000 of its Amplifon shares to the Chief Executive Officer and for €180 thousand by the Bay Audio integration.

The lease and rental costs refer to leases not subject to IFRS 16 application (leases for low value assets, short-term leases, leases with variable payment terms).

The breakdown of "Personnel expenses – Points of sale" and "Other personnel expenses"
is as follows:

(€ thousands)

| | FY 2024 | FY 2023 | Change |
|---|---|---|---|
| Wages and salaries | (675,193) | (617,899) | (57,294) |
| Performance stock grant | (16,131) | (30,283) | (14,152) |
| Social contributions | (137,189) | (127,950) | (9,239) |
| Other personnel costs | (35,489) | (28,372) | (7,117) |
| **Total** | **(864,002)** | **(804,504)** | **(59,498)** |

The staff headcount by geographic area is shown below:

| | 12/31/2024 | | 12/31/2023 | |
|---|---|---|---|---|
| | Number | Average | Number | Average |
| Italy | 824 | 804 | 785 | 767 |
| France | 1,619 | 1,620 | 1,601 | 1,621 |
| Switzerland | 318 | 319 | 317 | 312 |
| Hungary | 210 | 206 | 202 | 206 |
| Germany | 1,949 | 1,970 | 1,963 | 1,920 |
| Spain | 2,018 | 1,978 | 1,966 | 2,014 |
| Portugal | 239 | 246 | 244 | 251 |
| Belgium | 207 | 206 | 208 | 216 |
| The Netherlands | 646 | 663 | 671 | 667 |
| Poland | 226 | 220 | 221 | 212 |
| United Kingdom | 268 | 286 | 302 | 311 |
| Israel | 163 | 170 | 179 | 187 |
| Egypt | 173 | 175 | 173 | 183 |
| **Total EMEA** | **8,860** | **8,863** | **8,832** | **8,867** |
| USA and Canada | 1,676 | 1,631 | 1,423 | 1,333 |
| Argentina | 158 | 155 | 150 | 142 |
| Chile | 201 | 198 | 186 | 174 |
| Ecuador | 119 | 116 | 109 | 100 |
| Panama | 8 | 8 | 8 | 8 |
| Colombia | 115 | 111 | 107 | 93 |
| Mexico | 87 | 88 | 82 | 75 |
| Uruguay | 85 | 88 | - | - |
| **Total Americas** | **2,449** | **2,395** | **2,065** | **1,925** |
| Australia | 1,617 | 1,594 | 1,518 | 1,539 |
| New Zealand | 551 | 553 | 547 | 545 |
| India | 500 | 514 | 498 | 493 |
| Singapore | 13 | 13 | 13 | 13 |
| China | 1,080 | 1,034 | 906 | 630 |
| **Total Asia Pacific** | **3,761** | **3,708** | **3,482** | **3,220** |
| **Total Group** | **15,070** | **14,966** | **14,379** | **14,012** |

# 31. OTHER INCOME AND COSTS

The breakdown of the Group's other income and costs is shown below.

(€ thousands)

| | FY 2024 | FY 2023 | Change |
|---|---|---|---|
| Other income and costs | 6,442 | 9,077 | (2,635) |
| **Total** | **6,442** | **9,077** | **(2,635)** |

Other income and costs amounted to €6,442 thousand in 2024 and relate primarily to a few deferred payments on acquisitions of companies and business units which are not to be paid as the specific sales and/or profitability targets were not reached.

# 32. AMORTIZATION, DEPRECIATION AND IMPAIRMENT

The breakdown of the Group's amortization, depreciation and impairment is shown below.

(€ thousands)

| | FY 2024 | FY 2023 | Change |
|---|---|---|---|
| *Amortization of intangible fixed assets* | *(108,062)* | *(93,448)* | *(14,614)* |
| *Depreciation of property, plant, and equipment* | *(61,710)* | *(54,391)* | *(7,319)* |
| *Depreciation of right-of-use assets* | *(131,586)* | *(119,292)* | *(12,294)* |
| Amortization and depreciation | (301,358) | (267,131) | (34,227) |
| Impairment | (2,918) | (506) | (2,412) |
| **Total** | **(304,276)** | **(267,637)** | **(36,639)** |

Amortization, depreciation, and impairment amounted to €304,276 thousand in 2024, an increase of €36,639 thousand against the comparison period. The change is explained primarily by higher investments in intangible assets, property, plant and equipment, and rights of use assets described in Note 4 "Intangible assets with a useful life", Note 5 "Property, plant and equipment", and Note 6 "Right-of-use assets", respectively.

The increase in impairment is mainly referred to the writedown of goodwill relating to the equity investment in Pilot Blankenfelde Medizinisch-Elektronische Geräte GmbH, active in a sector not related directly to hearing aids.

# 33. FINANCIAL INCOME, EXPENSES, AND VALUE ADJUSTMENTS TO FINANCIAL ASSETS

The breakdown of the Group's financial income, expenses and value adjustments to financial assets is shown below.

(€ thousands)

| | FY 2024 | FY 2023 | Change |
|---|---|---|---|
| **Proportionate share of the results of associated companies valued at equity and gains/(losses) on disposals of equity investments** | **225** | **555** | **(330)** |
| Interest income on bank accounts | 3,878 | 2,077 | 1,801 |
| Interest expenses on short and long-term bank loans | (38,618) | (29,814) | (8,804) |
| **Interest income and expenses** | **(34,740)** | **(27,737)** | **(7,003)** |
| **Interest expenses on lease liabilities** | **(19,138)** | **(14,808)** | **(4,330)** |
| **Other financial income and charges** | **(3,184)** | **(5,966)** | **2,782** |
| Exchange rate gains and inflation accounting | 32,089 | 21,469 | 10,620 |
| Exchange rate losses and inflation accounting | (34,736) | (24,641) | (10,095) |
| Gains/(losses) on financial assets at fair value – non-hedge accounting derivatives | (550) | 1,663 | (2.213) |
| **Exchange rate differences and gains/(losses) on financial assets at fair value** | **(3,197)** | **(1,509)** | **(1,688)** |
| **Total** | **(60,034)** | **(49,465)** | **(10,569)** |

Interest payable on financial indebtedness, net the higher interest received on liquidity investments, amounted to €34,740 thousand on 31 December 2024, versus €27,737 thousand on 31 December 2023. The increase is attributable mainly to the refinancing at current market conditions of the portions of loans mainly subscribed in 2020 and reaching maturity, as well as the increase in market rates compared to the 2023 average.

The interest payable on leases recognized in accordance with lease accounting amounted to €19,138 thousand on 31 December 2024, higher than the €14,808 thousand recorded on 31 December 2023 due to the growth of the store network.

Other financial income and charges amounted to €3,184 thousand on 31 December 2024 compared to €5,966 thousand on 31 December 2023. The change is attributable mainly to higher charges for factoring and other working capital management transactions, more than offset by financial income derived from recognition of acquisitions with deferred payments using tax credits arising from concessions contained in and regulated by Articles 119 and 121 of Law Decree No. 34/2020 (Decreto Rilancio).

The change in "Gains/(losses) on financial assets at fair value" is attributable mainly to the impact of inflation accounting on the Argentinian subsidiary. In 2023 the Group benefitted from significant financial income linked to revaluation at fair value of an investment liquidated at the end of the year.

## INTEREST RATE RISK - SENSITIVITY ANALYSIS

The Amplifon Group's exposure to changes in interest rates is mitigated significantly by the fact that a large part of the medium/long-term debt is fixed rate as a result of interest rate hedges or because the debt is fixed rate.

More in detail:

- as a result of hedges, the average rate on the loans granted by Unicredit for €20 million, BNL for €7.1 million, CDP/MPS for €6.8 million, Credit Agricole for €11.4 million, and the refinancing of the GAES acquisition for €142.8 million, Mediobanca for €75 million, Unicredit/CDP for €100 million, Credit Agricole/SACE for €50 million, is 2.289%;
- the bond issued in February 2020 has a fixed rate of 1.125%;
- the €75 million EIB loan has a fixed rate of 3.635%;
- the €50 million EIB loan has a fixed rate of 3.902%;
- the €100 million Unicredit/CDP loan has a fixed rate of 3.281%.

The impact on the income statement of plausible changes in interest rates, applied to the consolidated figures on 31 December 2024, is shown below.

(€ thousands)

| 2024 | Note | Amount at 12/31/2024 | Increase/decrease in interest rates (in %) | Impact on profit before tax |
|---|---|---|---|---|
| **Current assets** | | | | |
| Current bank accounts and short-term bank deposits | 14 | 287,111 | 1% | 2,871 |
| **Non current liabilities** | | | | |
| Medium-long term bank loans with variable interest rate | | (60,000) | 1% | (600) |
| **Current liabilities** | | | | |
| Bank current accounts | 27 | (2,616) | 1% | (26) |
| Short-term bank borrowings | 27 | (121,552) | 1% | (1,216) |
| Current portion of medium-long term bank loans with variable interest rate | | (37,925) | 1% | (379) |
| **Total impact on profit before tax** | | | | **650** |

(€ thousands)

| 2024 | Note | Amount at 12/31/2024 | Increase/decrease in interest rates (in %) | Impact on profit before tax |
|---|---|---|---|---|
| **Current assets** | | | | |
| Current bank accounts and short-term bank deposits | 14 | 287,111 | -1% | (2,871) |
| **Non current liabilities** | | | | |
| Medium-long term bank loans with variable interest rate | | (60,000) | -1% | 600 |
| **Current liabilities** | | | | |
| Bank current accounts | 27 | (2,616) | -1% | 26 |
| Short-term bank borrowings | 27 | (121,552) | -1% | 1,216 |
| Current portion of medium-long term bank loans with variable interest rate | | (37,925) | -1% | 379 |
| **Total impact on profit before tax** | | | | **(650)** |

## CURRENCY RISK - SENSITIVITY ANALYSIS

The exchange risk stemming from financial transactions is hedged by derivatives; for operational transactions, the risk is covered, when possible, by using a natural hedge which aims to balance active and passive positions for each company by maintaining currency deposits which can be used to cover any differences which exceed €1 million.

Given the management of foreign exchange risk described in Note 42, "Financial risk management", the residual currency risk on receivables, payables and future revenue streams which has not been hedged is not significant.

# 34. INCOME TAXES

The breakdown of the Group's income taxes is shown below.

(€ thousands)

| | FY 2024 | FY 2023 | Change |
|---|---|---|---|
| Current income tax | (48,033) | (61,626) | 13,593 |
| Deferred income tax | (3,177) | 6,904 | (10,081) |
| **Total** | **(51,210)** | **(54,722)** | **3,512** |

(€ thousands)

| | FY 2024 | FY 2023 | Change |
|---|---|---|---|
| Profit (loss) before tax | 196,780 | 209,747 | (12,967) |
| Tax for the year | (51,210) | (54,722) | 3,512 |
| ***Tax rate*** | **-26.0%** | **-26.1%** | **0.1%** |

The following table reconciles tax recognized in the consolidated financial statements to theoretical tax charge calculated on the basis of Italy's current tax rates.

(€ thousands)

| | December 2024 Tax effect | % | December 2023 Tax effect | % |
|---|---|---|---|---|
| Reconciliation with the effective tax rate: | | | | |
| **Effective tax/effective tax rate** | 51,210 | **26.0%** | 54,722 | **26.1%** |
| Non-recognition of deferred taxes on the year's losses and earnings which were not taxed due to carried forward tax losses. | (3,147) | -1.6% | (1,763) | -0.8% |
| Effect of companies taxed in countries other than Italy | (520) | -0.3% | (1,508) | -0.7% |
| Deferred tax adjustments and other one-off adjustments | 1,857 | 0.9% | 5,062 | 2.4% |
| Non-deductible expense net of non-taxable income | 4,180 | 2.1% | (626) | -0.3% |
| **Effective tax rate net of IRAP and CVAE** | **53,580** | **27.2%** | **55,886** | **26.6%** |
| IRAP, CVAE and other taxes not tied to income tax | (6,353) | -3.2% | (5,547) | -2.6% |
| **Effective tax/theoretical tax rate** | **47,227** | **24.0%** | **50,339** | **24.0%** |

The Group tax rate is in 2024 equal to 26% compared to 26.1% from last year.

# 35. PERFORMANCE STOCK GRANT

In the Amplifon Group as of 2024 there were two plans of *Performance Stock Grant*: plan 2019-2025 and plan 2023-2028 described below.

As far as the 2014-2021 Plan is concerned all rights existing as at 31 December 2023 - relating to the allocation of 2 May 2018 - were exercised during 2024.
Below are the details:

## A) Stock grant 2nd May 2018

### STOCK GRANT 2ND MAY 2018 – GENERAL RULES

| | FY 2024 | | FY 2023 | |
|---|---|---|---|---|
| | No. of rights | Market Price (Euro) | No. of rights | Market Price (Euro) |
| **Rights at 1st January** | **81,915** | **31.34** | **505,055** | **27.82** |
| Rights granted in the period | - | - | - | - |
| Upside rights accrued upon reaching business goals | - | - | - | - |
| (Rights converted into shares during the period) | 81,915 | 31.54 (*) | 417,940 | 29.23 (*) |
| (Rights cancelled during the period) | - | - | 5,200 | - |
| **Rights at 31st December** | **-** | **-** | **81,915** | **31.34** |

(*) Weighted average market price at the exercises.

## GENERAL FEATURES OF THE *STOCK GRANT PLAN 2019-2025*

On May 7th 2019 the Board of Directors of the Parent Company – as resolved by the ordinary Shareholders' Meeting held on 17th April 2019 and heard the opinion of the Remuneration and Appointments Committee – has approved the 2019 stock grant assignment in relation to the Stock Grant Plan 2019 – 2025 with the following general characteristics:

- The Stock Grant Plan 2019-2025 provides for different guidelines according to the category the beneficiaries belong to:
  - *Long-Term Incentive* Plan (LTI) Beneficiaries: the employees and the self-employees of a Group Company – identified by virtue of the band to which the organizational position of the same employee and/or associate belongs to, in the context of the Company's banding system, subject to possible review on an annual basis;
  - *Amplifon Extraordinary Award* Plan (AEA) Beneficiaries: the employees and the self-employees of a Group Company, identified based on *retention, promotability and extraordinary recognition* criteria.

- With reference to all beneficiaries of the plan, unless otherwise provided elsewhere in these rules, the assigned rights granted will vest (the "vested rights") provided that as of the date falling on the last day of the aggregate reference period, the beneficiary is an employee or a self-employee of a Group Company and no notice period is under way.
- With regard to the Long-Term Incentive Plan (LTI) beneficiaries, the vesting of the assigned rights is also subject to the achievement of the business objectives indicated in the Letter of Assignment of the Rights;
- The shares corresponding to the vested rights shall be awarded to the beneficiary within 90 business days from the date of the notice of vesting of the assigned rights, subject to the implementation (also by the beneficiary) of all the fulfilments (including those of accounting and/or administrative nature) relating thereto.
- The assignments relating to the Stock Grant Plan 2019-2025 do not distinguish between the different allocations under French Law No. 2015-990 of 6 August 2015 (the so-called Macron Law).

Below are reported the details of the cycles of assignment of the Stock Grant plan 2019-2025 currently in place:

## A) Stock Grant 3rd May 2021

### STOCK GRANT 3RD MAY 2021 – GENERAL RULES

| | FY 2024 | | FY 2023 | |
|---|---|---|---|---|
| | No. of rights | Market Price (Euro) | No. of rights | Market Price (Euro) |
| **Rights at 1st January** | **322,033** | **31.34** | **332,433** | **27.82** |
| Rights granted in the period | - | - | - | - |
| Upside rights accrued upon reaching business goals | - | - | - | - |
| (Rights cancelled due to only partial achievement of business goals) | 7,714 | - | | |
| (Rights converted into shares during the period) | 313,563 | 32.29 (*) | - | - |
| (Rights cancelled during the period) | 756 | - | 10,400 | - |
| **Rights at 31st December** | **-** | **-** | **322,033** | **31.34** |

(*) Weighted average market price at the exercises.

## B) Stock Grant 28th October 2021

### STOCK GRANT 28TH OCTOBER 2021 – GENERAL RULES

| | FY 2024 | | FY 2023 | |
|---|---|---|---|---|
| | No. of rights | Market Price (Euro) | No. of rights | Market Price (Euro) |
| **Rights at 1st January** | **40,100** | **31.34** | **45,800** | **27.82** |
| Rights granted in the period | - | - | - | - |
| Upside rights accrued upon reaching business goals | - | - | - | - |
| (Rights cancelled due to only partial achievement of business goals) | 379 | - | | |
| (Rights converted into shares during the period) | 39,721 | 32.29 (*) | - | - |
| (Rights cancelled during the period) | - | - | 5,700 | - |
| **Rights at 31st December** | **-** | **-** | **40,100** | **31.34** |

(*) Weighted average market price at the exercises.

## D) Stock Grant 5th May 2022

### STOCK GRANT 5TH MAY 2022 – GENERAL RULES

| | FY 2024 | | FY 2023 | |
|---|---|---|---|---|
| | No. of rights | Market Price (Euro) | No. of rights | Market Price (Euro) |
| **Rights at 1st January** | **373,550** | **31.34** | **406,050** | **27.82** |
| Rights granted in the period | - | - | - | - |
| Upside rights accrued upon reaching business goals | - | - | - | - |
| (Rights converted into shares during the period) | - | - | - | - |
| (Rights cancelled during the period) | 9,500 | - | 32,500 | - |
| **Rights at 31st December** | **364,050** | **24.85** | **373,550** | **31.34** |

## C) Stock Grant 17th December 2021

### STOCK GRANT 17TH DECEMBER 2021 – GENERAL RULES

| | FY 2024 | | FY 2023 | |
|---|---|---|---|---|
| | No. of rights | Market Price (Euro) | No. of rights | Market Price (Euro) |
| **Rights at 1st January** | **1,000** | **31.34** | **1,000** | **27.82** |
| Rights granted in the period | - | - | - | - |
| Upside rights accrued upon reaching business goals | - | - | - | - |
| (Rights converted into shares during the period) | 1,000 | 32.29 (*) | - | |
| (Rights cancelled during the period) | - | - | - | |
| **Rights at 31st December** | **-** | **-** | **1,000** | **31.34** |

(*) Weighted average market price at the exercises.

## E) Stock Grant 27th October 2022

### STOCK GRANT 27TH OCTOBER 2022 – GENERAL RULES

| | FY 2024 | | FY 2023 | |
|---|---|---|---|---|
| | No. of rights | Market Price (Euro) | No. of rights | Market Price (Euro) |
| **Rights at 1st January** | **80,700** | **31.34** | **89,700** | **27.82** |
| Rights granted in the period | - | - | - | - |
| Upside rights accrued upon reaching business goals | - | - | - | - |
| (Rights converted into shares during the period) | - | - | - | - |
| (Rights cancelled during the period) | 14,500 | - | 9,000 | - |
| **Rights at 31st December** | **66,200** | **24.85** | **80,700** | **31.34** |

## F) Stock Grant 28th November 2022

### STOCK GRANT 28TH NOVEMBER 2022 – GENERAL RULES

| | FY 2024 | | FY 2023 | |
|---|---|---|---|---|
| | No. of rights | Market Price (Euro) | No. of rights | Market Price (Euro) |
| **Rights at 1st January** | **8,400** | **31.34** | **8,400** | **27.82** |
| Rights granted in the period | - | - | - | - |
| Upside rights accrued upon reaching business goals | - | - | - | - |
| (Rights converted into shares during the period) | - | - | - | - |
| (Rights cancelled during the period) | 1,000 | - | - | - |
| **Rights at 31st December** | **7,400** | **24.85** | **8,400** | **31.34** |

## GENERAL CHARACTERISTICS OF THE *STOCK GRANT PLAN 2023-2028*

On May 2nd 2023 the Board of Directors of the Parent Company – as resolved by the ordinary Shareholders' Meeting held on 21th April 2023 and heard the opinion of the Remuneration and Appointments Committee – has approved the 2023 stock grant assignment in relation to the Stock Grant Plan 2023 – 2028 with the following general characteristics:

- The *Stock Grant Plan* 2023-2028 provides for different guidelines according to the category the beneficiaries belong to:
  - Long-Term Incentive Plan *(LTI)* beneficiaries: employees identified by virtue of the band to which the organizational position belongs, within the company's banding system, subject to possible revision on an annual basis.
  - Amplifon Extraordinary Award *(AEA)* Plan Beneficiaries: refers to employees identified on the basis of *retention*, *promotability* and *extraordinary recognition*.
- With reference to all beneficiaries of the plan, unless otherwise provided elsewhere in these rules, the assigned rights granted will vest (the "vested rights") provided that as of the date falling on the last day of the aggregate reference period, the beneficiary is an employee or a self-employee of a Group Company.

With regard to the Long-Term Incentive Plan (LTI) beneficiaries, the vesting of the assigned rights is also subject to the achievement of the business objectives indicated in the Letter of Assignment of the Rights:

- The shares corresponding to the vested rights shall be awarded to the beneficiary within 90 business days from the date of the notice of vesting of the assigned rights, subject to the implementation (also by the beneficiary) of all the fulfilments (including those of accounting and/or administrative nature) relating thereto.
- The assignments relating to the Stock Grant Plan 2023-2028 do not distinguish between the different allocations under French Law No. 2015-990 of 6 August 2015 (the so-called Macron Law).

Below are reported the details of the cycles of assignment of the *Stock Grant Plan* 2023-2028 that took place in the year 2024:

## A) Stock Grant 3rd May 2023

### STOCK GRANT 3RD MAY 2023 – GENERAL RULES

| | FY 2024 | | FY 2023 | |
|---|---|---|---|---|
| | No. of rights | Market Price (Euro) | No. of rights | Market Price (Euro) |
| **Rights at 1st January** | **490,300** | **31.34** | **-** | **-** |
| Rights granted in the period | - | - | 517,700 | 33.12 |
| Upside rights accrued upon reaching business goals | - | - | - | - |
| (Rights converted into shares during the period) | - | - | - | - |
| (Rights cancelled during the period) | 17,297 | - | 27,400 | - |
| **Rights at 31st December** | **473,003** | **24.85** | **490,300** | **31.34** |

## B) Stock Grant 31st October 2023

### STOCK GRANT 31ST OCTOBER 2023 – GENERAL RULES

| | FY 2024 | | FY 2023 | |
|---|---|---|---|---|
| | No. of rights | Market Price (Euro) | No. of rights | Market Price (Euro) |
| **Rights at 1st January** | **73,900** | **31.34** | **-** | **-** |
| Rights granted in the period | - | - | 73,900 | 25.38 |
| Upside rights accrued upon reaching business goals | - | - | - | - |
| (Rights converted into shares during the period) | - | - | - | - |
| (Rights cancelled during the period) | 8,333 | - | -- | - |
| **Rights at 31st December** | **65,567** | **24.85** | **73,900** | **31.34** |

## C) Stock Grant 13th November 2023

### STOCK GRANT 13TH NOVEMBER 2023 – GENERAL RULES

| | FY 2024 | | FY 2023 | |
|---|---|---|---|---|
| | No. of rights | Market Price (Euro) | No. of rights | Market Price (Euro) |
| **Rights at 1st January** | **23,900** | **31.34** | **-** | **-** |
| Rights granted in the period | - | - | 23,900 | 26.96 |
| Upside rights accrued upon reaching business goals | - | - | - | - |
| (Rights converted into shares during the period) | - | - | - | - |
| (Rights cancelled during the period) | - | - | - | - |
| **Rights at 31st December** | **23,900** | **24.85** | **23,900** | **31.34** |

## D) Stock Grant 7th May 2024

The assumptions adopted in the determination of fair *value* are as follows:

### ASSIGNMENT ACCORDING TO GENERAL RULES

| Model used | Binomial Tree (Cox-Ross-Rubinstein method) |
|---|---|
| Price at grant date | 33.85 € |
| KPI | - € |
| Exercise price | 0.00 |
| Volatiliy | 33.51% |
| Risk.free interest rate | 3.038% |
| Maturity (in years) | 3 |
| Vesting date | The date of approval by the Board of the draft Consolidated Financial Statements as at 31.12.2026 |
| Expected dividend yield | 0.87% |
| *Fair value* | 31.46 € |

### STOCK GRANT 7TH MAY 2024 – GENERAL RULES

| | FY 2024 | | FY 2023 | |
|---|---|---|---|---|
| | No. of rights | Market Price (Euro) | No. of rights | Market Price (Euro) |
| **Rights at 1st January** | **-** | **-** | **-** | **-** |
| Rights granted in the period | 551,800 | 33.00 | - | - |
| Upside rights accrued upon reaching business goals | - | - | - | - |
| (Rights converted into shares during the period) | - | - | - | - |
| (Rights cancelled during the period) | 17,000 | - | - | - |
| **Rights at 31st December** | **534,800** | **-** | **-** | **-** |

## E) Stock Grant 31st October 2024

The assumptions adopted in the determination of fair *value* are as follows

### ASSIGNMENT ACCORDING TO GENERAL RULES

| Model used | Binomial Tree (Cox-Ross-Rubinstein method) |
|---|---|
| Price at grant date | 25.70 € |
| KPI | - € |
| Exercise price | 0.00 |
| Volatiliy | 32.54% |
| Risk.free interest rate | 2.365% |
| Maturity (in years) | 3 |
| Vesting date | The date of approval by the Board of the draft Consolidated Financial Statements as at 31.12.2026 |
| Expected dividend yield | 0.87% |
| *Fair value* | 26.23 € |

### STOCK GRANT 31ST OCTOBER 2024 – GENERAL RULES

| | FY 2024 | | FY 2023 | |
|---|---|---|---|---|
| | No. of rights | Market Price (Euro) | No. of rights | Market Price (Euro) |
| **Rights at 1st January** | **-** | **-** | **-** | **-** |
| Rights granted in the period | 128,350 | 25.95 | - | - |
| Upside rights accrued upon reaching business goals | - | - | - | - |
| (Rights converted into shares during the period) | - | - | - | - |
| (Rights cancelled during the period) | - | - | - | - |
| **Rights at 31st December** | **128,350** | **24.85** | **-** | **-** |

## GENERAL FEATURES OF THE SUSTAINABLE VALUE SHARING PLAN 2022-2027

The Board of Directors of Amplifon S.p.A. of May 3, 2022, on the basis of the resolution of the Ordinary Shareholders' Meeting of April 22, 2022 and after consulting the Remuneration and Appointments Committee, approved the *Sustainable Value Sharing Plan* 2022-2027.

The Co-investment Scheme, originally intended exclusively for the Chief Executive Officer/General Manager of the Company, was subsequently amended by the Shareholders' Meeting of April 21, 2023 and approved by the Board of Directors of Amplifon S.p.A. on May 2, 2023, so that it could also be allocated to Executives with Strategic Responsibilities and to some key Group resources (beneficiaries).

The Scheme is a composite incentive instrument that achieves its effects through two distinct phases, of which the second is only possible and depends on the development of the first (respectively, "Phase A" and "Phase B").
Phase A: the *Target MBO* achieved and hypothetically due to the beneficiaries under the MBO Plan applicable in the previous year is not disbursed and instead of the Target MBO the beneficiaries obtain a certain number of rights (the "Co-invested Rights") that will allow them to receive shares at the end of the vesting period of Phase B referred to below, or at an earlier time in the event that Phase B does not reach maturity.
Phase B: if in a given year the beneficiaries receive Co-invested Rights by virtue of the mechanism described above, the beneficiaries will participate in an additional and separate incentive instrument based on financial instruments, under which the Company assigns additional rights, equal in number to the Co-invested Rights, which will allow the beneficiaries to receive shares provided that certain objectives are achieved by the end of a vesting period of performance linked to the generation of value and sustainable success of the Group (the "Matched Rights").

The details of the allocations of the *Sustainable Value Sharing Plan* 2022-2027, currently in place, including the new allocations that took place in the year 2024, are listed below:

## A) Assignment of 31st May 2022

### ASSIGNMENT OF 31ST MAY 2022

| | FY 2024 | | FY 2023 | |
|---|---|---|---|---|
| | No. of rights | Market Price (Euro) | No. of rights | Market Price (Euro) |
| **Rights at 1st January** | **48,000** | **31.34** | **48,000** | **27.82** |
| Rights granted in the period | - | - | - | - |
| Upside rights accrued upon reaching business goals | - | - | - | - |
| (Rights converted into shares during the period) | - | - | - | - |
| (Rights cancelled during the period) | - | - | - | - |
| **Rights at 31st December** | **48,000** | **24.85** | **48,000** | **31.34** |

## B) Assignment of 29th May 2023

### ASSIGNMENT OF 29TH MAY 2023

| | FY 2024 | | FY 2023 | |
|---|---|---|---|---|
| | No. of rights | Market Price (Euro) | No. of rights | Market Price (Euro) |
| **Rights at 1st January** | **111,520** | **31.34** | **-** | **-** |
| Rights granted in the period | - | - | 122,620 | 33.35 |
| Upside rights accrued upon reaching business goals | - | - | - | - |
| (Rights converted into shares during the period) | - | - | 11,100 | 35.24 |
| (Rights cancelled during the period) | - | - | - | - |
| **Rights at 31st December** | **111,520** | **24.85** | **111,520** | **31.34** |

## C) Assignment of 7th May 2024

The assumptions adopted in the determination of fair *value* are as follows:

| | PLAN A | PLAN B |
|---|---|---|
| **Model used** | **Binomial Tree (Cox-Ross-Rubinstein method)** | **Binomial Tree (Cox-Ross-Rubinstein method)** |
| FV | 31.46 € | 24.83 € |
| KPI | - | ESG/TSR |
| Exercise price | 0,00 | - |
| Volatiliy | 33.51% | 33.51% |
| Risk.free interest rate | 3.038% | 3.038% |
| Maturity (in years) | 3 | 3 |
| Vesting date | The date of approval by the Board of the draft Consolidated Financial Statements as at 31.12.2026 | The date of approval by the Board of the draft Consolidated Financial Statements as at 31.12.2026 |
| Expected dividend yield | 0.87% | 0.87% |

## D) Assignment of 31st October 2024

The assumptions adopted in the determination of fair *value* are as follows:

| | PLAN A | PLAN B |
|---|---|---|
| **Model used** | **Binomial Tree (Cox-Ross-Rubinstein method)** | **Binomial Tree (Cox-Ross-Rubinstein method)** |
| FV | 26.23 € | 18.73 € |
| KPI | - | ESG/TSR |
| Exercise price | 0.00 | - |
| Volatiliy | 32.54% | 32.54% |
| Risk.free interest rate | 2.365% | 2.365% |
| Maturity (in years) | 3 | 3 |
| Vesting date | The date of approval by the Board of the draft Consolidated Financial Statements as at 31.12.2026 | The date of approval by the Board of the draft Consolidated Financial Statements as at 31.12.2026 |
| Expected dividend yield | 0.87% | 0.87% |

### ASSIGNMENT OF 7TH MAY 2024

| | FY 2024 | | FY 2023 | |
|---|---|---|---|---|
| | **No. of rights** | **Market Price (Euro)** | **No. of rights** | **Market Price (Euro)** |
| **Rights at 1st January** | **-** | **-** | **-** | **-** |
| Rights granted in the period | 109,200 | 33.00 | - | - |
| Upside rights accrued upon reaching business goals | - | - | - | - |
| (Rights converted into shares during the period) | 8,100 | 33.82 | - | - |
| (Rights cancelled during the period) | - | - | - | - |
| **Rights at 31st December** | **101,100** | **24.85** | **-** | **-** |

### ASSIGNMENT OF 31ST OCTOBER 2024

| | FY 2024 | | FY 2023 | |
|---|---|---|---|---|
| | **No. of rights** | **Market Price (Euro)** | **No. of rights** | **Market Price (Euro)** |
| **Rights at 1st January** | **-** | **-** | **-** | **-** |
| Rights granted in the period | 4,800 | 25.95 | - | - |
| Upside rights accrued upon reaching business goals | - | - | - | - |
| (Rights converted into shares during the period) | - | - | - | - |
| (Rights cancelled during the period) | - | - | - | - |
| **Rights at 31st December** | **4,800** | **24.85** | **-** | **-** |

# RESIDUAL LIFE OF *STOCK GRANT, SUSTAINABLE VALUE SHARING PLAN AND OTHERS "SHARES BASED PAYMENTS"* GRANTED

## RIGHTS ASSIGNED TILL 31 DECEMBER 2024

| | | Vesting | | | | Exercise | |
|---|---|---|---|---|---|---|---|
| Plan | Assignment date | Within 1 year | 1-5 years | 5-10 years | Total | N. of rights | Average residual useful life |
| *Stock Grant Plan* 2019 - 2025 | 05/05/2022 | 364,050 | | | 364,050 | | |
| | 27/10/2022 | 66,200 | | | 66,200 | | |
| | 28/11/2022 | 7,400 | | | 7,400 | | |
| *Stock Grant Plan* 2023 - 2028 | 03/05/2023 | | 473,003 | | 473,003 | | |
| | 28/10/2023 | | 65,567 | | 65,567 | | |
| | 13/11/2023 | | 23,900 | | 23,900 | | |
| | 07/05/2024 | | 534,800 | | 534,800 | | |
| | 31/10/2024 | | 128,350 | | 128,350 | | |
| *Sustainable Value Sharing Plan 2022-2027* | 31/05/2022 | | 48,000 | | 48,000 | | |
| | 29/05/2023 | | 111,520 | | 111,520 | | |
| | 07/05/2024 | | 101,100 | | 101,100 | | |
| | 31/10/2024 | | 4,800 | | 4,800 | | |
| | **Total** | **437,650** | **1,491,040** | **-** | **1,928,690** | | |

The imputed cost for the period for the Stock Grants and the Sustainable Value Sharing Plans amounted to Euro 16,137 thousand and includes Euro 1,282 thousand related to the one-off assignment of shares by the shareholder Ampliter S.r.l in favour of Amplifon's Chief Executive Officer, classified as a non-recurring charge, and not related to the performance stock grant and Sustainable Value Sharing Plan described in this note.

# 36. SUBSIDIARIES WITH RELEVANT MINORITY INTERESTS, JOINT VENTURES AND ASSOCIATE COMPANIES

The following table shows the main income statement and statement of financial position figures of the subsidiaries with relevant minority interests (as a reference please refer to the Scope of Consolidation annex). The figures are shown before intragroup eliminations.

(€ thousands)

| | 12/31/2024 | 12/31/2023 |
|---|---|---|
| Non-current assets | **159** | 15,016 |
| Current assets | **1,627** | 4,217 |
| Non-current liabilities | **71** | 1,471 |
| Current liabilities | **805** | 6,838 |
| Revenues | **2,796** | 14,040 |
| Net profit (loss) for the year | **408** | (344) |
| Dividends paid to minorities | **125** | 137 |
| Net financial positions | **749** | 476 |
| Cash flows | **(514)** | (1,199) |

The income statement and statement of financial position highlights of the Dutch joint venture Comfoor BV, accounted for using the equity method, are provided below. The company is active in the hearing protection sector.

(€ thousands)

| | 12/31/2024 | 12/31/2023 |
|---|---|---|
| Non-current assets | **863** | 298 |
| Current assets | **5,911** | 6,027 |
| Non-current liabilities | **358** | 263 |
| Current liabilities | **1,706** | 1,740 |
| Revenues | **11,208** | 11,688 |
| Amortization, depreciation and impairment | **(318)** | (384) |
| Interest income and expenses | **-** | (5) |
| Net profit (loss) | **442** | 1,099 |
| Net financial position | **2,377** | 2,221 |
| Cash flows | **156** | 721 |

A reconciliation of the economic-financial figures with the carrying amount of the equity investment in the joint venture recognized in the consolidated financial statements is provided below:

(€ thousands)

| | Value at 12/31/2024 | Value at 12/31/2023 |
|---|---|---|
| Net equity of joint ventures | **5,015** | 4,859 |
| % held | **50%** | 50% |
| Book value | **2,508** | 2,430 |

# 37. NON-RECURRING SIGNIFICANT EVENTS

The following table shows the impact of the non-recurring transactions referred to in the financial statements above, which relate to five main streams including:

- the costs relating to the second phase of the GAES integration;
- the costs incurred to define and implement amendments to the Articles of Association including relative to the enhanced voting rights
- the notional cost of the Amplifon shares assigned *una tantum* by the shareholder Ampliter to the Chief Executive Officer;
- the costs relating to the Bay Audio integration;
- the writedown of goodwill relating to the equity investment in Pilot Blankenfelde Medizinisch-Elektronische Geräte GmbH, active in a sector not related directly to hearing aids, recognized in accordance with IAS 36.

(€ thousands)

| | | FY 2024 | FY 2023 |
|---|---|---|---|
| Operating costs | the costs relating to the second phase of the GAES integration | (3,447) | (1,931) |
| | the costs incurred to define and implement amendments to the Articles of Association including relative to the enhanced voting rights | (1,678) | - |
| | the notional cost of the Amplifon shares assigned in 2023 by the shareholder Ampliter to the Chief Executive Officer | (1,282) | (12,433) |
| | the costs relating to the Bay Audio integration | (180) | (374) |
| **EBITDA** | | **(6,587)** | **(14,738)** |
| Cost relative to the writedown of goodwill relating to the equity investment in Pilot Blankenfelde Medizinisch-Elektronische Geräte GmbH, active in a sector not related directly to hearing aids. | | (1,558) | - |
| **EBIT** | | **(8,145)** | **(14,738)** |
| **Profit (loss) before tax** | | **(8,145)** | **(14,738)** |
| Impact of the above items on the tax burden | | 1,772 | 4,087 |
| **Group net profit (loss)** | | **(6,373)** | **(10,651)** |

# 38. EARNINGS (LOSSES) PER SHARE

## BASIC EPS

Basic earnings per share is obtained by dividing the net profit for the year attributable to the ordinary shareholders of the parent company by the weighted average number of shares outstanding in the year, considering purchases and disposals of treasury shares as cancellations and issues of shares respectively.

Earnings per share is determined as follows:

(€ thousands)

| Earnings per share | FY 2024 | FY 2023 |
|---|---|---|
| Net profit (loss) attributable to ordinary shareholders (€ thousand) | 145,374 | 155,139 |
| Average number of shares outstanding in the year | 225,791,949 | 223,912,788 |
| Average earnings per share (€ per share) | 0,64384 | 0.69285 |

## DILUTED EPS

Diluted earnings per share is obtained by dividing the net income for the year attributable to ordinary shareholders of the parent company by the weighted-average number of shares outstanding during the year adjusted by the diluting effects of potential shares. In the calculation of shares outstanding, purchases and sales of treasury shares are considered as cancellations and issues of shares, respectively.

The 'potential ordinary share' categories refer to the possible conversion of Group employees' stock options. The calculation of the average number of outstanding potential shares is based on the average fair value of shares for the period; stock options and stock grants are excluded from this calculation as they have anti-dilutive effects.

(€ thousands)

| Weighted average diluted number of shares outstanding | FY 2024 | FY 2023 |
|---|---|---|
| Average number of shares outstanding in the year | 225,791,949 | 223,912,788 |
| Weighted average of potential and diluting ordinary shares | 596,671 | 1,549,870 |
| Weighted average of shares potentially subject to options in the period | 226,388,620 | 225,462,658 |

The diluted earnings per share is determined as follows:

(€ thousands)

| Diluted earnings per share | FY 2024 | FY 2023 |
|---|---|---|
| Net profit attributable to ordinary shareholders (€ thousands) | 145,374 | 155,139 |
| Average diluted number of outstanding shares | 226,388,620 | 225,462,658 |
| Average diluted earnings per share (€) | 0,64214 | 0.68809 |

# 39. TRANSACTIONS WITH PARENT COMPANIES AND RELATED PARTIES

The parent company, Amplifon S.p.A. is based in Via Ripamonti 133, Milan, Italy. The Group is controlled directly by Ampliter S.r.l. (42.01% of share capital on 31 December 2024), which is held by Amplifin S.r.l., controlled 88% by Susan Carol Holland. Thanks to the enhanced voting rights, on 31 December 2024 Ampliter S.r.l. has 59.08% of the voting rights.

In accordance with CONSOB Regulation n. 17221 of 12 March 2010, on 3 November 2010, Amplifon S.p.A.'s Board of Directors, after receiving a favorable opinion from the Committee of Independent Directors, adopted the regulation relative to the procedures for and obligations inherent in related party transactions ("Regulation for Related Party Transactions") which has been updated on several occasions. The current Regulation for Related Party Transactions was approved by the Board of Directors on 29 April 2021 and took effect on 1 July 2021.

Other transactions with related parties, including intercompany transactions, do not qualify as atypical or unusual, and fall within the Group's normal course of business and are conducted at arm's length as dictated by the nature of the goods and services provided.

The following table details transactions with related parties.

## PARENT COMPANY AND OTHER RELATED PARTIES

| (€ thousands) | 12/31/2024 | | FY 2024 | | |
|---|---|---|---|---|---|
| | **Trade receivables** | **Trade payables** | **Revenues from sales and services** | **Operating costs** | **Interest income and expenses** |
| Amplifin S.r.l. | 14 | - | - | 4 | - |
| **Total – Parent Company** | **14** | **-** | **-** | **4** | **-** |
| Comfoor BV (Netherland) | 40 | (3,003) | 40 | (3,187) | - |
| Ruti Levinson Institute Ltd (Israel) | 40 | - | 91 | - | - |
| Afik - Test Diagnosis & Hearing Aids Ltd (Israel) | 43 | - | 394 | - | 1 |
| **Total – Associated companies** | **123** | **(3,003)** | **525** | **(3,187)** | **1** |
| **Total related parties** | **137** | **(3,003)** | **525** | **(3,183)** | **1** |
| **Total as per financial statement** | **226,754** | **(377,100)** | **2,409,241** | **(1,854,593)** | **(34,740)** |
| **% of financial statement total** | **0.06%** | **0.80%** | **0.02%** | **0.17%** | **0.00%** |

The trade payables and operating costs refer mainly to commercial transactions with Comfoor BV, a joint venture from which hearing protection devices are purchased and then distributed in Group stores.

The lease for the Milan headquarters (leased to Amplifon by the parent company Amplifin) is recognized under right-of-use depreciation for €1,823 thousand, interest payable on leases for €456 thousand, lease liabilities for €10,269 thousand, and right-of-use assets for €9,115 thousand.

The total remuneration of Group Directors, members of the Board of Statutory Auditors and Key Managers amounted to €23,182 thousand in the reporting period and is broken down as follows (in thousands of euros):

## REMUNERATION PAID TO MEMBERS OF THE BOARD OF DIRECTORS, MEMBERS OF THE BOARD OF STATUTORY AUDITORS, THE GENERAL MANAGER AND OTHER KEY MANAGERS OF THE GROUP

(€ thousands)

| | | | | | | Variable non-equity Remuneration | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Name and Surname | Office | Period of which the Office was held | Expiry of Office | Fixed Remuneration | Remuneration for participation in Committees | Bonuses and other incentives | Profit Sharing | Non-monetary benefits | Other Remuneration | Total | Fair Value Equity Remuneration | Severance indemnities and non-competition agreements | TOTAL |
| **Susan Carol Holland** | Chairman | 01/01/2024-12/31/2024 | approval of 2024 financial statements | 300 | - | - | - | 7 | - | 307 | - | - | 307 |
| **Enrico Vita** | Chief Executive Officer | 01/01/2024-12/31/2024 | approval of 2024 financial statements | 400 | - | - | - | - | - | 400 | - | - | 400 |
| | General Manager | | Permanent | 1,109 | - | 1,260* | - | 40 | - | 2,410 | 2,935 | - | 5,345 |
| **Maurizio Costa** | Independent Director | 01/01/2024-12/31/2024 | approval of 2024 financial statements | 65 | 35(1) | - | - | - | - | 100 | - | - | 100 |
| **Laura Donnini** | Independent Director | 01/01/2024-12/31/2024 | approval of 2024 financial statements | 65 | 40(2) | - | - | - | - | 105 | - | - | 105 |
| **Maria Patrizia Grieco** | Independent Director | 01/01/2024-12/31/2024 | approval of 2024 financial statements | 65 | 20(3) | - | - | - | - | 85 | - | - | 85 |
| **Veronica Diquattro** | Independent Director | 01/01/2024-12/31/2024 | approval of 2024 financial statements | 65 | 20(3) | - | - | - | - | 85 | - | - | 85 |
| **Lorenza Morandini** | Independent Director | 01/01/2024-12/31/2024 | approval of 2024 financial statements | 65 | 25(4) | - | - | - | - | 90 | - | - | 90 |
| **Lorenzo Pozza** | Independent Director | 01/01/2024-12/31/2024 | approval of 2024 financial statements | 65 | 45(5) | - | - | - | - | 110 | - | - | 110 |
| **Giovanni Tamburi** | Director | 01/01/2024-12/31/2024 | approval of 2024 financial statements | 65 | - | - | - | - | - | 65 | - | - | 65 |
| **Gabriella Chersicla** | Chair of the Board of Statutory Auditors | 24/04/2024-12/31/2024 | approval of 2026 financial statements | 57 | - | - | - | - | - | 57 | - | - | 57 |
| **Arienti Patrizia** | Standing Auditor | 01/01/2024-12/31/2024 | approval of 2026 financial statements | 53 | - | - | - | - | - | 53 | - | - | 53 |
| **Alfredo Malguzzi** | Standing Auditor | 24/04/2024-12/31/2024 | approval of 2026 financial statements | 38 | - | - | - | - | - | 38 | - | - | 38 |
| **Totale** | | | | **2,412** | **185** | **1,260** | **0** | **47** | **0** | **3,905** | **2,935** | **0** | **6,840** |
| **Other Key Managers with Strategic Responsibilities of the Group (12)**<br><br>**(Key Managers)**<br>**F. Bardelli**<br>**A. Bonacina**<br>**R. Cattaneo**<br>**A. Ciccolini**<br>**F. Dal Poz**<br>**E. Di Vincenzo**<br>**C. Finotti**<br>**G. Galli**<br>**R. Hassan**<br>**P. Lazzarini**<br>**F. Morichini**<br>**I. Pazzi** | | Permanent | | 5,175 | - | 5,010 ** | - | 871 | , | 11,056 | 5,248 | - | 16,304 |
| **Grand Total** | | | | **7,587** | **185** | **6,270** | **0** | **919** | **0** | **14,961** | **8,183** | **0** | **23,143** |
| FORMER ADMINISTRATORS/STANDING AUDITORS WHO LEFT OFFICE IN 2024 | | | | | | | | | | | | | |
| **Raffaella Pagani** | Chair of the Board of Statutory Auditors | 01/01/2024-04/24/2024 | approval of 2023 financial statements | 23 | - | - | - | - | - | 23 | - | - | |
| **Dario Righetti** | Standing Auditor | 01/01/2024-04/24/2024 | approval of 2023 financial statements | 16 | - | - | - | - | - | 16 | - | - | |

(1) Remuneration as Chair of the Remuneration and Appointments Committee and for participation in the Independent Committee (Related Parties).
(2) Remuneration as Chair of the Independent Committee (Related Parties) and for participation in the Risk, Control and Sustainability Committee, and the Supervisory Body.
(3) Remuneration for participation in the Remuneration and Appointments Committee.
(4) Remuneration for participation in the Independent Committee (Related Parties) and for participation in the Risk, Control and Sustainability Committee.
(5) Remuneration as Chair of the Risk, Control and Sustainability Committee and as Chair of the Supervisory Board.
(*) Amounts subject to variations based on data approved by the Board of Directors on 06/03/2025. This amount includes (i) the pay-out relating to the recognition of the individual results, (ii) excluding the potential co-investment of the beneficiary in the Sustainable Value Sharing Plan 2022-2027, as the beneficiary's right to co-invest in shares will occur following the publication of this document.
(**) Amounts subject to variations based on data approved by the Board of Directors on 06/03/2025. This amount includes (i) the pay-out relating to the recognition of the individual results, (ii) excluding the potential co-investment of the beneficiaries in the Sustainable Value Sharing Plan 2022-2027, as the beneficiaries' right to co-invest in shares will occur following the publication of this document. This amount includes, in addition to the amount paid as short-term variable remuneration (MBO), other bonuses whose value is equal to 2,032,587 €.

The stock grants awarded to the members of the Board of Directors, General Managers and Key Managers (including those employed by subsidiaries) are detailed below.

## INCENTIVE PLANS FOR THE MEMBERS OF THE BOARD OF DIRECTORS, THE GENERAL MANAGER AND MANAGERS WITH STRATEGIC RESPONSIBILITIES

| | | | FINANCIAL INSTRUMENTS GRANTED IN PREVIOUS FINANCIAL YEARS, NOT VESTED DURING THE FINANCIAL YEAR | | FINANCIAL INSTRUMENTS GRANTED DURING THE FINANCIAL YEAR | | | | | FINANCIAL INSTRUMENTS VESTED DURING THE FINANCIAL YEAR AND NOT AWARDED | FINANCIAL INSTRUMENTS VESTED DURING THE FINANCIAL YEAR AND ASSIGNABLE | | FINANCIAL INSTRUMENTS ACCRUED FOR THE FINANCIAL YEAR |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Name and Surname | Office | Plan | Number and type of financial instruments | *Vesting period* | Number and type of financial instruments | Fair Value at grant date (euro) | Vesting Period | Grant Date | Market Price at grant date (euro) | Number and type of financial instruments | Number and type of financial instruments | Value at the date of Vesting | *Fair value (thousands of euro)* |
| Enrico Vita | Chief Executive Officer and General Manger | Stock Grant Plan 2019-2025 (3rd May 2021) | 70,000 | Mar - 2024 (1) | - | - | - | - | - | - | 68,054 | 32.8 | 121 |
| | | Stock Grant Plan 2019-2025 (5th May 2022) | 65,000 | Mar - 2025 (1) | - | - | - | - | - | - | - | - | 696 |
| | | Stock Grant Plan 2023-2028 (3rd May 2023) | 78,000 | Mar - 2026 (1) | - | - | - | - | - | - | - | - | 739 |
| | | Stock Grant Plan 2023-2028 (7th May 2024) | - | - | 73,000 | 31.46 | Mar - 2027 (1) | 05/07/24 | 33.85 | - | - | - | 446 |
| | | Sustainable Value Sharing Plan 2022-2027 (31st May 2022) - Coinvested Shares (2) | 24,000 | Mar - 2025 | - | - | - | - | - | - | - | - | 260 |
| | | Sustainable Value Sharing Plan 2022-2027 (31st May 2022) - Matched Shares (3) | 24,000 | Mar - 2025 | - | - | - | - | - | - | - | - | 177 |
| | | Sustainable Value Sharing Plan 2022-2027 (29th May 2023) - Coinvested Shares (3) | 24,500 | Mar - 2026 | | | | | | - | - | - | 270 |
| | | Sustainable Value Sharing Plan 2022-2027 (29th May 2023) - Matched Shares (3) | 24,500 | Mar - 2026 | | | | | | - | - | - | 225 |
| **Total** | | | **310,000** | **-** | **73,000** | **-** | **-** | **-** | **-** | **-** | **68,054** | **-** | **2,935** |
| Other Key Managers with Strategic Responsibilities of the Group (12)<br><br>(Key Managers)<br>F. Bardelli<br>A. Bonacina<br>R. Cattaneo<br>A. Ciccolini<br>F. Dal Poz<br>E. Di Vincenzo<br>C. Finotti<br>G. Galli<br>R. Hassan<br>P. Lazzarini<br>F. Morichini<br>I. Pazzi | | Stock Grant Plan 2019-2025 (3 Maggio 2021) | 93,000 | Mar - 2024 (1) | - | - | - | - | - | - | 90,415 | 33.22 | 161 |
| | | Stock Grant Plan 2019-2025 (5 Maggio 2022) | 121,000 | Mar - 2025 (1) | - | - | - | - | - | - | - | - | 1,296 |
| | | Stock Grant Plan 2023-2028 (3 Maggio 2023) | 125,600 | Mar - 2026 (1) | - | - | - | - | - | - | - | - | 1,190 |
| | | Stock Grant Plan 2023-2028 (31 Ottobre 2023) | 18,500 | Mar - 2026 (1) | | | | | | | | | 169 |
| | | Stock Grant Plan 2023-2028 (13 Novembre 2023) | 23,900 | Mar - 2026 (1) | | | | | | | | | 225 |
| | | Stock Grant Plan 2023-2028 (7 Maggio 2024) | - | - | 152,200 | 31.46 | Mar - 2027 (1) | 05/07/24 | 33.85 | - | - | - | 930 |
| | | Sustainable Value Sharing Plan 2022-2027 (29 Maggio 2023) - Coinvested Shares (3) | 31,600 | Mar - 2026 | | | | | | - | - | - | 358 |
| | | Sustainable Value Sharing Plan 2022-2027 (29 Maggio 2023) - Matched Shares (3)) | 31,600 | Mar - 2026 | | | | | | - | - | - | 290 |
| | | Sustainable Value Sharing Plan 2022-2027 (7 Maggio 2024) - Coinvested Shares (4) | - | - | 48,800 | 31.46 | Mar - 2027 | 05/07/24 | 33.85 | - | - | - | 351 |
| | | Sustainable Value Sharing Plan 2022-2027 (7 Maggio 2024) - Matched Shares (4) | - | - | 48,800 | 24.83 | Mar - 2027 | 05/07/24 | 33.85 | - | - | - | 277 |
| **Total** | | | **445,200** | **-** | **249,800** | **-** | **-** | **-** | **-** | **-** | **90,415** | **-** | **5,248** |
| **Grand Total** | | | **755,200** | **-** | **322,800** | **-** | **-** | **-** | **-** | **-** | **158,469** | **-** | **8,183** |

(1) For the Chief Executive Officer/General Manager and Managers with Strategic Responsibilities, at the end of the vesting period, the plan provides for a lock-up period of a further year with reference to 30% of the vested shares.
(2) The amounts shown represent 2024 accrued fair value related to the 2022-2027 Sustainable Value Sharing Plan, cycle 2022-2024, following the beneficiary's investment of its 2021 MBO.
(3) The amounts shown represent 2024 accrued fair value related to the 2022-2027 Sustainable Value Sharing Plan, cycle 2023-2025, following the beneficiary's investment of its 2022 MBO.
(4) The amounts shown represent 2024 accrued fair value related to the 2022-2027 Sustainable Value Sharing Plan, cycle 2024-2026, following the beneficiary's investment of its 2023 MBO.

# 40. GUARANTEES PROVIDED, COMMITMENTS, AND CONTINGENT LIABILITIES

## GUARANTEES PROVIDED TO THIRD PARTIES

This comprised the following as at 31 December 2024:

(€ thousands)

| | Value at 12/31/2024 | Value at 12/31/2023 |
|---|---|---|
| Guarantees provided to third parties | 17,453 | 34,220 |
| **Total** | **17,453** | **34,220** |

Regarding the guarantees relating to financial liabilities recognized in the consolidated financial statements, only the amount of the guarantee in excess of the liability recognized in the financial statements is shown, in addition to the interest not yet paid (if applicable).

The guarantees provided refer mainly to:

- various sureties issued which include letters of patronage issued on behalf of subsidiaries to third parties amounting to €10,694 thousand;
- guarantees issued to third parties for leases amounting to €6,759 thousand.

## COMMITMENTS

On December 20, 2024, Amplifon S.p.A. and Amplifon Italia S.p.A. signed a new joint agreement with a top-tier financial institution for the purchase of an additional €26 million in Superbonus tax credits, for the period 2025-2027, at a total consideration of €22.6 million. The tax credits are broken down by reference years: €10.1 million to be used in 2025, €10.1 million in 2026, and €5.8 million in 2027. According to the contractual conditions, these credits will be transferred to the beneficiary company (and paid by the company to the transferring bank) at the time of use and, therefore, are not recorded in the balance sheet as of December 31, 2024.

## CONTINGENT LIABILITIES

Currently the Group is not exposed to any particular risks, uncertainties or legal disputes which exceed the provisions already made in the financial statements. The usual periodic tax audits will continue, but to date no particular findings have emerged and, at any rate, the Group is confident in the correctness of its actions.

# 41. TRANSACTIONS ARISING FROM ATYPICAL/UNUSUAL TRANSACTIONS

Pursuant to Consob Communication of 28 July 2006, it should be noted that during 2023 the Group carried out no atypical and/or unusual transactions, as defined by the Communication.

# 42. FINANCIAL RISK MANAGEMENT

With a view to structured management of treasury activities and financial risks, the Group had already adopted a Treasury Policy in 2012 which contains guidelines for the management of:

- currency risk;
- interest rate risk;
- credit risk;
- price risk;
- iquidity risk.

This policy is updated periodically in order to guarantee proactive risk management.

| | | |
|---|---|---|
| **CURRENCY RISK** | **Details** | Currency Risk includes the following types of risk:<br>- foreign exchange transaction risk, that is the risk that the value of a financial asset or liability, a forecasted transaction or a firm commitment, fluctuates due to changes in exchange rates;<br>- foreign exchange translation risk, that is the risk that the translation of the assets, liabilities, costs and revenues relating to net investment in a foreign operation into the reporting currency gives rise to an exchange gain or loss.<br><br>The Amplifon Group's foreign exchange transaction risk relates to:<br>- the currency risk stemming from the Procurement and Supply Chain activities carried out by the parent company which involves the direct management of the purchase of hearing aids and accessories, which are then resold to the subsidiaries. The purchases from suppliers are generally made in the same currency used in the subsidiaries' invoices with payment terms that are similar to those negotiated with the suppliers, which limits the exchange risk. However, the amounts can be significant and the risk significant, particularly with respect to year-end adjustments;<br>- other transactions in which the purchase costs or sales revenue are denominated in currencies other than the local currency as is the case in a few countries of lesser importance (Israel, Canada and the Central and Latin American subsidiaries), where the purchasing costs are incurred in Euros and US dollars;<br>- other intercompany transactions (medium/long-term and short-term loans, charge backs based on intercompany service agreements, other centralized intercompany dividends, etc.) which result in currency risk for the companies operating in currencies other than that of the intercompany transaction;<br>- the period between the signing and closing of any commitments to purchase equity interests.<br>Foreign exchange translation risk arises from investments in the United States and Canada, the United Kingdom, Switzerland, Hungary, Poland, Israel, Australia, New Zealand, India, China, Chile, Argentina, Ecuador, Colombia, Panama, Mexico and Egypt. |
| | **Management Measures** | *Foreign Exchange transaction risk*<br>The Group's strategy aims to minimize the impact of currency volatility on the income statement and calls for risks stemming from significant positions in currencies other than the currency used in the financial statements of each company to be hedged.<br>With regard to operational transactions, including those stemming from the Parent Company's Global Procurement activities, the intercompany services provided and cash-pooling, the risk is covered, when possible, by using a natural hedge which aims to balance active and passive positions for each company by maintaining currency deposits which can be used to cover any differences. Any risk exposure linked to differences in assets and liabilities that cannot be managed using bank deposits in foreign currency will be adequately hedged using instruments deemed adequate. These include, for example, currency forwards.<br><br>Any exposures to exchange risks stemming from financial transactions are hedged using derivatives.<br><br>The risks arising from other intercompany transactions (both operational and financial) worth less than €1 million (or the equivalent if denominated in another currency) are not hedged as the amounts are not material.<br><br>*Foreign Exchange Translation Risk*<br>The foreign exchange translation risk, in accordance with the Group Treasury Policy, is not hedged.<br>Overall, the impact of the foreign exchange translation risk can be seen in the Group's Euro denominated EBITDA which was around €3 million lower than the Group's total EBITDA. Approximately €1 million of this difference is attributable to the Argentinian subsidiary. The latter operates in a high-inflation country but, as the size of the subsidiary is immaterial, the impact on the Group is not significant. |

| | | |
|---|---|---|
| **INTEREST RATE RISK** | **Details** | Interest rate risk involves the following situations:<br>- fair value risk, namely the risk that the value of a fixed rate financial asset or liability changes due to fluctuations in market interest rates;<br>- cash flow risk, namely the risk that the future cash flows of a floating rate financial asset or liability fluctuate due to changes in market interest rates.<br><br>In the Amplifon Group fair value risk arises on the issue of the €350 million Eurobond, the €125 million tranche disbursed as part of the European Investment (EIB) loan, the €100 million tranche disbursed by Cassa Depositi e Prestiti (CDP) as part of the pool facility subscribed by CDP and Unicredit.<br><br>The cash flow risk stems from floating rate bank loans. |
| | **Management Measures** | The Group's strategy is to minimize cash flow risk, especially with respect to long-term exposures, through a balanced mix of fixed- and floating-rate loans and assessing whether to switch floating rate borrowings to fixed-rate when each loan is taken out, as well as over the life of the loans included in light of the current market rates. On 31 December 2024, the Group's medium/ long- term debt amounted to €1,250 million, of which €988 million at fixed rate or has been swapped to fixed rate debt.<br><br>In accordance with company strategy, hedging instruments are used by the Group exclusively to mitigate interest rate and currency risk and consist solely in financial derivatives. In order to maximize the effectiveness of these hedges the Group's strategy calls for:<br>- large counterparties with excellent credit standing and transactions which fall within the limits determined in the treasury policy in order to minimize counterparty risk;<br>- the use of instruments which match, to the extent possible, the characteristics of the risk hedged;<br>- monitoring of the adequacy of the instruments used in order to check and, possibly, optimize the structure of the instruments used to achieve the purposes of the hedge.<br><br>The Group's Treasury Policy also defines the rigorous criteria to be used when selecting counterparties.<br><br>The derivatives used by the Group are generally plain vanilla financial instruments. More in detail, the types of derivatives used include:<br>- interest rate swaps;<br>- foreign exchange forwards.<br><br>On initial recognition these instruments are measured at fair value. At subsequent reporting dates the fair value of derivatives must be re-measured and:<br>(i) if these instruments fail to qualify for hedge accounting, any changes in fair value that occur after initial recognition are taken to profit and loss;<br>(ii) if these instruments subsequently qualify as fair value hedges, from that date any changes in the fair value of the derivative are taken to profit and loss; at the same time, any fair value changes due to the hedged risk are recorded as an adjustment to the book value of the hedged item and the same amount is recorded in profit and loss; any ineffectiveness of the hedge is taken to profit and loss;<br>(iii) if these instruments qualify as cash flow hedges, from that date any changes in the fair value of the derivative are taken to net equity. Changes in the fair value of the derivative that are recognized in net equity are subsequently reclassified in the income statement in the period in which the hedged transaction affects profit and loss. When the object of the hedge is the purchase of a non-financial asset, changes to the fair value of the derivative taken to net equity are reclassified to adjust the purchase cost of the asset hedged (basis adjustment). Any ineffectiveness of the hedge is recognized in profit and loss.<br><br>The Group's hedging strategy is reflected in the accounts described above as of the moment the following conditions are satisfied:<br>- the hedging relationship, its purpose and the overall strategy are formally defined and documented; the documentation includes the identification of the hedging instrument, the hedged item, the nature of the risk to be neutralized and the procedures whereby the entity will assess the effectiveness of the hedge;<br>- the effectiveness of the hedge may be reliably assessed and there is a reasonable expectation, confirmed by evidence, that the hedge will be highly effective for the period in which the hedged risk exists;<br>- the hedged risk relates to changes in cash flow connected to a future transaction, the latter is highly probable and entails exposure to changes in cash flow which could affect profit and loss.<br><br>Derivatives are recognized as assets if their fair value is positive and as liabilities if their fair value is negative. These balances are shown under current assets or liabilities if related to derivatives which do not qualify for hedge accounting, conversely, they are classified consistently with the hedged item.<br>More specifically, if the hedged item is classified as a current asset or liability, the positive or negative fair value of the hedging instrument is included under current assets or liabilities; if the hedged item is classified as a non-current asset or liability, the positive or negative fair value of the hedging instrument is included under non-current assets or liabilities.<br><br>The Group does not have any net investment hedges. |

| | | |
|---|---|---|
| **CREDIT RISK** | **Details** | Credit risk is the risk that the issuer of a financial instrument defaults on its obligations resulting in a financial loss for the investor.<br><br>In the Amplifon Group credit risk arises from:<br>(i) sales made as part of ordinary business operations, when client default can be verified;<br>(ii) the use of financial instruments that require settlement of positions with other counterparties which could fail to honor their obligations;<br>(iii) the loans granted to members of the indirect channel and commercial partners in the United States for investments and business development which could fail to be repaid. |
| | **Management Measures** | With regard to the risk (i) above, the only positions with a high unit value are amounts due from Italian public-sector entities for which the risk of insolvency, while it exists, is remote and further mitigated by the fact that each quarter they are factored without recourse by specialized factoring companies. Conversely, there is credit risk associated with the sales to private individuals based on instalment payment plans and arising from sales to US indirect channel operators (franchisees). This credit risk, however, is spread out over a number of partners and the amount owed by any single individual is limited. The largest of these amounts does not exceed a few million US dollars. Due to typical business risks, some may not be able to honor their debts. This would result in higher working capital and credit losses. While each subsidiary is responsible for collection of receivables, the Group, through its Corporate functions, has set up a centralized system of monthly reporting relative to trade receivables in order to monitor the composition and due dates for each country, and shares credit recovery initiatives and commercial policies with local management. Payment options like installment plans or loans (with terms limited to a few months) are offered to private customers, the majority of which do, however, use cash. These are managed by external finance companies which advance the whole amount of the sale to Amplifon, while the situation of the indirect channel in the US is closely monitored by local management.<br><br>The risk referred to in (ii) above, notwithstanding the inevitable uncertainties linked to sudden and unforeseeable counterparty default, is managed by making diversified investments with the main national and international investment grade financial institutions and through the use of specific counterparty limits with regard to both liquidity invested and/or deposited and to the notional amount of the derivatives. The counterparty limits are determined based on the short-term ratings of each counterparty or, if a public rating is not available, on capital ratios (Tier 1).<br><br>The risk referred to in (iii) above refers to receivables that are typically guaranteed personally by the loan beneficiaries and repayments are generally made when the invoices for the purchases of hearing aids are paid or settled at the time the Group acquires the business of the franchisee. |

| | | |
|---|---|---|
| **PRICE RISK** | **Details** | This arises from the possibility that the value of a financial asset or liability may change due to fluctuations in market prices (other than those caused by currency or interest rate fluctuations). These fluctuations may be caused by:<br>- characteristics specific to the financial asset or liability or the issuer of the financial liability,<br>- independent market factors not connected to the specific asset or liability.<br>This risk is typical of financial assets not listed on an active market, which may not be easy to liquidate quickly at a level close to their fair value. The Amplifon Group does not have investments in these kinds of instruments and, therefore, this risk currently does not exist. |
| | **Management Measures** | The Amplifon Group does not have investments in these kinds of instruments and, therefore, this risk currently does not exist. |

| | | |
|---|---|---|
| **LIQUIDITY RISK** | **Details** | Liquidity Risk typically arises when an entity is experiencing difficulty finding sufficient funds to meet its obligations and includes the risk that the counterparties that have granted loans and/or "uncommitted" short-term lines of credit may request repayment, as well as difficulty in refinancing long-term loans which have reached maturity.<br><br>The current interest rate environment, which in the last few years has been characterized by a significant increase in rates, followed by a slight decrease/stabilization in the last few months. These increases impact refinancing costs, making the refinanced debt more costly than the loans being refinanced which were originally taken out in 2020-2021. |
| | **Management Measures** | At the end of 2024, the Group Net Financial position displays a gross debit of €1,250 million, and approximately 80% of the Group's debt had maturities beyond 12 months. The liquidity for € 289 million and the irrevocable credit lines and the unutilized portion of the EIB loan amount to €705 million which provides ample headroom. This suggests that the Group's liquidity risk is immaterial. The Group also has short-term revocable credit lines which amounted to €343 million on 31 December 2024, of which only €121 million has been utilized. |

# 43. TRANSLATION OF FOREIGN COMPANIES' FINANCIAL STATEMENTS

The exchange rates used to translate non-Euro zone companies' financial statements are as follows:

| | 12/31/2024 | | 12/31/2023 | |
|---|---|---|---|---|
| | Average exchange rate | Year-end exchange rate | Average exchange rate | Year-end exchange rate |
| Panamanian balboa | 1.0824 | 1.0389 | 1.0813 | 1.1050 |
| Australian dollar | 1.6397 | 1.6772 | 1.6288 | 1.6263 |
| Canadian dollar | 1.4821 | 1.4948 | 1.4595 | 1.4642 |
| New Zealand dollar | 1.7880 | 1.8532 | 1.7622 | 1.7504 |
| Singapore dollar | 1.4458 | 1.4164 | 1.4523 | 1.4591 |
| US dollar | 1.0824 | 1.0389 | 1.0813 | 1.1050 |
| Hungarian florin | 395.3000 | 411.3500 | 381.85 | 382.80 |
| Swiss franc | 0.9526 | 0.9412 | 0.9718 | 0.9260 |
| Egyptian lira | 49.0064 | 52.8202 | 33.1581 | 34.1589 |
| New Israeli shekel | 4.0067 | 3.7885 | 3.9880 | 3.9993 |
| Argentinian peso (*) | 1070.8061 | 1070.8061 | 892.9239 | 892.9239 |
| Chilean peso | 1020.6600 | 1033.7600 | 908.20 | 977.07 |
| Colombian peso | 4407.1400 | 4577.5500 | 4675.00 | 4267.52 |
| Mexican peso | 19.8314 | 21.5504 | 19.1830 | 18.7231 |
| Uruguayan peso | 43.4678 | 45.4668 | - | - |
| Chinese renminbi | 7.7875 | 7.5833 | 7.6600 | 7.8509 |
| Indian rupee | 90.5563 | 88.9335 | 89.3001 | 91.9045 |
| British pound | 0.8466 | 0.8292 | 0.8698 | 0.8691 |
| Polish zloty | 4.3058 | 4.2750 | 4.5420 | 4.3395 |

(*) Argentina is a high-inflation country; therefore, pursuant to IAS 29, the items recognized in the income statement were converted based on the exchange rate at the end of the reporting period.
The average exchange rate of the Argentine peso on 31 December 2024 was 989.9196 and 314.1127 on 31 December 2023.

# 44. SEGMENT INFORMATION

In accordance with IFRS 8 “Operating Segments”, the schedules relative to each operating segment are shown below.

The Amplifon Group's business (distribution and personalization of hearing solutions) is organized in three specific geographical segments which comprise the Group's operating segments: Europe, Middle East and Africa - EMEA - (Italy, France, The Netherlands, Germany, the United Kingdom, Spain, Portugal, Switzerland, Belgium, Hungary, Egypt, Poland and Israel), Americas (USA, Canada, Chile, Argentina, Ecuador, Colombia, Panama, Mexico and Uruguay) and Asia-Pacific (Australia, New Zealand, Singapore, India and China).

The Group also operates via centralized Corporate functions (Corporate bodies, general management, business development, procurement, treasury, legal affairs, human resources, IT systems, global marketing and internal audit) which do not qualify as operating segments under IFRS 8.

These areas of responsibility, which coincide with the geographical segments (the Corporate
functions are recognized under EMEA), represent the organizational structure used by management to run the Group's operations. The reports periodically analyzed by the Chief Executive Officer and Top Management are divided up accordingly, by geographical area.

More in detail, economic performances are monitored and measured for each operating segment/geographical segment, through operating profit including amortization and depreciation (EBIT), along with the portion of the results of equity investments in associated companies valued using the equity method. Financial expenses are not monitored insofar as they are based on corporate decisions regarding the financing of each region (own funds versus borrowings) and, consequently, neither are taxes. Items in the statement of financial position are analyzed by geographical segment without being separated from the corporate functions which remain part of EMEA. All the information relating to the income statement and the statement of financial position is determined using the same criteria and accounting standards used to prepare the consolidated financial statements.

# INCOME STATEMENT – FY 2024(*)

(€ thousands)

| | EMEA | AMERICAS | APAC | CORPORATE | ELIM. | CONSOLIDATED |
|---|---|---|---|---|---|---|
| Revenues from sales and services | 1,531,284 | 507,269 | 370,346 | 342 | - | 2,409,241 |
| Operating costs | (1,120,997) | (381,073) | (273,307) | (79,216) | - | (1,854,593) |
| Other income and costs | 3,027 | 3,372 | (390) | 433 | - | 6,442 |
| **Gross operating profit by segment (EBITDA)** | **413,314** | **129,568** | **96,649** | **(78,441)** | **-** | **561,090** |
| | | | | | | |
| **Amortization, depreciation and impairment** | | | | | | |
| Intangible assets amortization | (50,147) | (15,234) | (16,294) | (26,387) | - | (108,062) |
| Property, plant, and equipment depreciation | (36,484) | (7,963) | (15,712) | (1,551) | - | (61,710) |
| Right-of-use depreciation | (84,833) | (14,338) | (30,041) | (2,374) | - | (131,586) |
| Impairment losses and reversals of non-current assets | (997) | - | (363) | (1,558) | - | (2,918) |
| | **(172,461)** | **(37,535)** | **(62,410)** | **(31,870)** | **-** | **(304,276)** |
| | | | | | | |
| **Operating result by segment** | **240,853** | **92,033** | **34,239** | **(110,311)** | **-** | **256,814** |
| | | | | | | |
| **Financial income, expenses and value adjustments to financial assets** | | | | | | |
| Group's share of the results of associated companies valued at equity and gains/losses on disposals of equity investments | 225 | - | - | - | - | 225 |
| Interest income and expenses | | | | | | (34,740) |
| *Interest expenses on lease liabilities* | | | | | | (19,138) |
| Other financial income and expenses | | | | | | (3,184) |
| Exchange gains and losses, and inflation accounting | | | | | | (2,647) |
| *Gain (loss) on assets accounted at fair value* | | | | | | (550) |
| | | | | | | **(60,034)** |
| | | | | | | |
| **Net profit (loss) before tax** | | | | | | **196,780** |
| | | | | | | |
| **Current and deferred income tax** | | | | | | |
| Current income tax | | | | | | (48,033) |
| Deferred tax | | | | | | (3,177) |
| | | | | | | **(51,210)** |
| | | | | | | |
| **Net profit (loss)** | | | | | | **145,570** |
| Net profit (loss) attributable to Minority interests | | | | | | 196 |
| **Net profit (loss) attributable to the Group** | | | | | | **145,374** |

(*) The figures of the operating segments are net of the intercompany eliminations.

# INCOME STATEMENT – FY 2023(*)

(€ thousands)

| | EMEA | AMERICAS | APAC | CORPORATE | ELIM. | CONSOLIDATED |
|---|---|---|---|---|---|---|
| Revenues from sales and services | 1,485,278 | 429,577 | 344,738 | 491 | - | 2,260,084 |
| Operating costs | (1,072,587) | (318,249) | (255,571) | (95,905) | - | (1,742,312) |
| Other income and costs | 4,354 | 3,637 | 304 | 782 | - | 9,077 |
| **Gross operating profit by segment (EBITDA)** | **417,045** | **114,965** | **89,471** | **(94,632)** | **-** | **526,849** |
| | | | | | | |
| **Amortization, depreciation and impairment** | | | | | | |
| Intangible assets amortization | (42,010) | (13,256) | (14,840) | (23,342) | - | (93,448) |
| Property, plant, and equipment depreciation | (33,544) | (6,557) | (11,528) | (2,762) | - | (54,391) |
| Right-of-use depreciation | (78,464) | (11,714) | (26,837) | (2,277) | - | (119,292) |
| Impairment losses and reversals of non-current assets | (309) | (6) | (191) | - | - | (506) |
| | **(154,327)** | **(31,533)** | **(53,396)** | **(28,381)** | **-** | **(267,637)** |
| | | | | | | |
| **Operating result by segment** | **262,718** | **83,432** | **36,075** | **(123,013)** | **-** | **259,212** |
| | | | | | | |
| **Financial income, expenses and value adjustments to financial assets** | | | | | | |
| Group's share of the results of associated companies valued at equity and gains/losses on disposals of equity investments | 555 | - | - | - | - | 555 |
| Interest income and expenses | | | | | | (27,737) |
| *Interest expenses on lease liabilities* | | | | | | (14,808) |
| Other financial income and expenses | | | | | | (5,966) |
| Exchange gains and losses, and inflation accounting | | | | | | (3,172) |
| *Gain (loss) on assets accounted at fair value* | | | | | | 1,663 |
| | | | | | | **(49,465)** |
| | | | | | | |
| **Net profit (loss) before tax** | | | | | | **209,747** |
| | | | | | | |
| **Current and deferred income tax** | | | | | | |
| Current income tax | | | | | | (61,626) |
| Deferred tax | | | | | | 6,904 |
| | | | | | | **(54,722)** |
| | | | | | | |
| **Net profit (loss)** | | | | | | **155,025** |
| Net profit (loss) attributable to Minority interests | | | | | | (114) |
| **Net profit (loss) attributable to the Group** | | | | | | **155,139** |

(*) The figures of the operating segments are net of the intercompany eliminations.

# STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31ST, 2024(*)

(€ thousands)

| | EMEA | AMERICAS | APAC | ELIM. | CONSOLIDATED |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| **Non-current assets** | | | | | |
| Goodwill | 1,031,163 | 313,631 | 600,701 | - | 1,945,495 |
| Intangible fixed assets with finite useful life | 303,840 | 63,109 | 61,411 | - | 428,360 |
| Property, plant, and equipment | 168,319 | 41,075 | 44,530 | - | 253,924 |
| Right-of-use assets | 381,119 | 49,770 | 61,175 | - | 492,064 |
| Equity-accounted investments | 2,527 | - | - | - | 2,527 |
| Hedging instruments | 4,454 | - | - | - | 4,454 |
| Deferred tax assets | 56,435 | 5,762 | 15,135 | - | 77,332 |
| Deferred contract costs | 9,165 | 1,254 | 75 | - | 10,494 |
| Other assets | 42,576 | 8,277 | 2,031 | - | 52,884 |
| **Total non-current assets** | | | | | **3,267,534** |
| **Current assets** | | | | | |
| Inventories | 71,792 | 11,777 | 9,611 | - | 93,180 |
| Receivables | 320,174 | 81,671 | 20,490 | (88,029) | 334,306 |
| Deferred contract costs | 6,612 | 1,003 | 119 | - | 7,734 |
| Hedging instruments | 878 | - | - | - | 878 |
| Other financial assets | | | | | 296 |
| Cash and cash equivalents | | | | | 288,834 |
| **Total current assets** | | | | | **725,228** |
| **TOTAL ASSETS** | | | | | **3,992,762** |
| **LIABILITIES** | | | | | |
| **Net Equity** | | | | | **1,150,224** |
| **Non-current liabilities** | | | | | |
| Medium/long-term financial liabilities | | | | | 952,283 |
| *Lease liabilities* | 308,004 | 40,119 | 39,474 | - | 387,597 |
| Provisions for risks and charges | 18,896 | 1,158 | 871 | - | 20,925 |
| Liabilities for employees' benefits | 14,753 | - | 704 | - | 15,457 |
| Hedging instruments | 1,157 | - | - | - | 1,157 |
| Deferred tax liabilities | 66,211 | 23,234 | 10,048 | - | 99,493 |
| Payables for business acquisitions | 2,136 | 3,749 | - | - | 5,885 |
| Contract liabilities | 137,096 | 13,865 | 2,805 | - | 153,766 |
| Other long-term liabilities | 34,743 | 875 | 49 | - | 35,667 |
| **Total non-current liabilities** | | | | | **1,672,230** |
| **Current liabilities** | | | | | |
| Trade payables | 343,885 | 70,137 | 50,919 | (87,841) | 377,100 |
| Payables for business acquisitions | 5,143 | 6,107 | 260 | - | 11,510 |
| Contract liabilities | 97,435 | 17,796 | 7,683 | - | 122,914 |
| Other payables and tax payables | 188,954 | 26,910 | 31,614 | (188) | 247,290 |
| Hedging instruments | 739 | - | - | - | 739 |
| Provisions for risks and charges | 1,787 | 616 | - | - | 2,403 |
| Liabilities for employees' benefits | 1,128 | 447 | 2,519 | - | 4,094 |
| Short-term financial liabilities | | | | | 277,518 |
| *Lease liabilities* | 90,116 | 13,726 | 22,898 | - | 126,740 |
| **Total current liabilities** | | | | | **1,170,308** |
| **TOTAL LIABILITIES** | | | | | **3,992,762** |

(*) The items in the statement of financial position are analyzed by geographic area without being separated from the Corporate functions which are included in EMEA.

# STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31ST, 2023(*)

(€ thousands)

| | EMEA | AMERICAS | APAC | ELIM. | CONSOLIDATED |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| **Non-current assets** | | | | | |
| Goodwill | 955,383 | 237,178 | 607,013 | - | 1,799,574 |
| Intangible fixed assets with finite useful life | 300,231 | 50,646 | 65,712 | - | 416,589 |
| Property, plant, and equipment | 148,081 | 29,929 | 43,506 | - | 221,516 |
| Right-of-use assets | 373,293 | 44,949 | 59,911 | - | 478,153 |
| Equity-accounted investments | 2,444 | - | - | - | 2,444 |
| Hedging instruments | 12,933 | - | - | - | 12,933 |
| Deferred tax assets | 63,112 | 7,307 | 12,282 | - | 82,701 |
| Deferred contract costs | 9,988 | 1,257 | 30 | - | 11,275 |
| Other assets | 30,896 | 14,025 | 1,914 | - | 46,835 |
| **Total non-current assets** | | | | | **3,072,020** |
| **Current assets** | | | | | |
| Inventories | 70,314 | 8,729 | 9,277 | - | 88,320 |
| Receivables | 311,674 | 70,510 | 34,213 | (84,960) | 331,437 |
| Deferred contract costs | 5,776 | 914 | 150 | - | 6,840 |
| Hedging instruments | 549 | - | - | - | 549 |
| Other financial assets | | | | | 901 |
| Cash and cash equivalents | | | | | 193,148 |
| **Total current assets** | | | | | **621,195** |
| **TOTAL ASSETS** | | | | | **3,693,215** |
| **LIABILITIES** | | | | | |
| **Net Equity** | | | | | **1,101,678** |
| **Non-current liabilities** | | | | | |
| Medium/long-term financial liabilities | | | | | 710,267 |
| *Lease liabilities* | 305,426 | 37,599 | 40,884 | - | 383,909 |
| Provisions for risks and charges | 17,668 | 896 | 815 | - | 19,379 |
| Liabilities for employees' benefits | 12,119 | 143 | 701 | - | 12,963 |
| Deferred tax liabilities | 62,023 | 19,725 | 16,703 | - | 98,451 |
| Payables for business acquisitions | 5,088 | 2,141 | - | - | 7,229 |
| Contract liabilities | 139,036 | 12,341 | 2,339 | - | 153,716 |
| Other long-term liabilities | 21,773 | 511 | 4,095 | - | 26,379 |
| **Total non-current liabilities** | | | | | **1,412,293** |
| **Current liabilities** | | | | | |
| Trade payables | 327,768 | 70,879 | 45,073 | (84,765) | 358,955 |
| Payables for business acquisitions | 4,283 | 4,889 | 382 | - | 9,554 |
| Contract liabilities | 96,941 | 15,279 | 7,823 | - | 120,043 |
| Other payables and tax payables | 195,847 | 28,063 | 31,819 | (195) | 255,534 |
| Hedging instruments | 242 | - | - | - | 242 |
| Provisions for risks and charges | 586 | 682 | - | - | 1,268 |
| Liabilities for employees' benefits | 1,069 | 381 | 2,263 | - | 3,713 |
| Short-term financial liabilities | | | | | 316,413 |
| *Lease liabilities* | 81,704 | 10,834 | 20,984 | - | 113,522 |
| **Total current liabilities** | | | | | **1,179,244** |
| **TOTAL LIABILITIES** | | | | | **3,693,215** |

(*) The items in the statement of financial position are analyzed by geographic area without being separated from the Corporate functions which are included in EMEA.

# 45. ACCOUNTING POLICIES

## 45.1 PRESENTATION OF THE FINANCIAL STATEMENTS

The consolidated financial statements as at December 31, 2024 were prepared in accordance with the historical cost method with the exception of derivatives, a few financial investments measured at fair value and assets and liabilities hedged against changes in fair value, as explained in more detail in this report, as well as on a going concern basis.

With regard to the financial statements, the following is specified:

- in the statement of financial position, the Group distinguishes between non-current and current assets and liabilities;
- in the income statement, the Group classifies costs by nature insofar as this is deemed to more accurately represent the primarily commercial and distribution activities carried out by the Group;
- comprehensive income statement: in addition to the net result for the year, it includes the effects of changes in exchange rates, the cash flow hedge reserve, the foreign currency basis spread reserve on derivative instruments and the actuarial gains and losses that have been recognized directly in changes in shareholders' equity, these items are divided according to whether or not they can be subsequently reclassified to the income statement;
- statement of changes in net equity: the Group reports all the changes in net equity, including those deriving from shareholder transactions (payment of dividends and capital increases);
- statement of cash flows: it is prepared using the indirect method to determine cash flow from operations.

## 45.2 USE OF ESTIMATES IN PREPARING THE FINANCIAL STATEMENTS

The preparation of the financial statements and explanatory notes requires the use of estimates and assumptions particularly with regard to the following items:

- revenues for services rendered over time recognized based on the effort or the input expended to satisfy the performance obligation;
- allowances for impairment made based on the asset's estimated realizable value;
- provisions for risks and charges made based on a reasonable estimate of the amount of the potential liability, including with regard to any counterparty claims;
- provisions for obsolete inventories in order to align the carrying value of inventories with the estimated realizable value;
- provisions for employee benefits, calculated based on actuarial valuations;
- amortization and depreciation of intangible assets and tangible fixed assets recognized based on the estimated remaining useful life and the recoverable amount;
- income tax recognized based on the best estimate of the tax rate for the full year;
- IRS and currency swaps (instruments not traded on regulated markets), marked to market at the reporting date based on the yield curve and market exchange rates, which are subject to credit/debit valuation adjustments based on market prices;
- the lease term duration was determined on a lease-by-lease basis and is comprised of the "non-cancellable" period along with the impact of any extension or early termination clauses if exercise of that clause is reasonably certain. This property valuation took into account circumstances and facts specific to each asset;
- discount rate of leases falling within the scope of IFRS 16 (incremental borrowing rate) determined based on the IRS (reference interbank rate used as an index for fixed-rate mortgage loans) in the individual countries in which Amplifon Group operates, for maturities commensurate with the duration of the specific rental contract, plus the Parent Company's credit spread and any costs for additional guarantees. In the rare instances when the IRS rate is not available (Egypt, Ecuador, Mexico and Panama), the risk-free rate was determined based on government bonds with maturities similar to the duration of the specific rental contract.

Estimates and assumptions are periodically reviewed, and any changes made, following the change of the circumstances or the availability of better information, are recognized in the income statement. The use of reasonable estimates is essential to the preparation of the financial statements and does not affect their overall reliability.

The Group verifies the existence of a loss in value of goodwill regularly once a year or in the event of impairment indicators.
The impairment test is conducted for the groups of cash generating units to which the goodwill refers and based on which the Group values, directly or indirectly, the return on the investment that includes the goodwill.

## 45.3 IFRS STANDARDS/INTERPRETATIONS

### IFRS/interpretations approved by the IASB, endorsed in Europe and applied for the first time this year

The following table lists the IFRS/interpretations approved by the IASB, endorsed in Europe and applied for the first time this year.

| Description | Endorsement date | Publication in the G.U.C.E. | Effective date | Effective date forAmplifon |
|---|---|---|---|---|
| Amendments to IAS 1: "*Presentation of Financial Statements: Classification of liabilities as current or non-current*", "*Classification of Liabilities as Current or Non-current - Deferral of Effective Date*" and "*Non-current Liabilities with Covenants*" (issued on 23 January 2020, 15 July 2020 and 31 October 2022, respectively) | 19 Dec '23 | 20 Dec '23 | 1 Jan '24 | 1 Jan '24 |
| Amendments to IFRS 16 "*Leases: Lease Liability in a Sale and Leaseback*" (issued on 22 September 2022) | 20 Nov '23 | 21 Nov '23 | 1 Jan '24 | 1 Jan '24 |
| Amendments to IAS 7 "*Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements*" (issued on 25 May 2023) | 15 May 24 | 16 Jun '24 | 1 Jan '24 | 1 Jan '24 |

IAS 1 amendments are related to the definitions of current and non-current liabilities, providing a more generalized approach to the classification of liabilities under the standard, based on the contractual agreements. The amendments clarify the criteria for classifying a liability as current or non-current and require new disclosures in financial statements regarding non-current liabilities that include covenants to be satisfied within twelve months after the reporting period.

IFRS 16 amendments are related to the definitions of liabilities derived from leasebacks and the accounting treatment of any gains or losses stemming from these transactions.

IAS 7 and IFRS 7 amendments refer to the disclosure of information deemed relevant for the purposes of Supplier Finance Arrangements. The purpose of these amendments is to make it easier for financial statement users to understand the effects of these arrangements on liabilities, cash flows and exposure to liquidity risk.

The adoption of the standards and interpretations described above did not have a material impact on the measurement of the Group's assets, liabilities, costs and revenues.

### Future IFRS standards/interpretations approved by IASB, endorsed in Europe

The following table shows the future IFRS standards interpretation approved by us and endorsed in Europe.

| Description | Endorsement date | Publication in the G.U.C.E. | Effective date | Effective date forAmplifon |
|---|---|---|---|---|
| Amendments to IAS 21 "*The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability*" (issued on 15 August 2023) | 12 Nov '24 | 13 Nov '24 | 1 Jan '25 | 1 Jan '25 |

The amendments to IAS 21 proposed by IASB provide clarification as to exchange whether a currency is exchangeable and which exchange rate to be used if it is not.

The adoption of the standards and interpretations described above did not have a material impact on the measurement of the Group's assets, liabilities, costs, and revenues.

## 45.4 FUTURE ACCOUNTING STANDARDS AND INTERPRETATIONS

### IFRS standards/interpretations approved by IASB, but not endorsed in Europe

The following are the international accounting standards, interpretations, amendments to existing accounting standards and interpretations, or specific provisions contained in the standards and interpretations approved by the IASB which, on 31 December 2024, have yet to be endorsed for adoption in Europe.

| Description | Effective date |
|---|---|
| Annual improvements volume 11 (issued on 18 July 2024) | Periods beginning on or after 1 Jan '26 |
| Amendments to IFRS 9 e IFRS7 "*Classification and Measurement of Financial Instruments*" (issued on 30 May 2024) | Periods beginning on or after 1 Jan '26 |
| *Contracts Referencing Nature-dependent Electricity* – Amendments to IFRS 9 and IFRS 7 (issued on 18 December 2024) | Periods beginning on or after 1 Jan '26 |

The document *Annual improvement. Volume 11* lists improvements limited to changes that either clarify the wording in an IFRS Accounting Standard, or correct relatively minor unintended consequences, oversights or conflicts between requirements of the Accounting Standards. In particular, the amendments relate to IFRS1, IFRS7, IFRS9, IFRS10 and IAS7.

The amendments to IFRS9 and IFRS7 proposed by IASB are related to the settlement of liabilities through electronic payment systems and to clarifying the classification of financial assets with environmental, social and corporate governance (ESG) and similar features.

The objective of the Amendments to IFRS 9 and IFRS 7 *Contract Referencing Nature-dependent Electricity* is to better reflect the effects of physical and virtual nature dependent electricity contracts in the financial statements through narrow-scope amendments to the own-use, hedge accounting and disclosure requirements.

The adoption of the standards and interpretations described above did not have a material impact on the measurement of the Group's assets, liabilities, costs, and revenues.

## 45.5 SUBSIDIARIES

The consolidation area includes companies which are controlled by the Group. Control is defined as the power to influence the financial and operating policies of a company. The existence of control over a company is determined on the basis of: (i) voting rights, including potential ones, that the Group is entitled to and by virtue of which the Group may exercise a majority of the votes that can be cast at ordinary Shareholders' meetings; (ii) the content of possible agreements between shareholders or the existence of specific clauses in the entity's by-laws which grant the Group the power to manage the company; (iii) control by the Group of a sufficient number of votes to exercise de facto control at ordinary Shareholders' meetings of the company.

Income statement items are included in the consolidated financial statements starting from the date control is acquired and up to the date such control ceases. All payables and receivables, as well as the revenue and expense items deriving from transactions between companies included in the consolidation are eliminated entirely; capital gains and losses deriving from transfers of assets between consolidated companies are also eliminated, as are the profits and losses arising from transfers of assets between consolidated companies that come to form inventories of the acquiring company, write-downs and reversals of holdings in consolidated companies, and intragroup dividends. Assets, liabilities, costs and revenues of subsidiaries are recorded in full, allocating to minority shareholders their share of net equity and of the net result.

The financial statements of subsidiaries are adjusted in order to make the measurement criteria consistent with those adopted by the Group.

The closing dates of subsidiaries are aligned with those of the parent company; where this is not the case, the subsidiaries prepare appropriate financial statements for consolidation purposes.

## 45.6 JOINTLY CONTROLLED COMPANIES

A joint control arrangement is an agreement based on which two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

There are two types of joint control arrangements: joint operations and joint ventures. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. These parties are referred to as joint operators.

With reference to investment in a joint operation, each part has to relocate:

- Own assets, included share of jointly owned assets;
- Own liabilities, included share of jointly owned liabilities;
- Revenues from sales of own production share arises from joint operation activity;
- Share of revenues from production sales deriving from the jointly controlled activity;
- Own costs, included parts of costs sustained with the other part.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

In consolidated financial statements investment in joint ventures is valued with equity method, accounted in income statement net profit and loss attributable to the group occurred in the period.

With equity method, investment carry amount represents assets and liabilities fair value of jointed at acquisition moment, as well goodwill arises at acquisition moment.

## 45.7. ASSOCIATED COMPANIES

Investments in associates are accounted for using the equity method. A company is considered an associate if the Group participates in decisions relating to the company's operating and financial policies even if the latter is not a subsidiary nor subject to joint control. Under the equity method, on initial recognition, an investment in an associate is recognized at cost in the statement of financial position and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the date of acquisition. The goodwill relating to the associate is included in the carrying amount and is not subject to amortization. The profits generated as a result of transactions carried out by the Group with associates are eliminated to the extent of the Group's interest in the associate. The financial statements of companies accounted for based on the equity method are adjusted to be in line with the Group's accounting policies.

## 45.8 BUSINESS COMBINATIONS

Business combinations are accounted for in the financial statements as follows:

- acquisition cost is determined on the basis of the fair value of assets transferred, liabilities assumed, or the shares transferred to the seller in order to obtain control;
- The determination of the values of the assets and liabilities of the acquiree is made provisionally until the activities of determining the fair value of the assets and liabilities are completed. The completion of these activities must in any case take place within 12 months of the acquisition, where the latter are counted from the date on which the acquisition took place and accounted for the first time. If, in the period in which the allocation is made provisionally, different values should emerge from those initially recorded following new information on facts and circumstances that in any case existed at the acquisition date, the recognized values are adjusted retrospectively;
- acquisition- costs related to business combinations are recognized in the income statement for the period in which the costs were incurred;
- the fair value of the shares transferred is determined according to the market price at the exchange date;
- where the agreement with the seller provides for a price adjustment linked to the profitability of the business acquired, over a defined timeframe or at a pre-established future date (earn-out), the adjustment is included in the acquisition price as of the acquisition date and is measured at fair value as at the date of acquisition;
- at the acquisition date, the assets and liabilities, including contingent ones, of the acquired company are recognized at their fair value at that date. When determining the value of these assets we also consider the potential tax benefits applicable to the jurisdiction of the acquired company;
- when the carrying amounts of assets, liabilities and contingent liabilities recorded differ from their corresponding tax base at the acquisition date, deferred tax assets and liabilities are recognized;
- any difference between the acquisition cost of the investment and the corresponding share of the net assets acquired is recorded as goodwill, if positive, or it is charged to the income statement, if negative;
- income items are included in the consolidated financial statements starting from the date control is acquired and up to the date control ceases.

## 45.9 FUNCTIONAL CURRENCY, PRESENTATION CURRENCY AND TRANSLATION CRITERIA APPLIED TO FOREIGN CURRENCY ITEMS

The consolidated financial statements of the Amplifon Group are presented in Euros, the functional currency of the parent company, Amplifon S.p.A.
The financial statements of subsidiaries and jointly controlled companies are prepared in the functional currency of each company. When this currency differs from the reporting currency of the consolidated financial statements, the financial statements are translated using the current exchange rate method: income statement items are translated using the average exchange rates of the year, asset and liability items are translated using year-end rates and net equity items are translated at historical rates. Exchange differences are recorded under "translation difference" in the consolidated net equity; when the company is disposed, the cumulative differences booked in net equity are taken to the income statement.

Foreign currency transactions are recorded at the exchange rate at the transaction date. Monetary assets and liabilities denominated in foreign currency are translated at the exchange rate at the reporting date. Non-monetary assets and liabilities denominated in foreign currency and valued at cost are reported at the exchange rate used upon initial recognition. Non-monetary assets and liabilities denominated in foreign currency and recognized at fair value, at recoverable value, or realizable value, are translated using the exchange rate of the date when the value was determined.

Any exchange rate differences arising from the settlement of monetary assets and liabilities or from the translation at exchange rates that are different from those used upon initial recognition, during the year or in previous financial statements, are recognized in the income statement.

## 45.10 INTANGIBLE ASSETS

Intangible assets purchased separately and those acquired through business combinations carried out prior to the adoption of the IFRS are initially measured at cost, whilst those acquired through business combinations completed after the date of transition to IFRS, are initially measured at fair value. Expenditure incurred after the initial acquisition is recorded as an increase in the cost of the intangible asset to the extent that the expenditure can generate future economic benefits.

Intangible assets having a finite useful life are amortized systematically over their useful lives and written down for impairment (see section 45.13). Amortization begins when an asset is available for use and ceases at the time of termination of the useful life or when an asset is classified as held for sale (or included in a disposal group classified as held for sale). Both the useful life and the amortization criterion are periodically reviewed and, where significant changes have occurred compared to the previously adopted assumptions, the amortization charge for the current year and subsequent ones is adjusted.

The periods of amortization are shown in the following table:

| Asset Type | Years |
|---|---|
| Software | 3-10 |
| Licenses | 1-15 |
| Non-competition agreements | 5 |
| Customer lists | 10-15 |
| Trademarks and concessions | 3-15 |
| Other | 5-9 |

## 45.11 GOODWILL

Goodwill is recognized in the financial statements following business combinations and is initially recorded at cost, which is the excess of the cost of acquisition over the Group's share in the fair values of the assets, liabilities and contingent liabilities acquired.

Goodwill is classified as an intangible asset. As of the acquisition date, the goodwill acquired in a business combination is allocated to each of the acquirer's cash-generating units or groups of cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are allocated to those units or groups of units.

After the initial recognition, goodwill is not amortized but valued at cost less any cumulative impairment losses (see section 45.13).

## 45.12 TANGIBLE FIXED ASSETS

Tangible fixed assets are recorded at purchase or production cost, inclusive of ancillary costs that are directly attributable to the assets.

The carrying amount upon initial recognition of tangible fixed assets, or their significant elements (except for land), net of their residual value, is depreciated on a straight-line basis over their useful life and is written down for impairments (see section 45.13). Depreciation starts when the asset becomes available for use and ceases at the time of termination of the useful life or when it is classified as held for sale (or included as part of a disposal group classified as held for sale). The useful life and the depreciation rate, as well as the residual value, are periodically reviewed and, where significant changes have occurred compared to the previously adopted assumptions, the depreciation charge for the current year and subsequent ones is adjusted.

Maintenance costs that do not add value to an asset are charged to the income statement in the year in which they are incurred. Maintenance costs that add value to an asset are recorded with the fixed asset item to which they relate and are depreciated on the basis of the future remaining useful life of the asset.

Leasehold improvements, such as to premises, shops and branches held under operating leases, are capitalized and depreciated over the shorter of the term of the lease and the useful life of the tangible asset installed.

The periods of depreciation are shown in the following table:

| Asset Type | Years |
|---|---|
| Buildings, constructions and leasehold improvements | 5-25 |
| Plant and machinery | 5-16 |
| Industrial and commercial equipment | 4-10 |
| Motor vehicles | 3-9 |
| Computers and office machinery | 3-7 |
| Furniture and fittings | 3-10 |
| Other tangible fixed assets | 4-8 |

## 45.13 IMPAIRMENT OF INTANGIBLE FIXED ASSETS, TANGIBLE FIXED ASSETS, INVESTMENTS IN ASSOCIATED COMPANIES AND GOODWILL

The Group checks the recoverable value of an asset whenever an impairment indicator exists and, for intangible fixed assets with an indefinite life, other tangible assets and goodwill, the assessment is carried out yearly. The recoverable amount is defined as the higher of the asset's fair value less costs to sell and its value in use.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Value in use is determined with reference to the present value of the estimated future cash flows that are expected to be generated by the continued use of an asset and its disposal at the end of its useful life, discounted using a pre-tax discount rate that reflects current market assessments of the time value of money and the specific risks associated with the asset. Where the value in use of a specific asset cannot be determined due to the fact that the asset does not generate independent cash flows, value in use is estimated with reference to the cash-generating unit to which the asset belongs.

With regard to goodwill, the impairment test is performed for the smallest cash-generating unit that the goodwill relates to and which is used by the Group to evaluate, either directly or indirectly, the return on the investment which includes the goodwill itself.

Impairment losses are recognized in the income statement when the carrying value of an asset is higher than its recoverable value. Except for goodwill, for which impairment losses cannot be reversed, when there is an indication that an impairment loss is no longer justified or may have decreased, the carrying value of the asset is adjusted to its recoverable value. The increased carrying value of an asset due to an impairment reversal cannot, however, exceed the carrying value that the asset would have had (net of the write-down or depreciation) if the impairment had not been recognized in previous years. The reversal is immediately recognized in the income statement.

## 45.14 LEASING

When a contract is signed the Group assesses whether a contract is or contains a lease, namely if the contract conveys the right to use an asset for a period of time in exchange for consideration.

### ACCOUNTING POLICIES APPLICABLE TO THE GROUP AS A LESSEE

The Group uses a single model to recognize and measure all leases, with the exception of short-term leases and leases for low value assets. The Group recognizes the lease liabilities and the right-of-use asset, namely the right to use the lease's underlying asset.

### RIGHT-OF-USE ASSETS

The Group recognizes the right-of-use assets as of the commencement date of the lease (namely the date on which use of the underlying asset is conveyed). The right-of-use assets are valued at cost, net of any accumulated depreciation and impairment losses, adjusted to reflect any restated lease liabilities. The costs for the right-of-use assets include the lease liabilities recognized, the initial direct costs incurred, and the lease payments made as of the commencement date or before the commencement date net of any incentives received.

The right-of-use assets are amortized on a straight-line basis from the commencement date to the end of their useful life consistent with the right granted or, if before, the end of the lease term.

The right-of-use assets are subject to impairment testing. Please refer to section 45.13. Loss of value of non-financial assets.

### LEASE LIABILITIES

At the commencement date of the lease, the Group recognizes a lease liability equal to the payments that must be made in the future under the lease. The payments owed include fixed lease payments less any lease incentives, variable lease payments linked to an index or a rate, and the guaranteed residual amount due. The lease payments also include the exercise price of a purchase price if it is reasonably certain that the option will be exercised by the Group and any penalties for terminating the lease contemplated in the lease if the duration of the lease takes into account the exercise by the Group of the option to terminate the lease itself.

Variable lease payments that are not linked to an index or a rate are recognized as a cost in the period in which the event or the condition triggering the payment occurred.

When calculating the present value of payments owed, the Group uses the marginal borrowing rate at the commencement date if the implied borrowing rate is not easily determined. After the commencement date the amount of the lease liabilities will be increased in order to reflect interest owed and decreased to reflect payments made. The book value of the lease liabilities will also be restated if any changes are made to the lease terms or payment terms; it will also be restated if the value of the purchase option on the underlying asset is changed or if any changes in the index or rate used to determine future payments occur.

### SHORT-TERM LEASES AND LOW VALUE ASSETS

The Group applies the exemption relative to leases for low value assets like, for example PCs, printers, electronic equipment and short-term leases, namely leases with a term of less than 12 months without purchase options, with the exception of the assets classed as "stores". The rent payable under short-term leases and leases for low value assets are recognized as costs on a straight-line basis over the lease term.

### THE GROUP AS LESSOR

Leases which leave all the risks and benefits associated with ownership of the asset are classified as operating leases. Lease income stemming for the operating lease must be recognized on a straight-line basis over the lease term and recognized as revenue in the income statement. The initial negotiation costs are added to the book value of the leased asset and are recognized on a straight-line basis over the lease term. Unplanned leases are recognized as revenue in the period in which they mature

### SUBLEASE

The Group, as an intermediate lessor in a subleasing contract, classifies a sublease as a finance or operating lease as follows:

a) If the head lease is accounted for as a short-term lease, for which the Group has made use of the practical expedient, the sublease is classified as an operating lease;
b) otherwise, the sublease is classified by reference to the right-of-use asset arising from the head lease, rather than by reference to the underlying asset (for example, property unit, leased plants or machinery).

More in detail, if the sub-lease is classified as an operating lease, the head lessor continues to recognize the lease liabilities and the right-of-use assets in the head lease like any other lease.

If the net book value of the right-of-use asset in the head lease exceeds the income expected from the sub-lease, this might indicate that there has been a loss in the value of the right-to-use asset in the head lease. The loss in value of a right-of-use asset is measured in accordance with IAS 36.

If the sub-lease is classified as a finance lease, the head lessor eliminates the right-of-use asset from the head lease as of the commencement date of the sub-lease and continues to recognize the original lease liability as per the lessee's accounting model.

## 45.15 FINANCIAL ASSETS AND LIABILITIES

### 45.15.1 Financial assets (excluding derivatives)

The Group's financial assets are classified based on the business model used to manage them and the nature of the relative cash flows.

#### a) Financial assets valued at amortized cost

Financial assets that meet the following requirements are classified in this category:
(i) assets held as part of a business model where the objective of the entity's business model is collecting contractual cash flows; and
(ii) the cash flows contemplated under the contract refer solely to payments of the principal and interest on the amount of the principal to be repaid.

These are mainly trade receivables, loans and other receivables.

The trade receivables without a significant financing component are recognized at the price of the relative transaction (determined in accordance with IFRS 15 Revenue from contracts with customers).

The other receivables and loans are recognized in the financial statements at fair value plus any ancillary costs attributable directly to the transactions that generated them.

After initial recognition, the effective interest rate applied to financial assets measured at amortized cost, with the exception of receivables without a significant financing component, is used to determine interest income which is recognized in profit or loss. The effects of this measure are recognized among the financial components of income.

With reference to the impairment model, the Group evaluates the receivables by adopting an expected loss logic.

The Group used a simplified approach to measure trade receivables which does not call for periodic adjustments of the credit risk nor of the expected credit loss ("ECL") calculated over the life of the receivable ("lifetime ECL").

More in detail, the policy implemented by the Group calls for the stratification of trade receivables broken down into similar risk categories. Different percentages of impairment are applied to these categories based on the expected level of recoverability which refer to historical percentages and any forward-looking elements that could affect recoverability. The trade receivables are written off entirely if there is not a reasonable expectation of recoverability (i.e. past due above a certain level, bankruptcy and/or legal proceedings).

The Group uses a general approach for the measurement of the long-term financial receivables relating to the loans granted by American subsidiaries to franchisees and members of the Elite network in order support investment and development in the United States which requires the checking of any increase in the credit risk at the end of each reporting period.

Impairment recognized pursuant to IFRS 9 is presented in the income statement, net of any positive effects stemming from releases or reversals, as operating costs.

**b) Financial assets at fair value recognized through the comprehensive income statement ("FVOCI")**

Financial assets that meet the following requirements are classified in this category:

(i) assets held as part of a business model where the objective of the entity's business model is collecting contractual cash flows and selling the assets; and
(ii) the cash flows contemplated under the contract refer solely to payments of principal and interest on the amount of principal to be repaid.

These include trade receivables that the Group sometimes used in factoring without recourse transactions.

These assets are initially recognized in the financial statements at their fair value plus any ancillary costs directly attributable to the transactions generating them. After initial recognition, the measurement is updated and any changes in fair value are recognized in the comprehensive income statement.
The impairment model used is described in a) above.

**c) Financial assets at fair value recognized through the consolidated income statement ("FVPL")**

Financial assets which are not classified in the other categories (i.e. residual category). These are mainly derivatives.

Assets belonging to this category are initially recognized at fair value.

The ancillary costs incurred when the asset is recognized are immediately recognized in the consolidated income statement. After initial recognition, the FVPL are measured at fair value.

The gains and losses stemming from changes in fair value are recognized in the consolidated income statement for the reporting period under "Gains (losses) from assets measured at fair value".

The purchases and disposals of financial assets are accounted for on the settlement date.

Financial assets are derecognized from the financial statements when the related contractual rights expire, or when the Group transfers all the risks and rewards of ownership associated with the financial asset.

## 45.15.2 Financial liabilities (excluding derivatives)

Financial liabilities include financial payables, lease obligations and trade payables. Amounts payable to banks and other lenders are initially recognized at fair value less any directly attributable transaction costs and subsequently valued at amortized cost based on the effective interest rate. If there is a change in the forecast cash flow the value of the liabilities is recalculated in order to reflect this change based on the present value of the new future cash flows and the internal rate of return initially determined.

Whenever legal rights to compensation arise, the Group decides whether or not to show cash and cash equivalents net of bank overdrafts.

Trade payables are obligations to pay for goods and services acquired from suppliers as part of general business operations. The amounts owed suppliers are classified as current liabilities if the payment will be made within a year of the relative reporting period. Conversely, these payables are classified as non-current liabilities.

The trade and other payables are initially measured at fair value and subsequently using the amortized cost method.

CONSOLIDATED FINANCIAL STATEMENTS
REPORT ON OPERATIONS
AMPLIFON AT A GLANCE

When a financial liability is hedged against interest rate risk in a fair value hedge, any changes in fair value due to the hedged risk are not included in the amortized cost calculation. These changes are amortized starting from the moment fair value hedge accounting is discontinued.

With regard to lease liabilities, please refer to section 45.14. Leasing.

Financial liabilities are derecognized when the underlying obligation is extinguished, cancelled or fulfilled.

Contractual amendments relating to financial liabilities are assessed from a qualitative and quantitative point of view (using the 10% test) to determine whether they are of a substantial nature and therefore require a derecognition of the original debt In the event of non-substantial amendments, the Group recognizes the impact of those changes in the income statement.

In the case of put and call granted to minority shareholders and which guarantee them the settlement in cash in exchange for available liquidity or other financial assets, the Group, in accordance with IAS 32, records a financial liability equal to the best estimate of the exercise price of the option. This liability is subsequently remeasured at each closing date. Based on the Group's accounting policy any change in the value of the liability is recognized in net equity.

## 45.15.3 Derivative financial instruments

As of 1 January 2019, the Amplifon Group opted to apply the provisions of IFRS 9 relating to hedge accounting, rather than the provisions of IAS 39 used in the past.

The Group enters into derivative financial instruments for the purpose of neutralizing the financial risks it is exposed to and which it decides to hedge in accordance with its adopted strategy (see note 43).

The documentation which formalizes the hedging relationship for the purpose of the application of hedge accounting includes the identification of:

- the hedging instrument;
- the hedged item or transaction;
- the nature of the risk;
- the methods that the company intends to adopt to assess the effectiveness of the hedge in offsetting the exposure to changes in the fair value of the hedged item or the cash flows associated with the risk that is hedged against.

On initial recognition these instruments are measured at fair value. On subsequent reporting dates the fair value of derivatives must be re-measured and:

(i) if these instruments fail to qualify for hedge accounting, any changes in fair value that occur after initial recognition are taken to profit and loss;
(ii) if these instruments qualify as fair value hedges, from that date any changes in the fair value of the derivative are taken to profit and loss; at the same time, any fair value changes due to the hedged risk are recorded as an adjustment to the book value of the hedged item and the same amount is recorded in the income statement; any ineffectiveness of the hedge is recognized in profit and loss in an item separate from that in which changes in the fair value of the hedging instrument and the hedged item are recognized;
(iii) if these instruments qualify as cash flow hedges, starting from that date, any changes in the fair value of the derivative are recognized in net equity, but only to the extent of the effective amount of the hedge, with the amount of any hedge ineffectiveness being recognized in the income statement; changes in the fair value of the derivative that are recognized in net equity are subsequently transferred to the income statement in the period in which the transaction that is hedged against affects the income statement; when the hedged item is the purchase of a non-financial asset, changes to the fair value of the derivative taken to equity are reclassified and adjusted according to the purchase cost of the asset which is the hedged item (referred to as basis adjustment);
(iv) if these instruments qualify as hedges of net investment of a foreign operation, starting from that date any changes in the fair value of the derivative are adjusted

as part of the "translation difference", to the extent of the effective amount of the hedge and the ineffective portion is charged to the income statement;

(v) hedging is carried out by the designated instrument, considered as a whole. In the case of options or forward contracts, however, only part of the derivative instrument is designated as the hedging instrument; the remainder is recognized in the income statement. More specifically, in the case of options, only the changes in fair value due to changes in the intrinsic value are designated as a hedging instrument; conversely, fair value changes of options due to changes in the time value are recognized in the income statement and are not considered in the assessment of the hedge effectiveness. In the case of forward contracts, only changes in fair value due to changes in the spot rate are designated as a hedging instrument; conversely fair value changes due to changes in the forward points are recognized in the income statement and are not considered in the assessment of the hedge effectiveness.

If the hedge becomes ineffective or the Group changes its hedging strategies, hedge accounting is discontinued. In particular, hedge accounting is discontinued prospectively when the hedge becomes ineffective or when there is a change in the hedging strategies.

If, in a fair value hedge, the hedged item is a financial instrument measured using the effective interest rate method, the adjustments made to the book value of the hedged item are amortized starting from the date when fair value hedge accounting is discontinued and the hedged item is no longer adjusted for fair value changes attributable to the hedged risk.

Financial instruments hedging exchange rate risk due to forecasted transactions and firm commitments are represented on the statement of financial position according to the cash-flow hedge accounting model.

Derivatives are recognized as assets if their fair value is positive and as liabilities if their fair value is negative. These balances are shown under current assets or liabilities if related to derivatives which do not qualify for hedge accounting criteria, conversely, they are classified according to the hedged item.

In particular, if the hedged item is classified as a current asset or liability, the positive or negative fair value of the hedging instrument is included under current assets or liabilities; if the hedged item is classified as a non-current asset or liability, the positive or negative fair value of the hedging instrument is included under non-current assets or liabilities.

## 45.16 INVENTORIES

Inventories are valued at the lower of purchase or production cost and their net realizable value, represented by their open market value. Inventories are valued using the weighted average cost method.

## 45.17 CASH AND CASH EQUIVALENTS AND FINANCIAL ASSETS

The item cash and cash equivalents comprise liquid funds and financial investments with a maturity, at the acquisition date, of less than three months and for which there is an insignificant risk of a change in value. These financial assets are recorded at their nominal value.

## 45.18 PROVISIONS FOR RISKS AND CHARGES

Provisions for risks and charges relate to costs and charges of a specific nature which are certain or probable and whose amount or timing is uncertain at the reporting date.

Provisions are recognized if the following conditions apply: (i) the Group has a present obligation (legal or constructive) that has arisen as a result of a past event; (ii) it is probable that the fulfilment of the obligation will require the use of resources which produce economic benefits; (iii) the amount can be estimated reliably.

The amount recognized as a provision in the financial statements represents the best estimate of the expenditure required by the company to settle the obligation at the reporting date or to transfer it to a third party.

When the financial effect of time is significant and the settlement dates of the obligations can be reliably estimated, the provision is discounted; when the provision is discounted, the increase in the provision due to the passage of time is recognised in the income statement as a finance cost.

Specifically:

- the agents' leaving indemnity includes the estimate of amounts due to agents, calculated using actuarial methods and having regard to the probability that such amounts will be paid, as well as the expectations as to the time of payment;
- the warranty and repair provision includes the estimate of costs for warranty services to be provided on products sold, calculated on the basis of historical/statistical data and the warranty period;

- the provision for risks arising from legal disputes includes the estimate of charges relating to legal disputes with employees or agents or associated with the provision of services.

## 45.19 EMPLOYEES' BENEFITS

Post-employment benefits are defined on the basis of pension plans, even if not formalized, which due to their characteristics can be classified as either defined-contribution or defined-benefit plans.

Under a defined-contribution plan the company's obligation is limited to the payment of the contributions agreed with the employees and it is determined on the basis of the contributions due at the end of the period, as reduced by any amounts already paid.

Under defined-benefit plans the liability recorded in the books is equal to: (a) the present value of the defined-benefit obligation at the reporting date; (b) plus any actuarial gains (minus any actuarial losses); (c) less any past service costs that have not yet been recorded; (d) less the fair value at the reporting date of plan assets (if any) out of which the obligations are to be settled directly.

Under defined-benefit plans, the cost charged to the income statement is equal to the algebraic sum of the following elements: (a) current service cost; (b) the financial charges arising from the increase in liability due to the passage of time; (c) the expected return on plan assets; (d) past service cost; (e) the effect of any curtailments or settlements under the plan.

Actuarial gains and losses are recognized in other comprehensive income.

Net financial charges on defined-benefit plans are recognized in profit or loss under financial income and charges.

## 45.20 *STOCK GRANT*

The Group grants the right to participate in share capital plans (stock grants) to certain top executives and other beneficiaries who hold key positions within the Group. Stock grants are equity settled, and the beneficiary receives a free allotment of shares in Amplifon S.p.A. at the end of the vesting period.

The relative fair value is recognized in the income statement under personnel expenses over the period from the date they are granted to the vesting date and a corresponding amount is recorded in a net equity reserve. The fair value of stock grants is determined at the date they are granted, taking account of the market conditions at that date.

At each reporting date, the Group reviews the assumptions about the number of rights which are expected to be exercised and records the effect of any change in estimate in the income statement adjusting the corresponding net equity reserve.

In case of free stock allotment (i.e. "stock grant"), the corresponding increase in net equity is recognized at the end of the vesting period.

## 45.21 REVENUES

### Revenues from contracts with clients

The revenues from contracts with customers are recognized in accordance with IFRS 15.

Based on the five-step model introduced in IFRS 15, the Group records revenue after having identified the contracts with its customer and the relative performance obligations (transfer of control of goods and/or services), determined the consideration to which it is entitled upon satisfaction of each of the obligations, as well as the way these obligations will be satisfied (at a point in time or over time).

The Group will recognize revenue once the criteria for the identification of the contract with the customer are satisfied, the parties are involved in fulfilling the respective obligations and it is probable that the Group will receive the consideration to which it is entitled in exchange for the goods and services transferred to the customer.

The main performance obligations identified by the Amplifon Group involve: the hearing aid and fitting, which represent a single inseparable performance obligation, after sales care, extended warranties which are above and beyond normal supplier warranties, the material rights (discounts on future purchases and loyalty points) and accessories (batteries, cleaning kits) provided to the customer.

The goods and services may be sold separately or bundled.

The transaction price, which represents the amount the entity expects to receive from the customer for the goods and services provided, is allocated based on the stand-alone selling prices of the relative performance obligations.

The stand-alone selling price is determined based on observable prices when available, while for goods and services not sold separately (for example after sales services) and when observable market prices are not available the cost plus a margin method is used.

Any commercial discounts are allocated to the different performance obligations that make up the bundle sold to the customer, with the exception of after sales services in proportion to the weight of the relative stand-alone selling price.

Revenues are recognized when control of the goods and services has been transferred to the customer and performance obligations have been satisfied. This can happen at a point in time or over time.

Revenues realized over time, represented typically by after sales services, extended warranties, and accessories supplied over time, are recognized based on the level to which the different contractual performance obligations have been satisfied. More in detail, transfer over time is measured based on the input method, namely taking into account the work done (inputs) by the Group to fulfill each performance obligation.
The up-front fee paid by franchisees is considered a revenue stream generated over time and is recognized over the life of the franchising agreement.

Revenues realized at a point in time refer to the transfer of goods and services that the customer receives and consumes at the same time.
These are generally attributable to the sale of hearing aids and relative fitting, accessories and a few services that are sold separately. In these situations, revenue is recorded when control of the good of service is transferred to the customer.

The performance obligation to transfer control of the goods and services over time is recognized under "Contractual liabilities".
The Group incurs costs to acquire and fulfill contracts over time. These costs, which typically include commissions and bonuses paid to employees and agents for each sale made that will be recovered through the revenues generated by the contract, are capitalized as contract costs and amortized based on the progress made in transferring the goods and services to the customer over time.

The contract costs are recognized as assets in a specific line of the financial statement (Short-term and long-term deferred assets arising from contract costs).

### PUBLIC CONTRIBUTIONS

Public contributions received are presented as a reduction of the reference cost item or are shown among other revenues/income when not directly attributable to a specific cost item, taking into account the nature of the contribution itself.

## 45.22 DIVIDENDS

The dividends are recognized as profit (loss) for the year only when:

- the entity's right to receive a dividend arises;
- it's likely that the economic benefits stemming from the dividend will flow to the entity; and
- the amount of the dividend can be reliably measured.

## 45.23 CURRENT AND DEFERRED TAXES

Current income tax payables and receivables are recorded at the amount that is expected to be paid to/received from the tax authorities at the rates enacted or substantially enacted, and the laws in force at the reporting date.

Deferred tax assets and liabilities are recognized on temporary differences between the value of assets and liabilities in the financial statements and the corresponding tax bases.

Deferred income taxes are not recognized: (i) when they derive from the initial recognition of goodwill or of an asset or liability in a transaction other than a business combination and which, at the time of the transaction, does not affect either the accounting profit or the taxable profit /loss; (ii) when they relate to temporary differences related to investments in subsidiaries and joint ventures, where the reversal of temporary differences may be controlled and it is probable that it will not occur in the foreseeable future.

Deferred tax assets, including those arising from unused tax losses and tax credits, are recorded only to the extent their recovery is highly probable.

Deferred tax assets are not discounted to present value and are calculated using the tax rates that are expected to apply when the taxes are paid or settled in the respective countries where the Group operates.

Deferred tax assets and liabilities are debited or credited directly to net equity if they relate to elements which are recognized directly in net equity. Deferred tax assets and liabilities are recorded respectively under non-current assets and liabilities and are offset only when a legally enforceable right to offset current tax assets against current tax liabilities exists and this will result in a lower tax charge. Moreover, when there is a legally enforceable right of set-off, deferred tax assets and deferred tax liabilities are offset only if at the time of their reversal they will not generate any current tax asset or liability.

When an asset is revalued for tax purposes and the revaluation does not relate to an accounting revaluation of an earlier period, or to one that is expected to be carried out in a future period, deferred tax assets are recognized in the income statement on the temporary difference arising as a result of the revaluation.

The current and deferred tax assets and liabilities must be recognized and measured in accordance with IAS 12 namely based on the taxable income (losses), the amounts for tax purposes, unused tax losses, unused tax credits, and tax rates determined based on IFRIC 23.

In the presence of uncertainties in the application of tax legislation, in accordance with IFRS 23 interpretation, the Group:

(i) in cases where it deems probable that the tax authority will accept the uncertain tax treatment, it determines the income taxes (current and/or deferred) to be recognized in the financial statements according to the tax treatment applied or which it plans to apply at the time of tax declaration;
(ii) in cases where it deems unlikely that the tax authority will accept the uncertain tax treatment, it reflects such uncertainty in the determination of income taxes (current and/or deferred) to be recognized in the financial statements;
(iii) the uncertain tax asset/liability are to be represented in the items that include the assets and liabilities for income taxes and not in other balance sheet items.

## 45.24 VALUE ADDED TAX

Revenues, costs and assets are recognized net of valued added tax (VAT), except where VAT applied to the purchase of goods or services is non-deductible, in which case it is recognized as part of the purchase cost of the asset or as part of the expense recorded in the income statement.

The net amount of indirect tax on sales which may be recovered from/paid to the Tax Authorities is included in the financial statements under other receivables or payables, depending on whether it is a debit or a credit balance.

## 45.25 SHARE CAPITAL, TREASURY SHARES, DIVIDEND DISTRIBUTION AND OTHER NET EQUITY ITEMS

Ordinary shares issued by the parent company Amplifon S.p.A. are classified as part of net equity. Any costs incurred to issue new shares, are classified as a reduction of net equity.

Purchases and disposals of treasury shares, as well as any gains or losses on purchase/disposal, are recognized in the financial statements as changes in net equity. Dividends distributed to the shareholders are recorded as a reduction in net equity and as a liability of the period when the dividend payment is approved by the Shareholders' Meeting.

## 45.26 EARNINGS (LOSS) PER SHARE

Earnings per share is determined by comparing the Group's net profit to the weighted-average number of shares outstanding during the accounting period. For the calculation of diluted earnings per share, the weighted average number of shares outstanding is adjusted assuming the conversion of all potential shares with a dilutive effect.

## 45.27 ACCOUNTING STANDARDS FOR HYPERINFLATIONARY COUNTRIES

The Group companies operating in hyperinflationary countries (Argentina) restate non-monetary assets and liabilities found in their original financial statements in order to eliminate any distortions due to the currency's loss of purchasing power. The inflation rate used in this instance corresponds with the consumer price index.

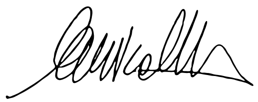
The companies operating in countries in which the cumulative three-year rate of inflation is close to or exceeds 100% use the hyperinflationary accounting measures and cease to do so when the cumulative three-year rate of inflation falls below 100%.
The gains or losses on the net monetary position are recorded in the income statement.
The financial statements drafted in currencies other than the euro by Group companies operating in hyperinflationary countries are converted into euros based on the exchange rate at the end of the reporting period both for balance sheet items and for economic ones.

# 46. SUBSEQUENT EVENTS

The Group's external growth continued in the first few months of 2025 with the following acquisitions: 123 shops in Poland, 28 shops in Italy, 22 in China, 12 in France, 11 in Germany, 2 in Canada and 1 in Spain.

Milan, March 6th, 2025

CEO
Enrico Vita



# ANNEX I

## CONSOLIDATION AREA

As required by articles § 38 and 39 of Law 127/91 and article § 126 of Consob's resolution 11971 dated 14 May 1999, as amended by resolution 12475 dated 6 April 2000, the following is the list of companies included in the consolidation area of Amplifon S.p.A. on 31 December 2024.

### PARENT COMPANY:

| Company name | Head office | Currency | Share capital |
|---|---|---|---|
| Amplifon S.p.A. | Milano (Italy) | EUR | 4,527,772 |

### SUBSIDIARIES CONSOLIDATED USING THE LINE-BY-LINE METHOD:

| Company name | Head office | Direct/Indirect ownership | Currency | Share Capital | % held as at 12/31/2024 |
|---|---|---|---|---|---|
| Amplifon Rete | Milano (Italy) | I | EUR | 19,250 | 2.6% |
| Amplifon Italia S.p.A. | Milano (Italy) | D | EUR | 100,000 | 100.0% |
| Amplifon France S.A.S. | Arcueil (France) | D | EUR | 173,550,898 | 100.0% |
| SCI Eliot Leslie (*) | Lyon (France) | I | EUR | - | 100.0% |
| Nadov Audition S.A.S. | Juvisy (France) | I | EUR | 5,000 | 100.0% |
| Pastel Audiologie S.A.S. | Villefranche de Lauragais (France) | I | EUR | 818,000 | 100.0% |
| Pastel Audition S.A.S. | Villefranche de Lauragais (France) | I | EUR | 10,000 | 100.0% |
| Acoustiques des Halles S.A.S. | Biarritz (France) | I | EUR | 80,000 | 100.0% |
| Audition Détente S.A.S. | Saint-André-de-Sangonis (France) | I | EUR | 2,222 | 100.0% |
| Belletente S.A.S. | Saint-Étienne (France) | I | EUR | 6,000 | 100.0% |
| Audiloire S.A.S. | Tours (France) | I | EUR | 1,000 | 100.0% |
| L'Oreillette Du Mans S.A.S. | Le Mans (France) | I | EUR | 10,800 | 100.0% |
| Aurissimans S.A.S. | Savigné l'Eveque (France) | I | EUR | 6,000 | 100.0% |
| L'Effet L'Arsene S.A.S. | Tours (France) | I | EUR | 1,000 | 100.0% |
| François Audition S.A.S. | Ballan-Mire (France) | I | EUR | 3,000 | 100.0% |
| Audition Freres François S.A.S. | Tours (France) | I | EUR | 6,000 | 100.0% |
| FFF Audio S.A.S. | Chambray-Lès-Tours (France) | I | EUR | 6,000 | 100.0% |
| Vouvray Audition S.A.S. | Vouvray (France) | I | EUR | 6,000 | 100.0% |
| Audioconseil S.A.S. | Lesouef (France) | I | EUR | 102,800 | 100.0% |
| Audition Oscar Thuaire S.A.S. | Thuaire (France) | I | EUR | 5,000 | 100.0% |

| Company name | Head office | Direct/Indirect ownership | Currency | Share Capital | % held as at 12/31/2024 |
|---|---|---|---|---|---|
| Clarté Audition Sanguinet S.A.S. | Thuaire (France) | I | EUR | 1,000 | 100.0% |
| Clarté Audition Nord Landes S.A.S. | Thuaire (France) | I | EUR | 1,000 | 100.0% |
| Amplifon Ibérica, S.A.U. | Barcelona (Spain) | D | EUR | 26,578,809 | 100.0% |
| Microson S.A. | Barcelona (Spain) | D | EUR | 61,752 | 100.0% |
| Amplifon LATAM Holding, S.L.U. | Barcelona (Spain) | I | EUR | 3,000 | 100.0% |
| Audifonos factory, S.L. | Malaga (Spain) | I | EUR | 3,000 | 100.0% |
| Audifonos sevillaudio, S.L. | Malaga (Spain) | I | EUR | 10,000 | 100.0% |
| Audio diagnostics, S.L. | Malaga (Spain) | I | EUR | 30,000 | 100.0% |
| Audio elite sur, S.L. | Malaga (Spain) | I | EUR | 20,000 | 100.0% |
| Audiolmenes, S.L. | Malaga (Spain) | I | EUR | 3,000 | 100.0% |
| Corbaudio centros auditivos, S.L. | Cordoba (Spain) | I | EUR | 3,000 | 100.0% |
| Talayoaudio, S.L.U. | Marbella (Spain) | I | EUR | 3,000 | 100.0% |
| Tecnoaudifonos, S.L.U. (*) | Malaga (Spain) | I | EUR | 6,000 | 100.0% |
| Audio nevada, S.L. | Malaga (Spain) | I | EUR | 10,000 | 100.0% |
| Audioliva, S.L. | Jaen (Spain) | I | EUR | 3,000 | 100.0% |
| Centro audio granada, S.L. | Granada (Spain) | I | EUR | 36,000 | 100.0% |
| Futurooigo, S.L. | Malaga (Spain) | I | EUR | 3,000 | 100.0% |
| Centro auditivo sent, S.L. | Granada (Spain) | I | EUR | 3,000 | 100.0% |
| Esteponaudio, S.L. | Estepona (Spain) | I | EUR | 3,000 | 100.0% |
| Recimetal cordoba, S.L. (*) | Marbella (Spain) | I | EUR | 23,095 | 100.0% |
| Soluciones auditivas de la subbetica, S.L. | Rute (Spain) | I | EUR | 3,000 | 100.0% |
| Soluciones auditivas y visuales gonzales, S.L. | Malaga (Spain) | I | EUR | 29,000 | 100.0% |
| Soluciones profesionales de audiologia, S.L. | Malaga (Spain) | I | EUR | 23,408 | 100.0% |
| Sonic technology españa, S.L. | Fuengirola (Spain) | I | EUR | 9,015 | 100.0% |
| Sontec centros auditivos, S.L. | Mijas (Spain) | I | EUR | 3,000 | 100.0% |
| Amplifon Portugal SA | Lisboa (Portugal) | I | EUR | 15,520,187 | 100.0% |
| Amplifon Magyarország Kft | Budapest (Hungary) | D | HUF | 723,500,000 | 100.0% |
| Amplibus Magyarország Kft | Budaörs (Hungary) | I | HUF | 3,000,000 | 100.0% |
| Amplifon AG | Baar (Switzerland) | D | CHF | 1,000,000 | 100.0% |
| Amplifon Nederland B.V. | Doesburg (The Netherlands) | D | EUR | 74,212,052 | 100.0% |
| Auditech B.V. | Doesburg (The Netherlands) | I | EUR | 22,500 | 100.0% |
| Electro Medical Instruments B.V. | Doesburg (The Netherlands) | I | EUR | 16,650 | 100.0% |
| Beter Horen B.V. | Doesburg (The Netherlands) | I | EUR | 18,000 | 100.0% |
| Amplifon Customer Care Service B.V. | Elst (The Netherlands) | I | EUR | 18,000 | 100.0% |

| Company name | Head office | Direct/Indirect ownership | Currency | Share Capital | % held as at 12/31/2024 |
|---|---|---|---|---|---|
| Amplifon Belgium N.V. | Bruxelles (Belgium) | D | EUR | 495,800 | 100.0% |
| Amplifon RE SA | Luxembourg (Luxembourg) | D | EUR | 3,700,000 | 100.0% |
| Pilot Blankenfelde Medizinisch-Elektronische Gerate GmbH | Blankenfelde-Mahlow (Germany) | D | EUR | 34,595 | 100.0% |
| Amplifon Deutschland GmbH | Hamburg (Germany) | D | EUR | 6,026,000 | 100.0% |
| Focus Hören AG | Willroth (Germany) | I | EUR | 485,555 | 100.0% |
| Focus hören Deutschland GmbH | Willroth (Germany) | I | EUR | 25,000 | 100.0% |
| Amplifon Poland Sp. z o.o. | Lodz (Poland) | D | PLN | 3,348,280 | 100.0% |
| Amplifon UK Ltd | Manchester (United Kindgdom) | D | GBP | 130,951,168 | 100.0% |
| Amplifon Ltd | Manchester (United Kindgdom) | I | GBP | 1,800,000 | 100.0% |
| Ultra Finance Ltd | Manchester (United Kindgdom) | I | GBP | 75 | 100.0% |
| Medtechnica Ortophone Ltd (**) | Tel Aviv (Israel) | D | ILS | 1,100 | 90.0% |
| Amplifon Middle East SAE | Cairo (Egypt) | D | EGP | 3,000,000 | 51.0% |
| Miracle Ear Inc. | St. Paul (United States) | I | USD | 5 | 100.0% |
| Elite Hearing, LLC | Minneapolis (United States) | I | USD | 1,000 | 100.0% |
| Amplifon Hearing Health Care. Corp. | St. Paul (United States) | I | USD | 10 | 100.0% |
| Ampifon IPA, LLC | New York (United States) | I | USD | - | 100.0% |
| Amplifon USA Inc. | Dover (United States) | D | USD | 52,500,010 | 100.0% |
| METX, LLC | Waco (United States) | I | USD | - | 100.0% |
| MEFL, LLC | Waco (United States) | I | USD | - | 100.0% |
| METampa, LLC | Waco (United States) | I | USD | - | 100.0% |
| MENM, LLC | Waco (United States) | I | USD | - | 100.0% |
| ME Flagship, LLC | Wilmington (United States) | I | USD | - | 100.0% |
| ME Pivot Holdings, LLC | Minneapolis (United States) | I | USD | 2,000,000 | 100.0% |
| MEOH, LLC | Minneapolis (United States) | I | USD | - | 100.0% |
| Miracle Ear Canada Ltd. | Vancouver (Canada) | I | CAD | 169,601,200 | 100.0% |
| 2829663 Ontario Inc (*) | Milton (Canada) | I | CAD | - | 100.0% |
| The Hearing Clinic (*) | Scarborough (Canada) | I | CAD | - | 100.0% |
| Lisa Reid Audiology Hearing Centres (*) | Manitoba (Canada) | I | CAD | - | 100.0% |
| Great to Hear, Inc. (*) | Manitoba (Canada) | I | CAD | - | 100.0% |
| Living Sounds Hearing Centre Ltd. (*) | Alberta (Canada) | I | CAD | - | 100.0% |
| Professional Hearing Services Ltd./100391416 Ontario Ltd. (*) | Ontario (Canada) | I | CAD | - | 100.0% |
| Sackville Hearing Centre Limited (*) | Nova Scotia (Canada) | I | CAD | - | 100.0% |
| Hometown Hearing Centre Inc (*) | Bancroft (Canada) | I | CAD | - | 100.0% |
| Newlife Hearing Inc. (*) | St. John's (Canada) | I | CAD | - | 100.0% |

| Company name | Head office | Direct/Indirect ownership | Currency | Share Capital | % held as at 12/31/2024 |
|---|---|---|---|---|---|
| Provincial Hearing Aid Service (Halifax) Ltd. (*) | Halifax (Canada) | I | CAD | - | 100.0% |
| Audia Hearing Aid Centre Inc. (*) | Ontario (Canada) | I | CAD | - | 100.0% |
| The Hearing Institute of Ontario, Inc. (*) | Ontario (Canada) | I | CAD | - | 100.0% |
| Rupert Hearing Ltd (*) | Prince Rupert (Canada) | I | CAD | - | 100.0% |
| Pure Audiology & Hearing Aid Services, Inc. (*) | Oakville (Canada) | I | CAD | - | 100.0% |
| St. Thomas Hearing Clinic Inc. (*) | St. Thomas (Canada) | I | CAD | - | 100.0% |
| GAES S.A. (Chile) | Santiago de Chile (Chile) | I | CLP | 1,901,686,034 | 100.0% |
| GAES Servicios Corporativo de Latinoamerica SpA | Santiago de Chile (Chile) | I | CLP | 10,000,000 | 100.0% |
| Audiosonic Chile S.A. | Santiago de Chile (Chile) | I | CLP | - | 99.0% |
| GAES S.A. (Argentina) | Buenos Aires (Argentina) | I | ARS | 120,542,331 | 100.0% |
| GAES Colombia S.A.S. | Bogotà (Colombia) | I | COP | 22,000,000,000 | 100.0% |
| Audiovital Cìa. Ltda. | Quito (Ecuador) | I | USD | 430,337 | 100.0% |
| Centros Auditivos GAES Mexico sa de cv | Ciudad de México (Mexico) | I | MXN | 276,477,133 | 100.0% |
| Compañía de Audiologia y Servicios Medicos sa de cv | Aguascalientes (Mexico) | I | MXN | 43,306,212 | 100.0% |
| GAES Panama S.A. | Panama (Panama) | I | PAB | 510,000 | 100.0% |
| Audical S.A.S | Montevideo (Uruguay) | D | UYU | 500,000 | 100.0% |
| Centro Auditivo S.A.S | Montevideo (Uruguay) | D | UYU | 500,000 | 100.0% |
| Ikako S.A. | Montevideo (Uruguay) | D | UYU | 100,000 | 100.0% |
| Amplifon Australia Holding Pty Ltd | Sydney (Australia) | D | AUD | 392,000,000 | 100.0% |
| National Hearing Centres Pty Ltd | Sydney (Australia) | I | AUD | 100 | 100.0% |
| National Hearing Centres Unit Trust | Sydney (Australia) | I | AUD | - | 100.0% |
| Otohub Unit Trust (in liquidazione) | Brisbane (Australia) | D | AUD | - | 100.0% |
| Otohub Australasia Pty Ltd | Brisbane (Australia) | D | AUD | 10 | 100.0% |
| Attune Hearing Pty Ltd | Brisbane (Australia) | D | AUD | 14,771,093 | 100.0% |
| Attune Workplace Hearing Pty Ltd | Brisbane (Australia) | I | AUD | 1 | 100.0% |
| Ear Deals Pty Ltd | Brisbane (Australia) | I | AUD | 300,000 | 100.0% |
| Bay Audio Pty Ltd | Sydney (Australia) | D | AUD | 10,000 | 100.0% |
| Amplifon Asia Pacific Pte Limited | Singapore (Singapore) | I | SGD | 1,000,000 | 100.0% |
| Auckland Hearing Ltd (*) | Auckland (New Zealand) | I | NZD | - | 100.0% |
| Amplifon NZ Ltd | Takapuna (New Zealand) | I | NZD | 130,411,317 | 100.0% |
| Bay Audiology Ltd (*) | Takapuna (New Zealand) | I | NZD | - | 100.0% |
| Dilworth Hearing Ltd (*) | Auckland (New Zealand) | I | NZD | - | 100.0% |
| Amplifon India Pvt Ltd | Gurgaon (India) | I | INR | 2,050,000,000 | 100.0% |
| Beijing Amplifon Hearing Technology Center Co., Ltd | Běijīng (China) | D | CNY | 2,143,685 | 100.0% |

| Company name | Head office | Direct/Indirect ownership | Currency | Share Capital | % held as at 12/31/2024 |
|---|---|---|---|---|---|
| Tianjin Amplifon Hearing Technology Co., Ltd | Tianjin (China) | I | CNY | 3,500,000 | 100.0% |
| Shijiazhuang Amplifon Hearing Technology Center Co. Ltd | Shijiazhuang (China) | I | CNY | 100,000 | 100.0% |
| Amplifon (China) Investment Co., Ltd | Shanghai (China) | D | CNY | 608,750,000 | 100.0% |
| Hangzhou Amplifon Hearing Aid Co., Ltd | Hangzhou (China) | D | CNY | 11,000,000 | 100.0% |
| Zhengzhou Yuanjin Hearing Technology Co., Ltd. | Zhengzhou (China) | I | CNY | - | 100.0% |
| Wuhan Amplifon Hearing Aid Co., Ltd | Wuhan (China) | I | CNY | 40,000,000 | 100.0% |
| Shanghai Amplifon Hearing Technology Co. Ltd, | Shanghai (China) | I | CNY | 50,000,000 | 100.0% |
| Nanjing Amplifon Hearing Aid Co., Ltd | Nanjing (China) | I | CNY | 37,500,000 | 100.0% |
| Shanxi Amplifon Hearing Aid Co., Ltd. | Taiyuan (China) | I | CNY | 30,000,000 | 100.0% |
| Henan Amplifon Hearing Aid Co., Ltd. | Luoyang (China) | I | CNY | 1,000,000 | 100.0% |
| Fuzhou Tingan Medical Device Co., Ltd | Fuzhou (China) | I | CNY | 20,000,000 | 100.0% |
| Chongqing Amplifon Hearing Aids Co., Ltd. | Chongqing (China) | I | CNY | 10,000,000 | 100.0% |
| Sichuan Amplifon Hearing Aid Co., Ltd. | Chengdu (China) | I | CNY | 24,000,000 | 100.0% |
| Xi'an Ansheng Medical Equipment Co., Ltd. | Xi'an (China) | I | CNY | 16,000,000 | 100.0% |
| Ningxia Listening Shunan Medical Equipment Co., Ltd | Yinchuan (China) | I | CNY | 16,000,000 | 100.0% |
| Yunnan Amplifon Hearing Aid Co., Ltd. | Kunming (China) | I | CNY | 16,000,000 | 100.0% |
| Shanxi Amplifon Hearing Aid Business Co., Ltd | Xi'an (China) | I | CNY | 18,000,000 | 100.0% |
| Anhui Amplifon Hearing Aid business Co., Ltd. | Ma'anshan (China) | I | CNY | 30,000,000 | 100.0% |
| AnLaiSheng (Inner Mongolia) Medical Equipment Co.Ltd | Hohhot (China) | I | CNY | 47,000,000 | 100.0% |

(*) Dormant companies.
(**) Medtechnica Ortophone Ltd, despite being 90% owned by Amplifon, is consolidated at 100% without exposure of non-controlling interests due to the put-call option exercisable from 2019 and related to the purchase of the remaining 10%.

## COMPANIES VALUED USING THE EQUITY METHOD:

| Company name | Head office | Direct/Indirect ownership | Currency | Share Capital | % held as at 12/31/2024 |
|---|---|---|---|---|---|
| Comfoor BV (*) | Doesburg (The Netherlands) | I | EUR | 18,000 | 50.0% |
| Comfoor GmbH (*) | Emmerich am Rhein (Germany) | I | EUR | 25,000 | 50.0% |
| Ruti Levinson Institute Ltd (**) | Ramat HaSharon (Israel) | I | ILS | 105 | 20.0% |
| Afik - Test Diagnosis & Hearing Aids Ltd (**) | Jerusalem (Israel) | I | ILS | 100 | 20.0% |
| Lakeside Specialist Centre Ltd (**) | Mairangi Bay (New Zealand) | I | NZD | - | 50.0% |

(*) Joint Venture
(**) Related companies

# ANNEX II

## INFORMATION PURSUANT TO ARTICLE § 149-*DUODECIES* OF CONSOB ISSUERS' REGULATIONS

The following table, drawn up pursuant to Article 149-duodecies of the Consob Issuers' Regulations, highlights the fees pertaining to 2024 for auditing services and for those other than audits provided by the auditing firm itself and by entities belonging to its network.

| Description | Subject that provided the service | Recipient | Audit Fees 2024 |
|---|---|---|---|
| Independent audit services | KPMG S.p.A. | Parent Company - Amplifon S.p.A. | 362,000 |
| Services other than audits | KPMG S.p.A. | Parent Company - Amplifon S.p.A. | 266,000 |
| ***Total – Parent Company*** | | | ***628,000*** |
| Independent audit services | KPMG *Network* | Subsidiaries | 1,197,943 |
| | KPMG S.p.A. | Subsidiaries | 84,000 |
| Services other than audits | KPMG *Network* | Subsidiaries | 6,000 |
| | KPMG S.p.A. | Subsidiaries | 22,848 |
| ***Total Subsidiaries*** | | | ***1,310,791*** |
| **Grand total** | | | **1,938,791** |

# DECLARATION IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS PURSUANT TO ARTICLE 154-*BIS* OF LEGISLATIVE DECREE NO. 58/98

We, the undersigned Enrico Vita, Chief Executive Officer, and Gabriele Galli, Executive Responsible for Corporate Accounting Information for Amplifon S.p.A., taking into account the provisions of article § 154-*bis*, paragraphs 3 and 4 of Law no. 58/98, certify:

- the adequacy, by reference to the characteristics of the business and
- the effective application of the administrative and accounting procedures for the preparation of the consolidated financial statements during the course of 2024.

We also certify that the consolidated financial statements on 31 December 2024:

- have been prepared in accordance with the international accounting standards recognized in the European Union under the EC regulation no. 1606/2002 of the European Parliament and of the Council of 19 July 2002;
- have been prepared in accordance with the European Commission regulation no. 2019/815 and following modifications;
- correspond to the underlying accounting entries and records;
- provides a true and fair view of the performance and financial position of the issuer and of all of the companies included in the consolidation area.

The report on operations includes a reliable operating and financial review of the Company and all of the companies included in the consolidation area as well as a description of the main risks and uncertainties to which they are exposed.

Milan, March 6th, 2025

**CEO**

Enrico Vita

**Executive Responsible for Corporate Accounting Information**

Gabriele Galli

# REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

KPMG S.p.A.
Revisione e organizzazione contabile
Via Vittor Pisani, 25
20124 MILANO MI
Telefono +39 02 6763.1
Email it-fmauditaly@kpmg.it
PEC kpmgspa@pec.kpmg.it

**(The accompanying translated consolidated financial statements of the Amplifon Group constitute a non-official version which is not compliant with the provisions of the Commission Delegated Regulation (EU) 2019/815. This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)**

## Independent auditors' report pursuant to article 14 of Legislative decree no. 39 of 27 January 2010 and article 10 of Regulation (EU) no. 537 of 16 April 2014

*To the shareholders of*
*Amplifon S.p.A.*

### Report on the audit of the consolidated financial statements

#### *Opinion*

We have audited the consolidated financial statements of the Amplifon Group (the "group"), which comprise the statement of financial position as at 31 December 2024, the income statement and the statements of comprehensive income, changes in equity and cash flows for the year then ended and notes thereto, which include material information on the accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Amplifon Group as at 31 December 2024 and of its financial performance and cash flows for the year then ended in accordance with the IFRS Accounting Standards issued by the International Accounting Standards Board and endorsed by the European Union, as well as the Italian regulations implementing article 9 of Legislative decree no. 38/05.

#### *Basis for opinion*

We conducted our audit in accordance with the International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "*Auditors' responsibilities for the audit of the consolidated financial statements*" section of our report. We are independent of Amplifon S.p.A. (the "parent") in accordance with the ethics and independence rules and standards applicable in Italy to audits of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.





#### *Key audit matters*

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

**Measurement of goodwill**

*Notes to the consolidated financial statements: note 3 "Acquisitions and goodwill" and note 45 "Accounting policies"*

| Key audit matter | Audit procedures addressing the key audit matter |
|---|---|
| The consolidated financial statements at 31 December 2024 include goodwill of €1,945 million, mainly arising from the significant acquisitions carried out by the group.<br>Annually or more frequently, if necessary, the directors check the recoverable amount of the goodwill by comparing its carrying amount to its value in use, calculated using a method that discounts expected cash flows.<br>The key assumptions used to calculate value in use relate to the operating cash flows' forecasts over the calculation period and the discount and growth rates of those flows.<br>The directors have forecast the operating cash flows for the explicit projection period (2025-2027) used for impairment testing on the basis of the 2025-2027 three-year business plans approved by the subsidiaries' boards of directors and the group's business plan for the same period approved by the parent's board of directors on 17 December 2024.<br>Considering the materiality of the caption and that impairment testing entails a high level of judgement by the directors, especially forecasting operating cash flows, the recoverability of goodwill was a key audit matter. | Our audit procedures, which also involved our own valuation specialists, included:<br>• understanding the process adopted to prepare the impairment test approved by the parent's board of directors;<br>• understanding the process adopted to prepare the 2025-2027 three-year business plans from which the expected operating cash flows used for impairment testing have been derived;<br>• checking any discrepancies between the previous year business plans' figures and actual figures, in order to check the accuracy of the estimation process adopted by the directors;<br>• analysing the reasonableness of the assumptions used by the directors to determine the recoverable amount of goodwill, including the operating cash flows of the 2025-2027 three-year business plans used by the parent;<br>• analysing the reasonableness of the assumptions underlying the valuation model used by the parent to calculate the recoverable amount of goodwill;<br>• checking the sensitivity analysis made by the directors in relation to the main assumptions used to test goodwill for impairment;<br>• assessing the appropriateness of the disclosures provided in the notes. |

***Amplifon Group***
*Independent auditors' report*
*31 December 2024*

**Revenue recognition**

*Notes to the consolidated financial statements: note 29 "Revenue from sales and services" and note 45 "Accounting policies"*

| Key audit matter | Audit procedures addressing the key audit matter |
|---|---|
| The income statement includes revenue from sales and services of €2,409 million for 2024.<br>The group recognises revenue from contracts with customers differently depending on when control over the goods or services is transferred to the customer and on the type of consideration to which it is entitled.<br>Since sales, which generally cover a package of products and services at a stand-alone price, contain many contractual terms applied to customers, the group was required to identify and measure the various performance obligations and how they are satisfied.<br>For the above reasons and considering the materiality of the caption, we believe that the recognition of revenue, and especially its accuracy and accruals-based accounting, are a key audit matter. | Our audit procedures included:<br>• understanding the process for the recognition of revenue, the related IT environment and related accounting policies;<br>• assessing the design, implementation and operating effectiveness of controls deemed material for the purposes of our audit;<br>• comparing the main components of revenue to the budgeted and previous year figures and discussing the results with the relevant internal departments;<br>• checking the documentation supporting a sample of sales, whether their performance obligations had been correctly identified, the transaction price allocated thereto and whether revenue has been recognised in profit or loss based on how the obligations were satisfied;<br>• sending requests for written confirmation in order to obtain audit evidence supporting the trade receivables recognised in the separate financial statements;<br>• assessing the appropriateness of the disclosures provided in the notes. |

### *Responsibilities of the parent's directors and board of statutory auditors ("Collegio Sindacale") for the consolidated financial statements*

The directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with the IFRS Accounting Standards issued by the International Accounting Standards Board and endorsed by the European Union and the Italian regulations implementing article 9 of Legislative decree no. 38/05 and, within the terms established by the Italian law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the group's ability to continue as a going concern and for the appropriate use of the going concern basis in the preparation of the consolidated financial statements and for the adequacy of the related disclosures. The use of this basis of accounting is appropriate unless the directors believe that the conditions for liquidating the parent or ceasing operations exist, or have no realistic alternative but to do so.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, the group's financial reporting process.

3

***Amplifon Group***
*Independent auditors' report*
*31 December 2024*

### *Auditors' responsibilities for the audit of the consolidated financial statements*

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA Italia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISA Italia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the group to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance, identified at the appropriate level required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the ethics and independence rules and standards applicable in Italy and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the measures taken to eliminate those threats or the safeguards applied.

4

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are, therefore, the key audit matters. We describe these matters in our auditors' report.

### *Other information required by article 10 of Regulation (EU) no. 537/14*

On 20 April 2018, the parent's shareholders appointed us to perform the statutory audit of its separate and consolidated financial statements as at and for the years ending from 31 December 2019 to 31 December 2027.

We declare that we did not provide the prohibited non-audit services referred to in article 5.1 of Regulation (EU) no. 537/14 and that we remained independent of the parent in conducting the statutory audit.

We confirm that the opinion on the consolidated financial statements expressed herein is consistent with the additional report to the *Collegio Sindacale*, in its capacity as audit committee, prepared in accordance with article 11 of the Regulation mentioned above.

## Report on other legal and regulatory requirements

### *Opinion on the compliance with the provisions of Commission Delegated Regulation (EU) 2019/815*

The parent's directors are responsible for the application of the provisions of Commission Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (ESEF) to the consolidated financial statements at 31 December 2024 to be included in the annual financial report.

We have performed the procedures required by Standard on Auditing (SA Italia) 700B in order to express an opinion on the compliance of the consolidated financial statements with Commission Delegated Regulation (EU) 2019/815.

In our opinion, the consolidated financial statements at 31 December 2024 have been prepared in XHTML format and have been marked up, in all material respects, in compliance with the provisions of Commission Delegated Regulation (EU) 2019/815.

### *Opinion and statement pursuant to article 14.2.e)/e-bis)/e-ter) of Legislative decree no. 39/10 and article 123-bis.4 of Legislative decree no. 58/98*

The parent's directors are responsible for the preparation of the group's reports on operations and on corporate governance and ownership structure at 31 December 2024 and for the consistency of such reports with the related consolidated financial statements and their compliance with the applicable law.

We have performed the procedures required by Standard on Auditing (SA Italia) 720B in order to:

- express an opinion on the consistency of the report on operations and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 with the consolidated financial statements;
- express an opinion on the consistency of the report on operations, excluding the section that includes the consolidated sustainability statement, and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 with the applicable law;





- issue a statement of any material misstatements in the report on operations and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98.

In our opinion, the report on operations and the specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 are consistent with the group's consolidated financial statements at 31 December 2024.

Moreover, in our opinion, excluding the section which includes the consolidated sustainability statement, the report on operations and the specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 have been prepared in compliance with the applicable law.

With reference to the above statement required by article 14.2.e-ter) of Legislative decree no. 39/10, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have nothing to report.

Our opinion on compliance with the applicable law does not extend to the report on operations' section which includes the consolidated sustainability statement. Our conclusion on the compliance of this section with the legislation governing its preparation and with the disclosure requirements of article 8 of Regulation (EU) 2020/852 is included in the assurance report prepared in accordance with article 14-bis of Legislative decree no. 39/10.

Milan, 17 March 2025

KPMG S.p.A.

(signed on the original)

Claudio Mariani
Director of Audit

# ATTESTATION OF SUSTAINABILITY STATEMENT PURSUANT TO ARTICLE 81-TER, COMMA 1, OF CONSOB REGULATION NO. 11971 OF MAY 14, 1999, AS AMENDED

The undersigned Enrico Vita, as Chief Executive Officer, and Gabriele Galli, as the Executive Responsible for Corporate Accounting Information of Amplifon S.p.A., attest, pursuant to Art.154-bis, paragraph 5-ter, of the Italian Legislative Decree No.58 of 24 February 1998, that the Sustainability Statement included in the Report on Operations were drawn up:

- in accordance with the reporting standards applied pursuant to Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013, and of Legislative Decree 6 September 2024, No.125;
- with the specifications adopted pursuant to Article 8.4 of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020.

Milan, March 6th, 2025

**CEO**

Enrico Vita

**Executive Responsible for Corporate Accounting Information**

Gabriele Galli

# REPORT ON THE AUDIT OF THE CONSOLIDATED SUSTAINABILITY STATEMENT

KPMG

KPMG S.p.A.
Revisione e organizzazione contabile
Via Vittor Pisani, 25
20124 MILANO MI
Telefono +39 02 6763.1
Email it-fmauditaly@kpmg.it
PEC kpmgspa@pec.kpmg.it

**(This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)**

## Independent auditors' limited assurance report on the consolidated sustainability statement pursuant to article 14-bis of Legislative decree no. 39 of 27 January 2010

*To the shareholders of*
*Amplifon S.p.A.*

### *Conclusion*

Pursuant to articles 8 and 18.1 of Legislative decree no. 125 of 6 September 2024 (the "decree"), we have been engaged to perform a limited assurance engagement on the 2024 consolidated sustainability statement of the Amplifon Group (the "group") prepared in accordance with article 4 of the decree, presented in the specific section of the report on operations (the "sustainability statement").

Based on the procedures performed, nothing has come to our attention that causes us to believe that:

- the group's 2024 consolidated sustainability statement has not been prepared, in all material respects, in accordance with the reporting standards endorsed by the European Commission pursuant to Directive 2013/34/EU (the European Sustainability Reporting Standards, "ESRS");
- the information presented in the "EU taxonomy" paragraph of the consolidated sustainability statement has not been prepared, in all material respects, in accordance with article 8 of Regulation (EU) 2020/852 of 18 June 2020 (the "taxonomy regulation").

### *Basis for conclusion*

We have performed the limited assurance engagement in accordance with the Standard on Sustainability Assurance Engagements - SSAE (Italia). The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our responsibilities under SSAE (Italia) are further described in the "*Auditors' responsibilities for the sustainability assurance engagement*" paragraph of our report.

We are independent in accordance with the ethics and independence rules and standards applicable in Italy to sustainability assurance engagements.



KPMG



Our company applies International Standard on Quality Management 1 (ISQM Italia 1) and, accordingly, is required to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have acquired is sufficient and appropriate to provide a basis for our conclusion.

### *Other matters*

In the "EU taxonomy" paragraph, the 2024 consolidated sustainability statement presents the 2023 comparative information required by article 8 of the taxonomy regulation, which has not been subjected to an assurance engagement.

### *Responsibilities of the directors and board of statutory auditors ("Collegio Sindacale") of Amplifon S.p.A. (the "parent") for the consolidated sustainability statement*

The directors are responsible for designing and implementing the procedures to identify the information included in the consolidated sustainability statement in accordance with the ESRS (the "materiality assessment process") and for the description of these procedures in the "Amplifon's double materiality" paragraph of the consolidated sustainability statement.

The directors are also responsible for the preparation of a consolidated sustainability statement in accordance with article 4 of the decree, which contains the information identified through the materiality assessment process, including:

- compliance with the ESRS;
- compliance of the information presented in the "EU taxonomy" paragraph with article 8 of the taxonomy regulation.

Moreover, the directors are responsible, within the terms established by the Italian law, for designing, implementing and maintaining such internal controls as they determine is necessary to enable the preparation of a consolidated sustainability statement in accordance with article 4 of the decree that is free from material misstatement, whether due to fraud or error. They are also responsible for selecting and applying appropriate methods to produce disclosures and formulating assumptions and estimates about specific information on sustainability matters that are reasonable in the circumstances.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, compliance with the decree's provisions.

### *Inherent limitations in preparing the consolidated sustainability statement*

For the purpose of disclosing forward-looking information in accordance with the ESRS, the directors are required to prepare such information based on assumptions, described in the consolidated sustainability statement, regarding future events and the group's actions that are not necessarily expected to occur. Actual results are likely to be different from the forecast sustainability information since anticipated events frequently do not occur as expected and the variation could be material.

The disclosures provided by the group about Scope 3 emissions are subject to more inherent limitations than those on Scope 1 and Scope 2 emissions, given the lack of availability and relative precision of information used for determining both qualitative and quantitative Scope 3 emissions information from value chain.

### Auditors' responsibilities for the sustainability assurance engagement

Our objectives are to plan and perform procedures in order to obtain limited assurance about whether the consolidated sustainability statement is free from material misstatement, whether due to fraud or error, and to issue an assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of intended users taken on the basis of the consolidated sustainability statement.

As part of a limited assurance engagement in accordance with SSAE (Italia), we exercise professional judgement and maintain professional scepticism throughout the engagement.

Our responsibilities include:

- considering risks to identify disclosures where a material misstatement is likely to occur, whether due to fraud or error;
- designing and performing procedures to check disclosures where a material misstatement is likely to occur. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- directing, supervising and performing the sustainability limited assurance engagement and assuming full responsibility for the conclusion on the consolidated sustainability statement.

### Summary of the work performed

A limited assurance engagement involves carrying out procedures to obtain evidence as a basis for our conclusion.

The procedures performed are based on our professional judgement and include inquiries, primarily of the parent's personnel responsible for the preparation of the information presented in the consolidated sustainability statement, documental analyses, recalculations and other evidence gathering procedures, as appropriate.

We have performed the following main procedures:

- we gained an understanding of the group's business model, strategies and operating environment with regard to sustainability matters;
- we gained an understanding of the process adopted by the group to identify and assess material sustainability-related impacts, risks and opportunities (IROs), based on the double materiality principle. Moreover, on the basis of the information acquired, we evaluated any emerging inconsistencies that may indicate the presence of sustainability matters not addressed by the group in its materiality assessment process; Specifically, mostly through inquiries, observations and inspections, we gained an understanding of how the group:
  - considered the interests and opinions of the stakeholders involved;
  - identified its sustainability-related IROs, assessing their consistency with our knowledge of the group and its sector;
  - defined and assessed material IROs by analysing the qualitative and quantitative materiality thresholds it determined, checking their consistency with the results of the enterprise risk management (ERM) process;



Amplifon Group
Independent auditors' report
31 December 2024

- we gained an understanding of the processes underlying the generation, recording and management of the qualitative and quantitative information disclosed in the consolidated sustainability statement, including of the reporting boundary, through interviews and discussions with the group's personnel and selected procedures on documentation;
- we identified the disclosures associated with a risk of material misstatement, whether due to fraud or error;
- we designed and performed procedures, based on our professional judgement, to respond to identified risks of material misstatement, including:
  - for information gathered at group level:
    - with reference to qualitative information and, in particular, the sustainability-related policies, actions and objectives, we held inquiries and performed limited procedures on documentation;
    - with reference to quantitative information, we carried out analytical procedures, inspections, observations and recalculations on a sample basis;
  - for information gathered at the level of individual countries in which the group operates, we visited the subsidiaries in the United States, Italy, Germany and the Netherlands, which we selected on the basis of their business and contribution to the metrics of the consolidated sustainability statement. During these visits, we held discussions with the subsidiaries' personnel and acquired documentary evidence on the determination of metrics;
- we gained an understanding of the process adopted by the group to determine taxonomy-eligible economic activities and whether they were aligned under the taxonomy regulation and checked the related disclosures presented in the consolidated sustainability statement;
- we checked the consistency of the disclosures contained in the consolidated sustainability statement with those included in the group's consolidated financial statements pursuant to the applicable financial reporting framework, the underlying accounting records or management accounts;
- we checked the compliance of the structure and presentation of disclosures included in the consolidated sustainability statement with the ESRS;
- we obtained the representation letter.

Milan, 17 March 2025

KPMG S.p.A.

(signed on the original)

Claudio Mariani
Director of Audit

Publication date: March 20, 2025
Editorial project coordination: Amplifon S.p.A.
Art Direction and Graphic Design
common.

www.amplifon.com