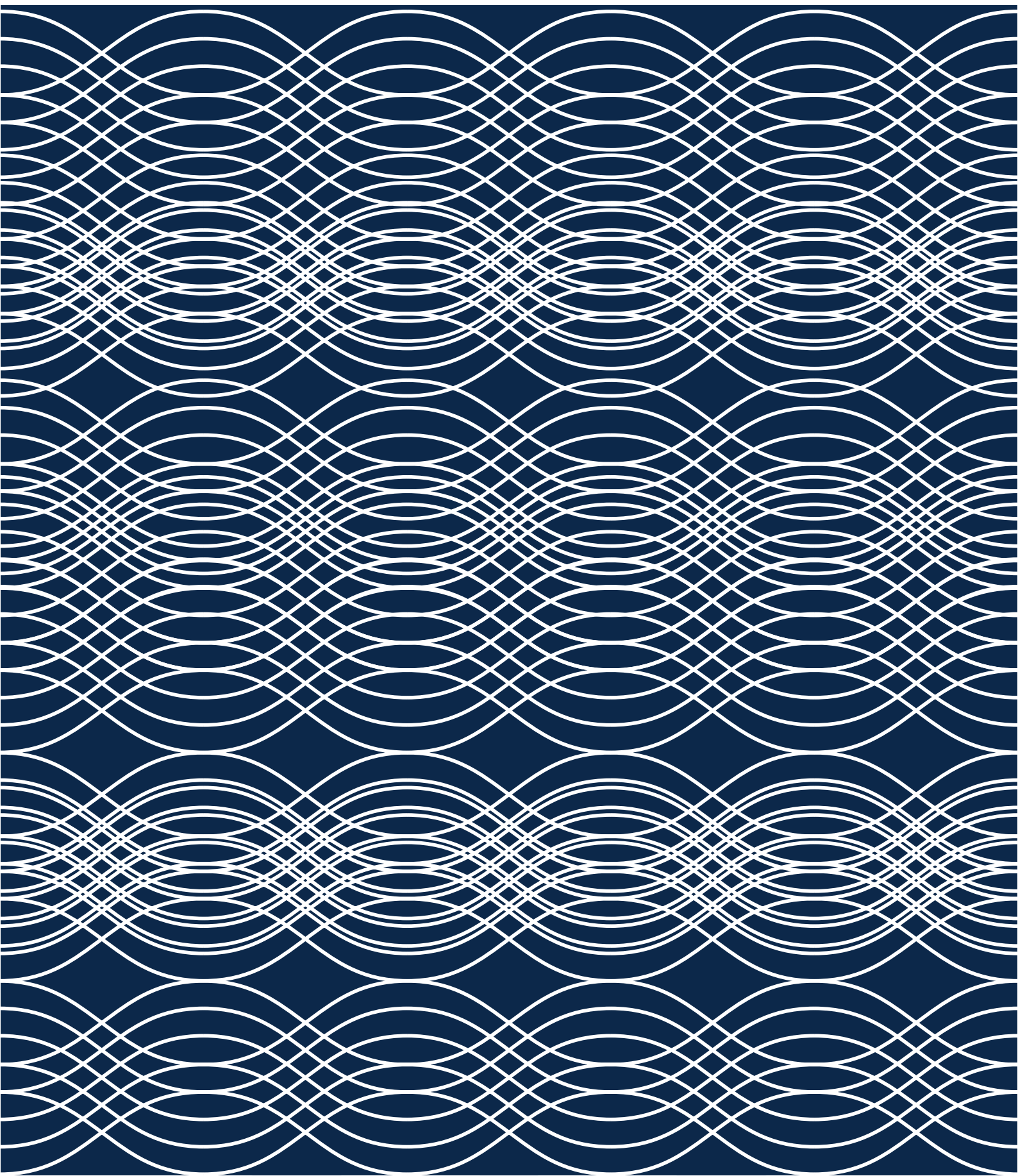


AMPLIFON FOUNDATION

GUIDELINES







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GUIDELINES

INDICE

Introduction	5
Vision and Mission	6
Operating Principles	7
Amplifon Foundation's Priority Focus Areas	8
Enabling participation	9
Diversity and employability	11
Inclusive communities	13
Aligning to the Sustainable Development Goals (SDGs)	15
Grant-making procedure	17
• Eligibility and exclusion criteria	
• Submitting an application	
• Evaluation criteria	
• Funding approval and monitoring	
Communications and Reporting	21
Effectiveness and Compliance to the Guidelines	21

INTRODUCTION

Fondazione Amplifon Onlus (hereby Amplifon Foundation) is the corporate foundation created by Amplifon on 2020 to consolidate the social commitment of the Group towards its stakeholders and the community and to embody the values of the corporate purpose: “empowering people”.

The strategy of Amplifon Foundation has been designed to leverage on the expertise of the Group, on the know-how of Amplifon CRS, and on the work of the other Foundations that are active within the Group at a country level (i.e. Miracle-Ear Foundation in the US, Fundación Amplifon Ibérica and Fundación GAES Solidaria in Spain).

While these Organizations will prosecute their precious activity, the analysis of the key stakeholders’ expectations and social needs has highlighted the need to launch this new dedicated philanthropic vehicle for managing and valuing Amplifon’s efforts for the community in a concerted way and for launching and supporting targeted initiatives for local communities.

Amplifon Foundation will represent the point of reference to implement and fund impactful projects, in Italy and abroad, that are aligned with its goals. The Foundation in particular identified three Priority Focus Areas of urgent social need that are described in these Guidelines.

The Guidelines present the standards that orient the funding activity of Amplifon Foundation, highlighting in particular: Operating Principles; Priority Focus Areas; Grant-Making Procedure and Evaluation Criteria.

VISION AND MISSION

Amplifon Foundation is active in the sector of social inclusion and operates under the following Vision and Mission statements.

VISION

Enabling individuals to achieve their full potential in life through social inclusion

MISSION

Amplifon Foundation works to empower and include persons at risk of social marginalization with a particular focus on youngsters with hearing loss and seniors within their communities.

OPERATING PRINCIPLES

Amplifon Foundation pursues solely social purposes goals mainly by funding initiatives and non-profit organizations that are aligned with its Priority Focus Areas. In particular, the Foundation may operate through three main tools, also leveraging on the expertise of external experts:

- **Grant-making** to support initiatives and organizations that have been directly selected by the Foundation or have applied to the Foundation;
- **Call for proposals** to foster the submission of initiatives from the community able to meet the goals of Amplifon Foundation;
- **Own programs** directly implemented by the Foundation.

In order to optimize the available resources, the Foundation adopts a focalized approach to allocate funding on a restricted rose of impactful initiatives, emphasizing innovation, quality and sustainability and valuing strategic collaborations. In this sense, Amplifon Foundation aims to be a reliable, long-term and active partner.

To carry out its Mission and achieve social impact, the Foundation provides grants and non-commercial supports to specific programs and projects, aligned with its Priority Focus Areas, which are implemented by non-profit organizations. This is typically the area where most of the Foundation's grants are addressed and that is regulated by the Grant-Making Procedure outlined in these Guidelines. For the sake of clarity, the Foundation will support non-profit organizations provided that they operate mainly in the fields specified under art. 10, para. 1, letter a) D. Lgs. No. 460/97.

PRIORITY FOCUS AREAS

Amplifon Foundation is active primarily in countries in the three regions where the Group has a business presence (EMEA, AMERICAS, APAC). Grant-making is mainly reserved to initiatives and non-profit organizations working in the Foundation priority focus areas. **These areas represent the key interrelated outcomes Amplifon Foundation, identified as fundamental to bring forward its social inclusion mission** and namely they are:

- **ENABLING PARTICIPATION** - Removing barriers to enable seniors and hearing-impaired individuals to access social, recreational and cultural opportunities.
- **DIVERSITY AND EMPLOYABILITY** - Empowering disadvantaged young people, with a focus on hearing-impaired youngsters, to help them take part in the labour market.
- **INCLUSIVE COMMUNITIES** - Promoting education and awareness in the community, from kids to seniors, in order to fight all kind of stigma and foster inclusion of marginalized people.

Amplifon Foundation identified these three priority focus areas through a strategic process, informed by sound data analysis and confrontation with key stakeholders, which aimed to appraise two main drivers in particular:

- The centrality of the themes “hearing” and “sound” to ensure **coherence with the expertise** developed by the Group throughout the years and maximize the added value Amplifon Foundation can provide.
- The scope and goals of social improvement pursued by the Foundation, focused on participation, employability, and inclusivity, to **tackle urgent and oftentimes unaddressed social needs** and produce a positive impact in the community.

ENABLING PARTICIPATION

SCENARIO

According to the World Health Organization, in 2018 there are an estimated 466 million people with disabling hearing loss worldwide

This number is likely to rise, in all regions, up to 933 million in 2050. 34 million of these are children while one-third of persons aged 65+ is affected by disabling hearing loss.

Data show a negative relationship between prevalence of disabling hearing loss in children and parents' literacy rates. And research demonstrates that improving the listening environment in education settings will improve learning and retention of information for all children, especially those who have a hearing impairment or a temporary hearing loss (National Deaf Children's Society, 2016) but also for non-native speakers. Nonetheless, soundproofing is still an issue in most common spaces, both within and outside schools.

GOALS

As data indicate, social gatherings can be particularly difficult for people with hearing loss and for elderly people as well. There can be quite a number of distinctly different reasons that may lead to serious emotional and social consequences, feelings of sadness or depression – and overall social isolation. Furthermore, the barriers to accessing basic information can pose a major challenge, in terms of safety but also in the possibility of living a fulfilling life.

Amplifon Foundation aims at removing barriers to enable disadvantaged senior people and hearing-impaired persons to access social, recreational and cultural opportunities.

By way of example, Amplifon Foundation may support:

- Initiatives aiming at promoting inclusive design of spaces to overcome acoustic barriers and allow people with hearing loss to enjoy cultural, sport and artistic activities.
- Initiatives aiming at improving the sound quality of classes and common spaces.
- Initiatives aiming at promoting social inclusion through sound and music.
- Initiatives aiming at supporting social innovation, to take advantage of new technologies that can ease daily activities of senior citizens and hearing-impaired individuals.
- Initiatives aiming at enabling individuals that may feel isolated, as elderly people, to benefit of recreational opportunities.
- Initiatives aiming at providing access to information, for example by promoting the use of visual messages for safety instructions, announcements, alerts, etc.

DIVERSITY AND EMPLOYABILITY

SCENARIO

Research on the experience of people with hearing loss and employment found that 74% of respondents felt that their employment opportunities were limited because of their hearing loss; 70% agreed that their hearing loss sometimes prevented them from fulfilling their potential at work; the employment rate for those with hearing loss is 65%, compared to 79% of people with no long-term health issue or disability. (NHS England & UK Department of Health, 2017)

Moving beyond specific disadvantage factors, youth employment per se is currently an issue in many countries: the rate of unemployed young people expressed as a percentage of the youth labour force amounts to 17% in the European Union and 12% for the OECD Countries, with peaks in Greece (44%), Italy (35%), Spain (34%). (OECD Data, 2014-2018)

As a matter of fact talent development appears a crucial factor: accommodations and modifications in the classroom can help pupils with hearing loss learn at their best. These include teaching strategies specific to pupils' needs, as well as simple physical accommodations or provision of related aids and audio technology. (Supporting Success for Children With Hearing Loss)

GOALS

For individuals with hearing loss there is a significant impact on work, in both applying for jobs and in employment: young people with hearing loss can have a hard time finding employers that recognize their talent. Also, an essential part of learning in education depends on the ability of retaining what lecturers say. This prevents them from fulfilling their potential and can even force them to leave employment.

Amplifon Foundation aims at empowering disadvantaged young people, with a focus on hearing-impaired youngsters, to help them take part in the labour market. (Disadvantaged youngsters are identified accordingly to Commission Regulation (EU) No 651/2014 of 17 June 2014)

By way of example, Amplifon Foundation may support:

- Initiatives aiming at supporting talent development through scholarships for youngsters with hearing loss.
- Initiatives aiming at promoting learning through adequate teaching strategies for youngsters with hearing loss.
- Initiatives aiming at providing work orientation for disadvantaged youngsters.
- Initiatives aiming at supporting internships, placement and ease on-boarding processes of disadvantaged youngsters.
- Initiatives aiming at providing instrumental support to allow low-income young people with hearing loss access related-aids.

INCLUSIVE COMMUNITIES

SCENARIO

Unaddressed hearing loss poses an annual global cost of \$750 billion. Interventions to prevent, identify and address hearing loss are cost-effective and can bring great benefit to individuals.

68% of people with hearing loss agreed that they sometimes felt isolated at work because of their hearing loss; 41% had retired early due to the impact of their hearing loss and struggles with communication at work.

Commonly defined as a scar or mark of disgrace, stigma impact on different aspects of daily life. As data point out, estimated 246 million children and adolescents experience school violence and bullying every year (School Violence and Bullying, Global Status Report, Unesco 2017); in 2016 Italian UNAR (Ufficio Nazionale Antidiscriminazioni Razziali) reported 7 cases of discrimination per day, 69% were based on ethnic-race causes; in 2017/2018 94,098 hate crimes were recorded in England and Wales, (an increase of 17 per cent compared with 2016/17) of whom 11,638 concerned sexual orientation, 8,336 religious belief, and 7,226 disabilities. (Hate Crime England and Wales, Home Office, 2018)

GOALS

A stigma is a barrier rooted in prejudice, avoidance, rejection, and discrimination due to a lack of understanding of something that is perceived as "different", for example in terms of race or ethnicity, religious beliefs; gender identity, health condition, disability, etc. It has also caused people to experience self-stigma, an under-reported condition in

which a person internalizes social myths and prejudices. Stigma can impact access to appropriate medical care, housing, employment, and overall end up in isolation.

Amplifon Foundation aims at promoting education and awareness in the community, from kids to seniors, in order to fight all kind of stigma and foster inclusion of marginalized people.

By way of example, Amplifon Foundation may support:

- Initiatives aiming at campaigning and raising public awareness against different kind of stigma.
- Initiatives aiming at sensitizing employers to define inclusive business environments and appropriate tasks.
- Initiatives aiming at increasing the awareness of parents, paediatricians, and health professionals on hearing loss.

ALIGNING TO THE SUSTAINABLE DEVELOPMENT GOALS (SDGs)

Through its Foundation, Amplifon aims at contributing to the achievement of the *UN Sustainable Development Goals (SDGs)*. The SDGs were established by the 2030 Agenda and signed at the end of 2015 by 193 Countries and represent a call to action to the private sector for putting the basis for a sustainable, inclusive and long-standing economic growth.

Amplifon Foundation's Priority Focus Areas work in alignment to the SDGs framework, focusing on the following Goals and Targets, as defined by the United Nations.

GOALS AND TARGETS

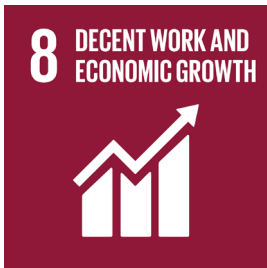


SDG 4.

Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

Main reference Targets

- 4.1** By 2030, ensure that all girls and boys complete free, equitable and quality primary and secondary education leading to relevant and effective learning outcomes.
- 4.3** By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university.
- 4.4** By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.
- 4.5** By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations.
- 4.a** Build and upgrade education facilities that are child, disability and gender sensitive and provide safe, non-violent, inclusive and effective learning environments for all.



SDG 8.

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Main reference Targets

8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.

8.6 By 2020, substantially reduce the proportion of youth not in employment, education or training.



SDG 10.

Reduce inequality within and among countries

Main reference Targets

10.2 By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.

10.3 Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard.



SDG 11.

Make cities and human settlements inclusive, safe, resilient and sustainable

Main reference Targets

11.2 By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons.

11.3 By 2030, enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries.

11.7 By 2030, provide universal access to safe, inclusive and accessible, green and public spaces, in particular for women and children, older persons and persons with disabilities.

GRANT-MAKING PROCEDURE

Applying for foundation support is a time-consuming process on both sides: before deciding to apply to the Amplifon Foundation, applicants are invited to review these Guidelines to verify that the initiative they seek funding for is aligned to the:

- Operating Principles
- Priority Focus Areas
- Eligibility and Exclusion Criteria

Initiatives that fall within the Guidelines may apply for Amplifon Foundation's funding by following the procedure described below. In case of doubts about compliance/eligibility, it is suggested to take contact with Amplifon Foundation to briefly explain the goals and purpose of the request of support before going through the application process.

A meeting between Amplifon Foundation and the applicant may be scheduled before asking to submit a formal proposal. A positive feedback on compliance/eligibility of the request and/or an expression of interest by the Foundation does not substitute in any case the formal application process.

ELIGIBILITY AND EXCLUSION CRITERIA

Amplifon Foundation takes into consideration each application to verify eligibility, before performing any substantial assessment of the initiative per se, through the documentation applicants have to share.

Amplifon Foundation supports, through grants and non-commercial contributions, primarily initiatives and organizations aligned to these Guidelines. Recipients of donations have to be: duly registered or accredited independent nongovernmental organizations (NGOs); non-profit organizations; social enterprises; schools or universities.

Amplifon Foundation does not provide grants to:

- Individuals, except for scholarships or awards to be granted to individuals in need;

- Entities that include, among their members, employees, members of the Board of Directors or any Advisory Committee of the Amplifon Foundation;
- Entities that include, among their members, employees, members of the Board of Directors or any Advisory Committee persons who have reported a conviction, even at first instance, or who are investigated, for crimes against property and/or against the public administration (for example and not limited to: crimes of corruption, bribery, embezzlement against the State, criminal association, scam, money laundering, etc.) or for crimes against the individual personality;
- For-profit entities;
- Projects with evident political or commercial background purpose;
- Parties, political movements, trade union organizations;
- Organizations whose activities imply discriminatory behaviours, political or ideological conditioning or conditioning determined by gender, ethnicity, creed, personal beliefs, civil status of final beneficiaries.

SUBMITTING AN APPLICATION

If the initiative/organization meets the Preliminary Check and Eligibility Criteria, a formal application can be submitted.

All applications must be submitted using the forms provided by Amplifon Foundation:

- Cover Letter
- Applicant Information Form
- Project Proposal Form

Application must be submitted to Amplifon Foundation in Italian or in English and signed by the legal representative of the applicant organization. Please note that failure to submit the forms and the necessary

annexes, incorrect or incomplete applications may cause the inadmissibility of the request. Submitting an application for funding does not imply any obligation or responsibility of the Foundation to the applicant or to any other third parties.

EVALUATION CRITERIA

Eligible applications are assessed by Amplifon Foundation that decides – in its absolute discretion and based on the available resources – the projects and organizations to be funded. Three key principles are used in the evaluation:

- **Effectiveness**, i.e. the possibility to generate positive impact. This principle looks at criteria as project clarity, unambiguous identification of the target, measurability of results, and appraises evidence-based proposals and solid context analysis.
- **Strategic Alignment** to Amplifon Foundation's goals and principles.
- **Research of sustainability**, i.e. the idea that Amplifon's partners benefit from having a long-term perspective, diverse funding sources, and an entrepreneurial mindset to achieve the impact they desire.

Within these three principles, a series of **qualitative and quantitative criteria** are taken into account in the evaluation. From a qualitative point of view, the following pivotal elements are assessed:

- Alignment to the Priority Focus Areas and Operating Principles.
- Implementation of the initiative within the Foundation's countries of reference.
- Experience of the applicant in the field and/or in similar initiatives.
- Context analysis and coherence of the proposed goals with the need.
- Clarity about the expected short-and-medium-term outcomes and the target beneficiaries. Applications aiming at generic or not-clearly defined goals will not be selected.
- Lucidity about the possible risks/threats of the initiative.

- Monitoring and evaluations tools to be used by the applicant.
- Possibility of valuing the key competences of Amplifon and the engagement of its employees.

From a quantitative point of view, the following pivotal elements are assessed:

- Direct outputs of the initiatives.
- Measurability of the effects (impact) of the initiative.
- Start-up timing of the initiative.
- Budget of the initiative.
- Sustainability of the initiative (for example by considering the existence or possibility of development of an entrepreneurial model; co-funding by the applicant; presence of third parties funding).

Beyond these criteria, when assessing new proposals, Amplifon Foundation may consider the resources that have been already allocated throughout the year to maintain a balance, for example in terms of geographical distribution and within the three priority focus areas.

Whether further information is deemed necessary to evaluate the funding request, integrative documentation might be required or the Foundation may propose a meeting with the applicant.

FUNDING APPROVAL AND MONITORING

Once the funding has been approved, Amplifon Foundation informs the applicant of the positive outcome of the evaluation process and proceeds with the necessary steps with regard to:

- Confirm project funding, amount and timing of funding provision.
- Signing the funding agreement with the receiving organization, including the terms and modalities for reporting.
- Sharing the format for reporting.

The Foundation envisions the possibility of sending its referents, in agreement with the funded organization, to directly take vision of the progress of the funding.

If the monitoring activities highlight: (i) breach in the funding use; (ii) non-use of the funding; (iii) failure in providing the agreed reporting, Amplifon Foundation will activate the appropriate mechanisms to suspend or revoke the funding.

COMMUNICATIONS AND REPORTING

The Foundation commits to provide a written answer to all eligible applicants, both in case of positive and negative outcome of the evaluation process. Amplifon Foundation will report as appropriate the activities implemented during the year, highlighting the initiatives supported and the overall results for the communities of reference.

EFFECTIVENESS AND COMPLIANCE TO THE GUIDELINES

These Guidelines have been approved by Amplifon Foundation Board of Directors; the Board has the faculty to proceed with updates and edits. All the stakeholders of Amplifon Foundation are responsible to ensure compliance to the Guidelines.

