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On the cover image: Alejandro after the successful activation of his cochlear implant: for the first time, Alejandro can hear his mother's voice and the sounds he makes himself.

Project: Fundación Pro Integración (FUNPROI) – First cochlear implant donation in Panama.More about the project on **page 10.**

Cover image: Silvio Gerber, Filmgerberei



TOGETHER FOR BETTER HEARING



DEAR READERS.

Hearing shapes our lives. Noises accompany us through our day-to-day lives – from the sound of the alarm clock in the morning to the twitter of birds and the voices of loved ones – some sounds relax and enrich us, others can be disruptive. All these aspects of good hearing are worth protecting and

restoring for people with reduced hearing ability.

As a leading provider of hearing solutions, Sonova's vision is to create a world in which everybody can enjoy the delight of hearing and live a life without limitations. The Hear the World Foundation, Sonova's corporate foundation, is also making this vision a reality for disadvantaged people: for over ten years, the Hear the World Foundation has been giving hope to children and their parents by allowing them access to audiological care, hearing solutions, and speech therapy.

2016 was a particularly eventful year for the foundation: the Hear the World Foundation celebrated its 10th anniversary (page 22), can now count on the support of over 100 well-known ambassadors (page 24), and donated cochlear implants for the first time (page 10). In February 2017, cochlear implants (CIs) allowed three children with profound hearing loss in Panama to receive the gift of hearing and thus also the chance to lead an independent life. The CI donation is an important milestone in the foundation's history.

For the last three years, the Hear the World Foundation has supported the Rangammal Memorial School in southern India, a residential school housing around 200 pupils with hearing loss. The children at this school are provided with audiological care and learn to express themselves verbally thanks to speech therapy. The school aims to both educate the children and also to prepare them for an independent life (page 16).

However, the Hear the World Foundation not only supports its project partners through funding and hearing solutions, but also by training local professionals, thus helping them to help themselves (page 18). This is only made possible by the work of Sonova employees. This year, 1,703 employees have worked for 1,052 days in 19 countries for the foundation (page 20).

You can find information on this and other examples of our work as a foundation in this activity report.

As you will see, we can look back with pride on the successful and eventful year behind us, in which we supported a total of 23 projects in 22 countries. Over 1,200 hearing solutions were donated to these projects, improving the lives of countless people, particularly children, in a lasting way.

There is still a lot more to be done if we are to achieve our ambitious vision of a world where everyone has the chance to enjoy good hearing. We are therefore starting a new year with a high level of motivation and we are delighted to count on you to help us work towards our vision!

Sincerely,

Lukas Braunschweiler

President of the Hear the World Foundation



OUR COMMITMENT



The Hear the World Foundation is focused on and committed to providing children with audiological care.

In this area we concentrate mainly on low-income countries.

Children with untreated hearing loss, particularly those living in these regions, have hardly any future prospects. They have difficulty learning to speak and only limited chances to integrate socially, receive an education, and develop at an appropriate rate for their age. Our help can change lives in this respect. Our focus:

- Providing support for projects that supply children with hearing solutions, continuous care, and speech therapy
- Deploying teams of experts to provide professional on-site support
- Projects designed to increase newborn hearing screenings



CHILDREN WORLDWIDE

are affected by moderate to severe hearing loss.¹



Building a local audiological care network.

The local population should not have to rely on foreign specialists who are not readily available. The only way to build up a stable local network, so that knowledge can be passed on and sustainable audiological care can be guaranteed, is to train local audiologists. This also has the beneficial side effect of creating skilled jobs with promising future prospects in the country. The Hear the World Foundation supports projects in the following areas:

- Training and developing local audiologists
- Providing training for clinic staff and teachers who deal with children with hearing loss
- Providing support for research projects and awarding grants



OF LOW-INCOME COUNTRIES

have one audiologist at most per million population. In high-income countries, the equivalent figure is 87.5%.²



It is essential to take any opportunity to prevent hearing loss from occurring.

The risks of hearing loss generally vary between high-income and low-income countries. Projects to inform people about the risks of listening to music at excessively loud volumes are the focus in high-income countries. In countries with low incomes, however, viral diseases (e.g. rubella or cytomegalovirus), chronic middle ear infections, or incorrect dosages of medication are the main factors behind the development of hearing impairments. These two challenges are addressed by the following measures:

- Campaigns to raise awareness about the risks posed by listening to music at excessively loud volumes
- Measures to improve medical and basic audiological care



OF ALL HEARING LOSS IN CHILDREN

in low- and middle-income countries is preventable, compared with 49% in high-income countries.³



The younger children with hearing loss are, the more important the role played by their parents becomes.

Hearing aids need to be checked regularly and speech development exercises need to be practiced. Parents are the most important source of emotional support in a child's everyday life. In the case of projects in low-income countries, it is also essential to provide parents with basic information about hearing loss. The Hear the World Foundation supports projects that run various programs to help parents:

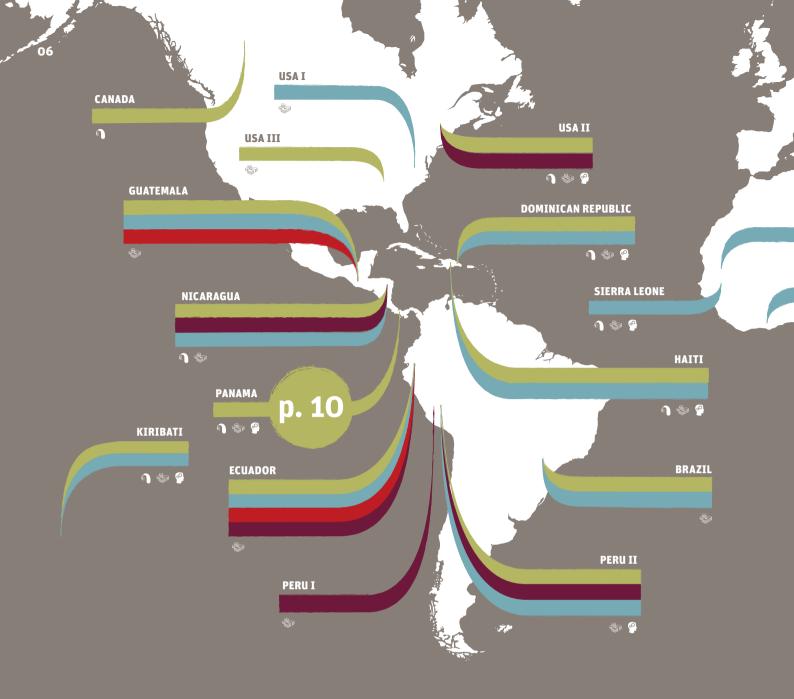
- Guides, newsletters, and brochures
- Workshops, conferences, and special consultation sessions for parents
- Opportunities to share experiences with other parents of children with hearing loss



OF PARENTS OF CHILDREN WITH HEARING LOSS

say that interaction with other parents is particularly helpful to them.⁴

³ WHO Media Centre, fact sheet, Deafness and hearing loss (2017)







TechnologyProviding hearing



FundingSupport through financial resources



KnowledgeTraining and developing







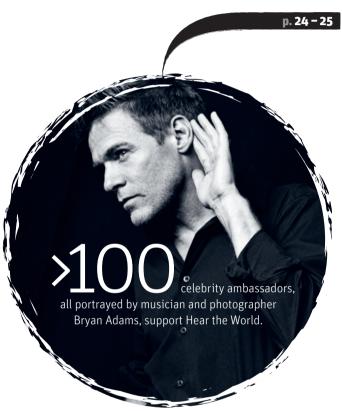




FACTS

SPOTLIGHTS 2016/2017







WE ARE SAILING FOR HEAR THE WORLD

A former Sonova employee has raised CHF 3,000 with her fundraising activity. Her goal: to sail from Norway to Panama and generate funds for the project in Panama (page 10).

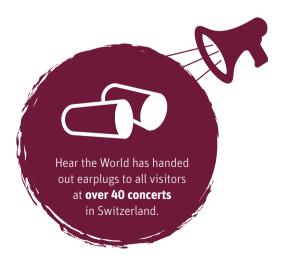




TOGETHER FOR BETTER LEARING

The Hear the World Foundation supports disadvantaged people with hearing loss around the world and gets involved in prevention. It focuses particularly on projects for children with hearing loss, to enable them to develop at the appropriate rate for their age.

MORE ABOUT US



NEW WEBSITE

Hear the World has had a new website since November. The new website presents the foundation's work even better thanks to large images and videos.





The "Hear Haiti" project won this year's Richard Seewald Award for its outstanding project work. Despite facing extremely difficult circumstances, the team managed to establish sustainable audiological care for children and families.





FIRST COCHLEAR IMPLANT DONATION FOR CHILDREN

The Hear the World Foundation has been supporting the Panama-based relief organization FUNPROI with funding, expertise, and hearing aids since 2013. Together, they have already been able to provide audiological care to thousands of disadvantaged children with hearing loss. In 2016, Hear the World also donated cochlear implants for the first time, marking a milestone for all involved.

Alejandro (see cover image), aged four, was born with profound hearing loss. His parents first became aware of it when he was sitting under a mango tree and was the only person who did not bat an eyelid when a mango fell to the ground beside him! Shortly afterward, he and his parents visited an audiological clinic in Panama City, where he was diagnosed with hearing loss. Little Alejandro was a mere toddler, just 2 and a half years old at the time. His parents were in despair, as you can well imagine. Their relatively modest status as an English teacher and a sugarcane cutter meant they did not have the money to pay for audiological care and sadly could not rely on the help of the public health system in Panama.



LIGHT AT THE END OF A TUNNEL: FREE AUDIOLOGICAL CARE

But soon there would be new hope. As luck would have it, the audiologists who provided the diagnosis told the Fundación Pro Integración (FUNPROI) about Alejandro's case. FUNPROI is one of the few relief organizations in Panama that provide audiological care, hearing aids, and speech therapy free of charge to disadvantaged children with hearing loss. Just a few weeks later, Alejandro was sitting in the fitting room at FUNPROI having his first hearing aids fitted by Saskia, the audiologist. This was it! The big moment – being able to hear for the first time in his life – had surely arrived! However, his parents and the others present were in for a crushing disappointment when Alejandro hardly responded.



A SOLUTION FOR CHILDREN WITH PROFOUND HEARING LOSS

Luckily, Richard Seewald (Hear the World Advisory Board), Sarah Kreienbühl (a member of the Hear the World Foundation Board), and Elena Torresani (Head of Hear the World) were there on the day and recognized the need to find a solution for children like Alejandro too – for whom, tragically, even the most powerful hearing aids provide no solution. The Hear the World Foundation therefore decided to support FUNPROI in future with cochlear implants (CIs) as well, donated by the Sonova subsidiary Advanced Bionics, in addition to the funding, expertise, and hearing aids it had provided up until then. And so it happened that Alejandro and two other children from Panama were implanted with an electronic hearing prosthesis – a CI. Six weeks after the operation, the big day had finally arrived: Alejandro and his parents came to the FUNPROI premises for a second time – this time to activate the CIs.

"The successful activation of the first cochlear implants donated marks an important milestone for the Hear the World Foundation as it allows us to also give the gift of hearing to those children who cannot benefit from even the most powerful hearing aids."

Sarah Kreienbühl, Group Vice President of Corporate HRM and Communications at Sonova and member of the Hear the World Foundation Board.

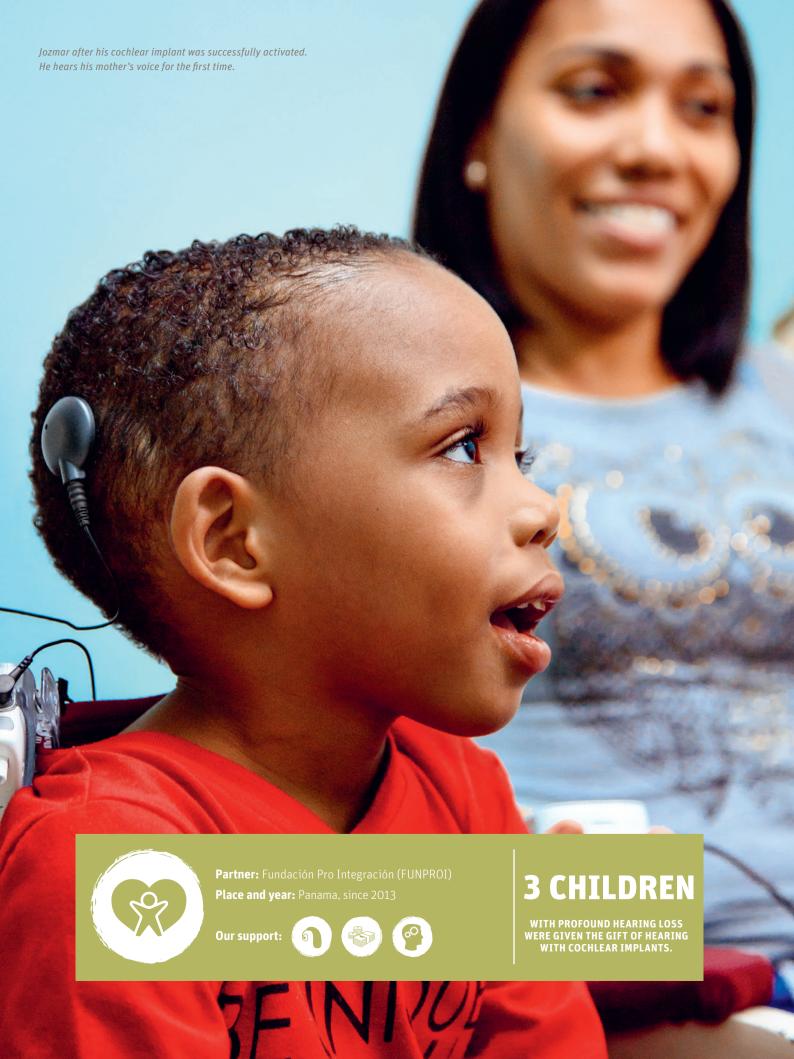
WHAT IS A COCHLEAR IMPLANT (CI)?

TNFO

A CI is an electronic hearing prosthesis that allows people with profound hearing loss to hear again or even for the first time.

Cochlear implants are made up of two components: the implant, which is placed under the scalp during surgery, and the speech processor with a transmitter coil, which is worn on the back of the head.







A MILESTONE FOR ALL PRESENT

After a welcome by FUNPROI and a workshop for parents on using the cochlear implant and the important speech exercises to be done at home, it was almost time for the moment everybody had long been awaiting. Alejandro was sitting rather timidly in the room, waiting for something really big to change in his life. At first, he did not react to the beep sent out by the activation software and, unfazed, continued to turn the pages in his picture book. However, at the next beep, he suddenly lifted his head in sheer amazement. He had just experienced something wonderful, and the look on his face said it all. He could actually hear for the first time in his life! His mother burst into tears of joy: "I feel so excited that my son can hear. I can't find the right words but I want to say thank you. Thank you so much," cried Alejandro's mother after the activation. There was barely a dry eye among the other people in the room either.

It was a big day for all three children from Panama, as the activations of the CIs were also completely successful for the other two children. A door had opened for them into a wonderful world in which they can hear and learn to speak, have access to education, and the chance to lead an independent life. However, the successful activation also marks a milestone for the Hear the World Foundation and FUNPROI.



A COMMITMENT THAT GOES WAY BEYOND DONATING IMPLANTS

But donating CIs is not nearly enough. A key part of the commitment is also the follow-up care, in which experts from the Sonova subsidiary Advanced Bionics play a key role. They pass on their expertise to FUNPROI employees, ensuring that the CI recipients are provided with sustainable audiological care. Alejandro and the other children, for example, receive speech training three times a week from the start. And the parents also receive further training as part of the speech therapy as they should support their children in language training in a playful way at home. This will help the three children to make up for their language deficits over the next two to three years, meaning that they will be ready to start school.



Carina Rodríguez from the Sonova subsidiary Advanced Bionics trains the FUNPROI employees in using the CI software so that they are able to fit CIs themselves in the future.





Providing the parents with information about hearing loss and their child's hearing solution is an essential aspect of all our project support.

How well children benefit from their hearing solution and learn to speak also depends on daily language practice with their parents. Therefore, in Panama, an employee from the Sonova subsidiary Advanced Bionics taught the parents of the CI recipients how to use the cochlear implants, gave them tips and practice material for speech exercises at home, and also provided them with comprehensive information about the role of hearing and CIs and checklists to monitor the devices.



A SCHOOL FOR 200 CHILDREN WITH HEARING LOSS

Although India's economy is growing quickly, there is little evidence of this to be seen in the rural areas. They lack infrastructure and health care, meaning children with hearing loss have few prospects. The Rangammal Memorial School for the Hearing Impaired is a glimmer of hope in this respect: here, disadvantaged children between three and eighteen can receive free education and audiological care with products from the Sonova subsidiary Phonak.

Sonova India employee Crystal Variava was rather surprised when she arrived at the Rangammal School in the southern Indian town of Tiruvanamalai for the first time in February 2015. Some 200 children were sitting in the bright classrooms in the spacious building and lessons were in full swing—but hardly a sound could be heard! Fast-forward just a few months later to Variava's next deployment as a volunteer, and the Sonova India audiologist could hear a joyful sound coming from the classrooms. The new digital

hearing aids from Phonak, provided by the Hear the World Foundation, had brought about a fundamental change: the children were now using their voices. "Even now, I always get emotional when I think about it," remembers Variava, looking back. The Sonova employee from the Mumbai office, who is supporting the project as a volunteer, has long had a place in her heart for these children.

A HOME FOR CHILDREN WITH HEARING LOSS

In rural southern India, there is precious little sign of the country's economic boom and the lack of infrastructure and health care is painfully obvious. Because of this, Brit Sylvia Wright sold everything she had more than 35 years ago and founded the Rangammal Memorial Rehabilitation Society, a residential school which is home to around 200 pupils with hearing loss. "Our goal is not just to educate the children, but also to successfully prepare them for an independent



Gurumoorthy with the Sonova India employee Crystal Variava.

"The hearing loss should not stand in the children's the way. Our purpose is not just to educate them but to prepare them to lead a normal life like everyone else."

Sylvia Wright,
Founder of the Rangammal Memorial School



life. We firmly believe that hearing loss should not be a hindrance to children's future progress," says Wright, explaining her vision. The children, all of whom suffer from hearing loss, learn to lip-read and use sign language from early on at the school. And since the Hear the World Foundation has been supporting the school, the children have also been receiving digital hearing aids from Phonak and are encouraged to speak in speech therapy.



These pupils are waiting for their new hearing aids from Phonak to be fitted.

SUSTAINABILITY - A KEY ELEMENT

To ensure care is provided on a long-term basis, Sonova India employees visit the school four times a year. They check hearing aids that have been damaged by the humid climate. They show teachers how they can carry out small repairs themselves. And they also show them the best way to support language development. The Sonova audiologist Crystal Variava took a particular shine to six-year-old Gurumoorthy, or Guru for short: "He has had hearing loss since birth and since his family could not afford hearing aids, Gurumoorthy had to wait until age four for his first hearing aids when he started at the Rangammal Memorial School. He now speaks remarkably well and wants to become a teacher!" His favorite sound is the crows calling outside his window. Variava wants to get involved again in future and continue to visit the Rangammal Memorial School on a regular basis: "The school is a magical place where children with hardly any prospects in life are offered new opportunities."





Partner: The Sylvia Wright Trust

Place and year: India, since 2014

Our support:







168

PUPILS WERE PROVIDED WITH DIGITAL HEARING AIDS.

TRAINING

BUILDING CAPACITY IN VIETNAM

The Hear the World Foundation has been supporting the Global Foundation for Children with Hearing Loss in Vietnam for six years. The organization holds several training courses in audiology for technicians, therapists, teachers, and principals every year, to build capacity.

Sister Thuy actually works as a teacher for children with hearing loss. However, she quickly recognized that audiological knowledge helps her in her daily work: "At one time, I couldn't understand why children with hearing loss could not distinguish between different tones," she says. "My newly acquired knowledge in pediatric audiology now helps me to understand why children mix up sounds." Sister Thuy first encountered Paige Stringer, Founder of the Global Foundation for Children with Hearing Loss (GFCHL), in 2012. Since then, she has taken part in a pediatric audiology course every year. Sister Thuy is now the principal of the Rose School in Dong Nai, a school for

a total of 17 children with hearing loss. "Thanks to the course, I have learned a lot about screening programs, speech therapy, and audiology. I apply this knowledge on a daily basis," she beams proudly.

THE COURSE IS A REAL HIT

Many of the 24 Vietnamese people attending the course have a similar story to Sister Thuy: they work with children affected by hearing loss on a daily basis and want to learn more about audiology and hearing aids. Sadly, there is a lack of well-trained specialists in pediatric audiology in Vietnam. GFCHL's five-day training course fills these gaps and helps to build and develop skills in pediatric audiology. The course is divided into two classes – a beginners' and an advanced group. The beginners cover the basics of audiology, while those with more advanced



Sonova employee Stacey Rich with Phan, who has received her very first hearing aids.

knowledge, such as Sister Thuy, have already completed the previous courses and are essentially building on what they have learned. Theory lectures are held every morning and the participants put their acquired knowledge into practice in the clinic in the afternoons, when they check children's hearing and fit hearing aids. Thanks to the support of the Hear the World Foundation, over 275 audiological technicians have already received training. The Hear the World Foundation supports the project by donating hearing aids, providing funds, and through professional support from Sonova volunteers, who teach during the workshops. "Thanks to the contribution by the Hear the World Foundation, each year we can help hundreds of children in Vietnam enjoy a better life in a world in which they can hear," explains Paige Stringer, Founder of the Global Foundation for Children with Hearing Loss.

A THREE-HOUR MOTORBIKE RIDE **FOR HEARING AIDS!**

Little Phan, just two and a half years old, is one of the children who received their very first hearing aids thanks to the Hear the World Foundation. She traveled over three hours to the Rose School (by motorbike!) with her whole family. Like the many other families, they arrived at the school very early in the morning and waited patiently for their appointment in the afternoon. After several tests. those attending the course feared the worst – that the girl had total hearing loss and even the most powerful hearing aids would not help her. Suddenly, however, during the hearing aid fitting, her little eyes lit up. Phan could hear for the very first time in her life! "We are overjoyed that they were able to help our daughter here. We cannot put our thanks into words," declared the girl's mother amid tears of joy. As well as Phan and her family, 22 other children have benefited from the training received by the local specialists, with their new hearing aids giving them the chance of a new life.



"Thanks to the contribution by the Hear the World Foundation. each year hundreds of children in Vietnam receive help to enjoy a better life, in a world in which they can hear."

Paige Stringer, Founder of the Global Foundation For Children With Hearing Loss





Partner: Global Foundation for Children with Hearing Loss Place and year: Vietnam, since 2010





BEEN TRAINED SO FAR THANKS TO THE PROJECT.

EMPLOYEE ENGAGEMENT



The role of Sonova employees is key to the success of the foundation's work. Alongside the financial and technological project support provided by the Hear the World Foundation, the voluntary work carried out by Sonova employees forms the important third pillar of the foundation's work. This can be project work on site and all manner of fundraising campaigns.

TOTAL COMMITMENT IN FIGURES:





COUNTRIES

July 2016, USA RED BIRD MISSION, APPALACHIA

8 volunteers



October 2016, India **SYLVIA WRIGHT TRUS**

6 volunteers





January 2017, Haiti HAITI DEAF ACADEMY

December 2016, worldwide **#WEAREHEARTHEWORLD CAMPAIG**

1,553 employees





March 2017, Moldova **SPECIAL SCHOOL FOR CHILDRE**

2 volunteers





June 2016, Kiribati

SCHOOL AND CENTRE FOR CHILDREN WITH SPECIAL NEEDS

1 volunteer



THE TRIP TO KIRIBATI WAS AN UNBELIEVABLE EXPERIENCE

Annemarie Lindner, audiologist from Sonova Australia and employee representative on the Hear the World Advisory Board, traveled to the Pacific island nation of Kiribati in June 2016. There she visited the School and Centre for Children with Special Needs. The aim of her deployment was to provide the school children with new hearing aids and to teach the local staff members how to use the hearing aids on a daily basis.

What was your first impression of the school?

The school is very clean, well-organized, and structured. When I arrived, I was immediately greeted with a warm welcome from the principal of the school. The school does not just care for children with hearing loss, but also children with different disabilities from the age of 5 to 17, and it is the only establishment of its kind in the whole island nation.

What will you take with you from your voluntary work?

The trip to Kiribati was an unbelievable experience – it is a fascinating country. The majority of the country lies less than two meters above sea level and it is devastating to see how the rising sea level has already affected the lives of the population. I have learned that it is important to inform people about why I am visiting the country and what exactly I am doing in order to gain understanding for my work and access to the people. Music and dance are important aspects of life in Kiribati. I was impressed to see how children with profound hearing loss were able to dance along to the beat of a drum.



"It was moving to see how the children with hearing loss danced in the front row and proudly showed off their hearing aids!"

Annemarie Lindner, Audiologist at Sonova Australia

Was there a particular experience that was unforgettable?

There were many, actually, but one experience particularly moved me. On the last day of my visit, the school invited a VIP guest. The children had been practicing and rehearsing for it throughout the whole week. It was moving to see how the children with hearing loss danced in the front row and proudly showed off the hearing aids that we were able to donate to them from Hear the World.

During her five days there in Kiribati,

Annemarie Lindner trained a total of seven local staff members, fitted six new hearing aids, and carried out 12 follow-up examinations.



2006-2016

10 YEARS OF HEAR THE WORLD TIME TO LOOK BACK

The Hear the World Foundation celebrated its 10th anniversary in December 2016. Over the past 10 years, the foundation has supported thousands of people with hearing loss around the world and successfully raised awareness about the importance of good hearing and the consequences of hearing loss. Have a look at the foundation's achievements.



> 80 PROIECTS

supported by the Hear the World Foundation through funding, hearing solutions, and professional support. The supported projects cover 39 countries across six continents.



> 100 AMBASSADORS

have been portrayed in the Hear the World pose for conscious hearing by Bryan Adams, raising awareness for hearing and hearing loss.



> 10.000 HOURS

worked by Sonova employees for the Hear the World Foundation.



donated to projects worldwide by the Hear the World Foundation.





"The work that the Hear the World Foundation is doing is second to none. The organization helps people of all ages to hear again, which is why I have been supporting its awareness campaign with my photography for over ten vears."

Bryan Adams, musician and photographer

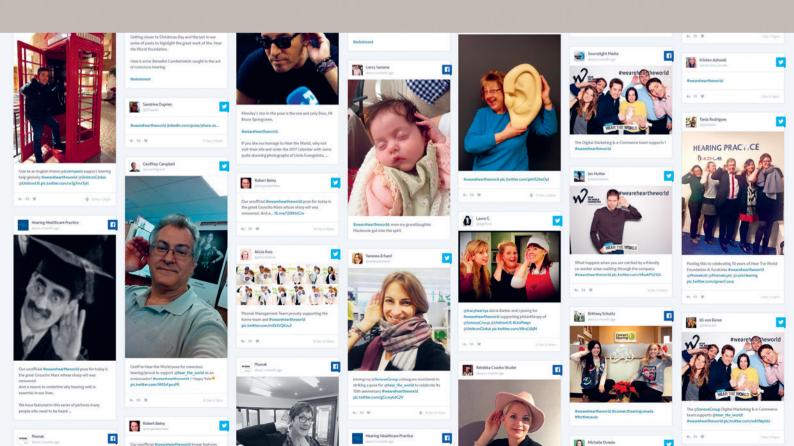
"Our project support is worth far more than the actual value in purely monetary terms. Thanks to use of the latest audio technology and knowledge passed on from Sonova employees to local project workers, we are creating sustainable added value."

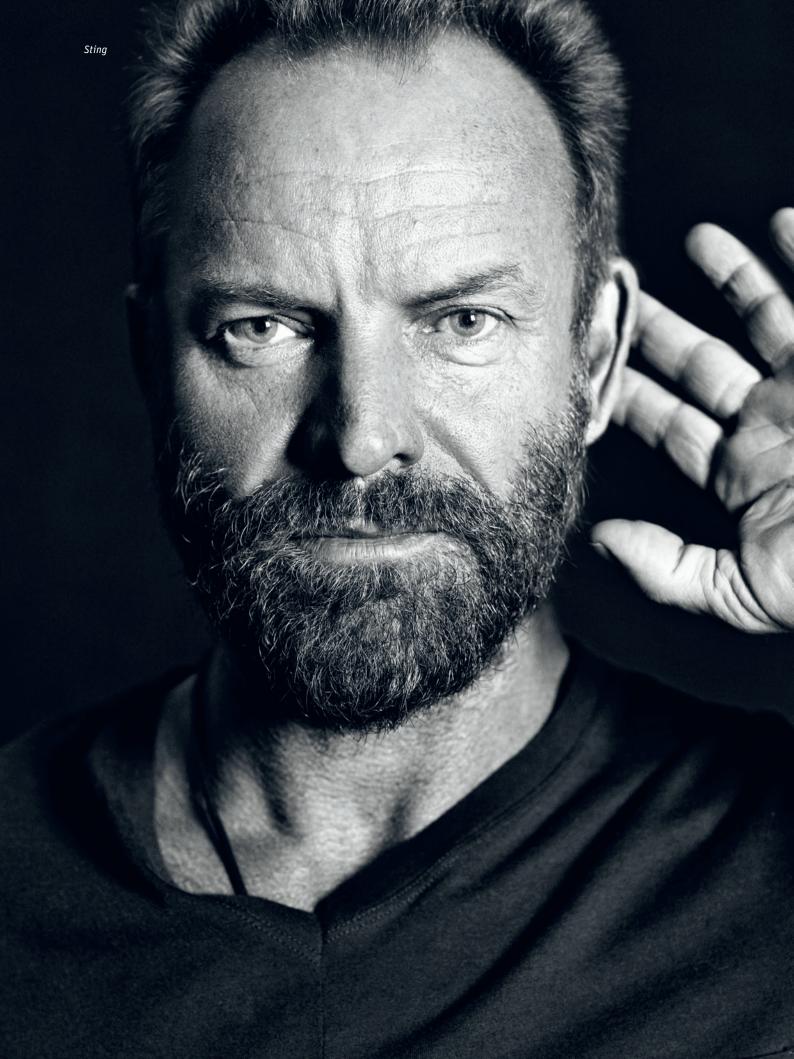
Lukas Braunschweiler, President of the Hear the World Foundation and CEO of Sonova.



To mark Hear the World's 10th anniversary in December 2016, many of Sonova's 14,000-plus employees posted their photo in the Hear the World pose for conscious hearing on social media with the hashtag #weareheartheworld.

Sonova donated 1 Swiss franc to the Hear the World project in India (page 16) for every employee that participated in the campaign. Together, employees worldwide also raised over 10,000 Swiss francs through other fundraising campaigns, which also went to the project in India.







OVER 100 AMBASSADORS FOR CONSCIOUS HEARING

According to the World Health Organization (WHO), one half - or even 60% put footnote in superscript for children - of all cases of hearing loss are preventable¹. Against this backdrop, the Hear the World Foundation works to prevent hearing loss as well as support disadvantaged people affected by it. Musician and photographer Bryan Adams, along with more than 100 well-known ambassadors such as Cindy Crawford, Sting, and Tina Turner, support the foundation.

While in low- to middle-income countries, the causes of hearing loss are predominantly associated with either incorrect treatment of middle ear infections, malaria drug overdose, or acoustic trauma caused by landmines, in high-income countries, the main cause is noise. Hear the World is therefore successfully raising awareness of the importance of good hearing and the consequences of hearing loss among the general public with a global campaign.

More than 100 famous ambassadors, including Plácido Domingo, Kate Moss, Eros Ramazzotti, and Annie Lennox, are behind the initiative. They were all photographed for the campaign in the Hear the World pose for conscious hearing by musician and photographer Bryan Adams. In 2012, this campaign was recognized by Guinness World Records for the largest photo awareness campaign in the world.

"Helping children with hearing loss is connecting them to the world. That is why I support the Hear the World Foundation "

Cindy Crawford, model



Annie Lennox



John Legend



Cindy Crawford



Plácido Dominao

HEAR THE WORLD CALENDAR - GIVING THE GIFT OF HEARING

Even after many years, the portraits of the star ambassadors for conscious hearing still enjoy great popularity. The Hear the World Foundation sells its calendar for the good cause every year, each time with 12 exclusive black-and-white portraits. As all of the celebrities work for Hear the World in an honorary capacity, and Sonova bears the foundation's administrative costs, 100 percent of the proceeds from the calendar go towards the foundation's project work.





MISSION, VISION, AND GOVERNANCE

Our vision is a world in which:

- EACH PERSON HAS THE CHANCE TO EXPERIENCE GOOD HEARING,
- WEARING A HEARING AID IS NO LONGER A TABOO,
- HEARING IS CHERISHED AND PROTECTED, AND
- PEOPLE WITH IMPAIRED HEARING ENJOY EQUAL OPPORTUNITIES.

Since it was founded in 2006, the Swiss foundation has supported more than 80 projects across six continents with funding, hearing solutions, and expertise, providing thousands of people with audiological care. Hear the World also teaches the public about hearing and hearing loss through studies and campaigns.



"We provide our project partners with the latest hearing solutions."

Ora Bürkli-Halevy, Vice President of Global Audiology Sonova and member of the Hear the World Foundation Board

HEARING LOSS IS STILL OVERLOOKED

Around 360 million people – 32 million of whom are children – are affected by hearing loss worldwide.¹ Approximately 80 percent of these people live in low-to middle-income countries and often do not have access to any audiological care.² Untreated hearing loss has particularly serious consequences for children: not being able to hear means they cannot learn to speak, have difficulties in school and work, and thus have hardly any chance of leading an independent life.

According to the World Health Organization (WHO), untreated hearing loss not only has an impact on the quality of life of those affected, but also on the whole society. For example, it costs an additional USD 3.9 billion to educate children with hearing loss. The good news is that around 55 percent of all hearing loss can be avoided if preventative measures are taken.³

WORKING AROUND THE WORLD FOR BETTER HEARING

Against this backdrop, the Hear the World Foundation is committed to helping disadvantaged people – particularly children – with hearing loss worldwide, as well as working to prevent it. The charitable foundation is an initiative by Sonova, the global leading provider of hearing solutions.

PROFESSIONAL AND TRANSPARENT

As an independent charitable foundation, solid foundation governance is essential for us. This involves ensuring the greatest possible transparency with regard to our strategy, goals, and support activities, as well as a high level of professionalism. This means that we adhere to clearly defined procedures when assessing applications for support and abide by transparent selection criteria when choosing projects. We use the funds entrusted to us in accordance with the aims of the foundation in the most effective way possible. Sonova bears all of the foundation's administration costs to ensure that 100% of all donations benefit people with hearing loss. The Hear the World Foundation is a member of SwissFoundations.

PROMOTING SUSTAINABILITY: A TOP PRIORITY

Every year, we receive a large number of applications for projects to support. In our assessment of applications, we attach great importance to the development potential and the sustainability of projects. The quality of audiological care is therefore a crucial element when it comes to supporting projects.

We try to ensure quality and sustainability as follows:

Sonova volunteer Annemarie Lindner trains local staff in Kiribati.



LOCAL EXPERTISE

We support all of our projects worldwide with the goal of building local expertise. This way, we can guarantee the provision of long-term audiological care and create local jobs too. Expert knowledge is mainly passed on by teams of volunteers of Sonova employees and additional specialists such as ear, nose, and throat physicians who provide ad-hoc support.

LATEST TECHNOLOGY

The goal is for children with hearing loss in low- to middle-income countries to receive the same audiological care as those in countries with higher incomes. We therefore provide our project partners with the latest hearing solutions from the brands Phonak, Unitron, and Advanced Bionics, so that their patients can receive the best possible care.

PROFESSIONAL FOLLOW-UP CARE

Donating hearing aids alone is not sufficient to ensure sustainable audiological care – particularly in the case of children. We therefore aim to provide professional, allround care. For children, this means regular speech therapy lessons and workshops for parents. Only this way can children learn to speak and develop to their full potential.

REGULARLY MONITORING SUCCESS

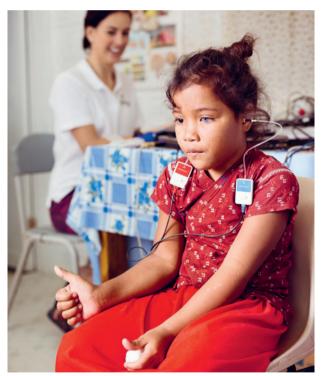
When possible, we support our project partners for several years. In order to continuously develop the project and keep professionalizing the care, we assess the project work carried out and define the next steps with our project partners on a regular basis. Each of our project partners also provides a detailed report twice a year containing precise details about the progress of their project and their use of funds.

TECHNOLOGY

STRONG PARTNERSHIPS

In order to achieve the goal of children with hearing loss in low-income countries receiving the same audiological care as those in countries with higher incomes, the Hear the World Foundation relies on strong partners as well as products from Sonova AG's brands, Phonak, Unitron, and Advanced Bionics. These foundation partners provide products at reduced cost.





The equipment from Otometrics helps to make precise diagnoses.

As hearing care professionals, we know that high quality equipment is absolutely essential for diagnosing hearing loss accurately and providing professional hearing aid fitting services. Otometrics is one of the world's leading manufacturers of instruments for hearing and balance assessments. This year Hear the World's project partner in Santo Domingo received a device for newborn hearing screening from Otometrics: "Ultimately our goal is early detection of hearing loss and early intervention that will help enable normal child development. And, as we continue to develop our pediatric hearing health program, it is crucial for us to have the appropriate equipment and technology to screen newborns," explains Nicole Hunter-Diaz, Head of Administration at the Centro Cristiano de Servicios Médicos, Hear the World's partner project in Santo Domingo, the Dominican Republic.

"We are very proud of our partnership with the Hear the World Foundation."

Kim Lehmann,
President and CEO of Otometrics, a division of Natus.

"One of our goals at Otometrics is to bring professional equipment and training to remote and disadvantaged regions. Together with the Hear the World Foundation, we can do exactly that – and thus make our own contribution toward improving the situation for people with hearing loss who are in need of aid," explains Kim Lehmann, President and CEO of Otometrics, a division of Natus.



Thanks to VARTA Microbattery, Hear the World can provide hearing aid batteries free of charge for every hearing aid it donates.



Even the best hearing aid is of no use without functioning batteries and these need to be replaced on a regular basis. However, many people in low-income countries cannot afford hearing aid batteries, and the batteries are often very hard to find locally. VARTA Microbattery, one of the world's most important battery manufacturers, has been supporting the Hear the World Foundation since 2010 by supplying power one hearing aid batteries.

"Our goal is to fill every hearing aid with energy and life, giving people the gift of hearing day after day,"

says Torsten Schmerer from VARTA Microbattery.

Thanks to this partnership, the Hear the World Foundation can provide free batteries for each donated hearing aid. "The batteries donated to our projects in Cameroon, Gambia, Malawi, Sierra Leone, and Zambia enable us to ensure that children and adults with hearing loss can use their hearing aids in the best possible way," explains Tanya D'souza, Fundraising Manager at Sound Seekers, Hear the World's partner in five African countries.



Audioscan systems provide a means to objectively verify that hearing aids have been fitted precisely and are providing the prescribed amplification. This is an important process as it confirms that the hearing aids donated by the Hear the World Foundation will deliver the best possible hearing experience for every patient in the target population, from infants to adults. "We sometimes work under challenging conditions with an army of volunteers. Yet it is with confidence that we use the equipment from Audioscan time and time again – they stand behind it, and therefore us and our project. We are grateful for their support," says Cathy Henderson Jones, Project Manager, Hear Haiti.

"Making a lasting difference is important to us at Audioscan and we believe that the Hear the World Foundation has developed an effective approach to meet that difficult challenge."

Jim Jonkman, President of Audioscan.



NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS OF MARCH 31, 2017

1 GENERAL INFORMATION ABOUT THE FOUNDATION

The objective of the Foundation is to provide global education on hearing, with the aim of helping to prevent hearing loss. The Foundation also provides technological, financial and professional support to groups, public facilities and private individuals to prevent hearing loss or to improve the lives of those with hearing loss.

According to the Foundation charter, the initial paid-up capital of CHF 500,000 does not have to be maintained. All capital is available to the Foundation Board for grants.

The Foundation Board consists of the following persons:

• LUKAS BRAUNSCHWEILER

• SARAH KREIENBÜHL

• ORA BÜRKLI-HALEVY

• IEAN ANNE SCHNITTKER

APRYL SWEAT

The business operations of the Foundation comply with the articles of association dated December 4, 2006, and the Foundation's rules of procedure dated December 4, 2006.

PricewaterhouseCoopers AG served as auditors for the fiscal year. Their selection for the following year has been confirmed. Their mandate is based on legal regulations and generally accepted accounting principles.

2 ACCOUNTING AND REPORTING PRINCIPLES

The annual financial statements are prepared in accordance with the accounting principles under the Swiss GAAP FER Framework, core FER and Swiss GAAP FER 21 in order to provide as reliable an assessment as possible of the Foundation's financial position, results of operations and cash flows. The financial statements contain comparatives and have also been prepared in accordance with Swiss Law. There are no employees.

3 VALUATION PRINCIPLES GOVERNING INDIVIDUAL ITEMS IN THE ANNUAL FINANCIAL STATEMENTS

Cash and cash equivalents include cash in an account held with UBS Switzerland AG in Zurich. Accrued liabilites contain the audit fees.

4 FINANCIAL ASSETS AND EXPLANATIONS REGARDING ASSETS AND LIABILITIES

The Foundation does not have any fixed assets. Its assets comprise the Foundation's capital, which is deposited in a current account. The capital was deposited with UBS Switzerland AG at an average interest rate of 0.00% and is available on a daily basis.

5 GRATUITOUS (FREE) SERVICES

All resources required for the governance, management and administration of the Foundation and all of the Foundation's communication activities were provided by Sonova and its group companies free of charge and funded by them where necessary. This included, for example, resources in communications and administration amounting to the value of around CHF 430,000 (previous year CHF 365,000). To quantify the investment, annual expenses are calculated times the annual salaries including social security benefits. Additional resources of Sonova AG were provided in accounting and logistics services. These amounts were not recorded in the operation statement.

6 TRANSACTIONS WITH RELATED PARTIES

Technological support was provided mostly by Sonova AG, Unitron Hearing GmbH and Advanced Bionics AG. Technological devices are charged to the Foundation at production cost but are reported in the income statement at the list price for Swiss audiologists. The difference between production cost and list price is reported as a donation. In total, Sonova Group provided non-cash benefits worth CHF 2,055,592 (previous year CHF 1,212,748).

7 PROFESSIONAL SUPPORT

By training project partners, Sonova Group employees conduct professional support for the Foundation. The service hours are multiplied with the median salary of Sonova Headquarter Staefa and added to the respective travel costs. They are accounted for as donations, as the foundation is not charged for these donations by Sonova Group.

8 EVENTS AFTER THE BALANCE SHEET DATE

No material events occurred after the balance sheet date.

2 ACTIVITIES OF THE FOUNDATION DURING THE FISCAL YEAR

The Foundation Board determines the resources to be awarded and their allocation during budgeting.

These resources were distributed as follows during the financial year:

	2016/2017	2015/2016		
	CHF	in %	CHF	in %
Technological support for projects abroad	2,147,561	81%	1,105,884	59%
Financial support for projects abroad	257,377	10%	456,874	24%
Professional support for projects abroad	142,451	5%	83,009	4%
Technological support for projects in Switzerland	63,730	2%	186,295	10%
Financial support for projects in Switzerland	27,988	1%	23,117	1%
Professional support for projects Switzerland	4,814	0%	3,953	0%
Administrative expenditures	10,220	1%	10,170	1%
Other operating expenditures	329	0%	459	0%
	2,654,470	100%	1,869,761	100%

As of the balance sheet date, no support contributions from projects were outstanding.

10 PERFORMANCE REPORT

The performance report, containing information on the purpose, governing bodies and work of the Foundation, forms part of the Foundation's annual Activity Report. The most recent Activity Report was published in May 2016.

BALANCE SHEET AS OF MARCH 31 (in Swiss francs)

	2016/2017	2015/2016
Assets		
Current assets		
Cash and cash equivalents	251,241	185,088
	251,241	185,088
Total assets	251,241	185,088
Liabilities		
Current liabilities		
Other current liabilities	0	8,783
Accrued liabilities	7,000	7,000
	7,000	15,783
Capital of the organization		
Paid-in capital	500,000	500,000
Free capital	(255,759)	(330,695)
	244,241	169,305
Total liabilities	251,241	185,088

OPERATION STATEMENT FOR THE PERIOD APRIL 1 TO MARCH 31 (in Swiss francs)

	2016/2017	2015/2016
Income		
Income from donations	2,729,406	1,844,658
Total income	2,729,406	1,844,658
Expense		
Technological support for projects abroad	(2,147,561)	(1,105,884)
Financial support for projects abroad	(257,377)	(456,874)
Professional support for projects abroad	(142,451)	(83,009)
Technological support for projects in Switzerland	(63,730)	(186,295)
Financial support for projects in Switzerland	(27,988)	(23,117)
Professional support for projects Switzerland	(4,814)	(3,953)
Administrative expenses	(10,220)	(10,170)
Other operating expenses	(329)	(459)
Total expenses	(2,654,470)	(1,869,761)
Interim result	74,936	(25,103)
Realized gain/(loss) on exchange rate differences	0	(281)
Profit/(loss) for the year before allocation to the capit	al of	
the organization	74,936	(25,384)

STATEMENT OF CHANGES IN CAPITAL (in Swiss francs)

	Paid-in capital	Free capital	Capital of the organization
As of 01.04.2015	500,000	(305,311)	194,689
Change		(25,384)	(25,384)
As of 31.03./01.04.2016	500,000	(330,695)	169,305
Change		74,936	74,936
As of 31.03.2017	500,000	(255,759)	244,241



Report of the statutory auditors on the limited statutory examination to the Board of He

on the limited statutory examination to the Board of Hear the World Foundation

Zug

As statutory auditors, we have examined the financial statements of Hear the World Foundation, which comprise the balance sheet, operating statement, statement of changes in equity and notes for the year ended 31 March 2017. As permitted by Swiss GAAP FER 21 the information in the performance report is not required to be subject to the statutory auditors' examination.

These financial statements prepared in accordance with Swiss GAAP FER, Swiss law and the foundation's deed are the responsibility of the Board. Our responsibility is to perform a limited statutory examination on these financial statements. We confirm that we meet the licensing and independence requirements as stipulated by Swiss law.

We conducted our examination in accordance with the Swiss Standard on Limited Statutory Examination. This standard requires that we plan and perform a limited statutory examination to identify material misstatements in the financial statements. A limited statutory examination consists primarily of inquiries of foundation personnel and analytical procedures as well as detailed tests of foundation documents as considered appropriate in the circumstances. However, the testing of the operational processes and the internal control system, as well as inquiries and further testing procedures to detect fraud or other legal violations, are not within the scope of this examination.

Based on our limited statutory examination, nothing has come to our attention that causes us to believe that the financial statements do not give a true and fair view of the financial position, the results of operations and the cash flows in accordance with Swiss GAAP FER. Furthermore, nothing has come to our attention that causes us to believe that the financial statements do not comply with Swiss law and the foundation's deed.

PricewaterhouseCoopers AG

A China Co

Sandra Böhm

Audit expert Auditor in charge Kai Mauden

Zürich, 21 April 2017

Enclosure:

• Financial statements (balance sheet, operating statement, statement of changes in equity and notes)

PricewaterhouseCoopers AG, Birchstrasse 160, Postfach, CH-8050 Zürich, Switzerland Telefon: +41 58 792 44 00, Telefax: +41 58 792 44 10, www.pwc.ch

PricewaterhouseCoopers AG is a member of the global PricewaterhouseCoopers network of firms, each of which is a separate and independent legal entity.

ORGANIZATION

The Hear the World Foundation Board is comprised of various people in the Sonova Group who are committed to the Foundation's purpose. The foundation's independence is assured by the Advisory Board, made up of experts in audiology, which is responsible for evaluating suitable projects proposed to the Foundation Board and the

allocation of Foundation funds. The Advisory Board members are all employed in an honorary capacity. Expenses are reimbursed as and when they occur. In addition, three Sonova employees are given the opportunity to liaise with the Advisory Board and serve as employee representatives for a two-year term.

FOUNDATION BOARD

LUKAS BRAUNSCHWEILER (PRESIDENT)

CEO Sonova

SARAH KREIENBÜHL

Group Vice President Corporate HRM and Communications Sonova

ORA BÜRKLI-HALEVY

Vice President Global Audiology Sonova

JEAN ANNE SCHNITTKER

Audiologist Research & Development Sonova

APRYL SWEAT

Director Global Sales and Market Development Advanced Bionics

OFFICE

ELENA TORRESANI

Head of Hear the World Initiative

LOUISE KABEN

Corporate Communications and Corporate Social Responsibility Manager

LAURA MENG

Corporate Communications and Corporate Social Responsibility Manager

ADVISORY BOARD

PROF. DR. RICHARD SEEWALD

Professor Emeritus at the National Centre for Audiology, The University of Western Ontario (CAN)

PROF. DR. OROZIMBO COSTA

Senior Professor in ENT medicine at the Audiological Research Center HRAC at the University of São Paulo (BRA)

PROF. DR. BEATRIZ NOVAES

Professor of the Department of Human and Health Science at the Pontifical Catholic University of São Paulo (BRA)

PROF. DR. JERRY L. NORTHERN

Professor Emeritus at the University of Colorado School of Medicine (USA)

PROF. DR. KEVIN J MUNRO PHD

Ewing Professor of Audiology, University of Manchester (UK)

SONOVA EMPLOYEE REPRESENTATIVES ON THE ADVISORY BOARD

STACEY RICH

Phonak Global Pediatric Audiology Manager (CH)

ANNEMARIE LINDNER

Audiologist Phonak (AUS)

PAUL DARKES

Program Manager Research & Development Unitron (CAN)



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MAY 2017

CONCEPT AND TEXT

Hear the World Foundation

DESIGN

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www.hear-the-world.com
@Heartheworldfoundation





HEAR THE WORLD FOUNDATION

By supporting the charitable Hear the World Foundation, Sonova is campaigning for equal opportunities and a better quality of life for people with hearing loss. As a leading provider of hearing care solutions, Sonova fosters social responsibility and contributes towards a world where everyone has the chance to enjoy good hearing. For instance, the Hear the World Foundation supports disadvantaged people with hearing loss around the world and gets involved in prevention. It focuses particularly on projects for children with hearing loss, to enable them to develop at the appropriate rate for their age. More than 100 celebrity ambassadors, including stars such as Cindy Crawford, Plácido Domingo, Annie Lennox and Sting champion the Hear the World Foundation.





HELPING TO HELP! THANK YOU!

Even you, dear reader, can help people hear again!
The Hear the World Foundation is a recognized Swiss foundation and, thanks to its precisely defined goals and transparent processes, it guarantees that 100 percent of your support goes directly to our projects. Sonova bears all of the foundation's administrative costs. Donations to the Hear the World Foundation are tax-deductible in Switzerland.

Bank details

for donations: UBS AG, Zurich Account: Hear the World Foundation Account number: 230-477384.01U IBAN: CH12 0023 0230 4773 8401 L SWIFT: UBSWCHZH80A