

INTRICON CORPORATION
SENIOR MANAGEMENT AND NON-EMPLOYEE
DIRECTOR STOCK OWNERSHIP GUIDELINES
(Adopted as of October 20, 2020)

The Board of Directors (the “Board”) of Intricon Corporation (the “Company”) believes that in order to further align the long-term interests of the Company’s shareholders and management, the Company’s Senior Management (defined below) and Non-Employee Directors should maintain a specified level of ownership in the Company’s common stock. Therefore, the Board has adopted the following formal stock ownership guidelines (the “Ownership Guidelines”) for the Company’s Senior Management and non-employee directors. These Ownership Guidelines shall be administered by the Compensation Committee (the “Committee”) of the Board.

Senior Management Stock Ownership Guidelines:

For purposes of these Ownership Guidelines, the members of “Senior Management” of the Company include the following:

- the Chief Executive Officer (the “CEO”); and
- the Company’s officers other than the CEO who are classified by the Company as executive officers for purposes of U.S. Securities and Exchange Commission rules under Section 16 of the Securities Exchange Act of 1934, as amended (the “Section 16 Officers”).

Each member of Senior Management is required, within five years following his or her date of hire or promotion (or, if later, January 1, 2026), to own shares of the Company’s common stock (as determined in accordance with the section entitled “Shares Included in Ownership Calculation” below) having an aggregate value at least equal to:

- Chief Executive Officer – four (4) times his or her annual base salary; and
- each of the Section 16 Officers – two (2) times his or her annual base salary; and

Once achieved, the guideline amount must be maintained at the level that pertains to an individual’s then-current title for as long as the individual is subject to these Ownership Guidelines.

Non-Employee Director Stock Ownership Guidelines:

Each Non-Employee Director is required, within five years following his or her first election or appointment to the Board (or, if later, January 1, 2026), to own shares of the Company’s common stock (as determined in accordance with the section entitled “Shares Included in Ownership Calculation” below) having an aggregate value at least equal to three (3) times the amount of the annual cash retainer that the Company pays such director for regular service on the Board (not including any additional retainers paid for services as chair of the Board or a Board committee). Non-Employee Directors are subject to these Ownership Guidelines for as long as they continue to serve on the Board.

Shares Included in Ownership Calculation:

For the purpose of determining stock ownership levels, the following forms of equity interests in the Company are included:

- Shares owned directly by the individual or his or her immediate family members residing in the same household;
- Shares held in a trust for the benefit of the individual or his or her immediate family members residing in the same household;
- Shares owned through savings plans, such as the Company’s 401(k) plan, or acquired through a Company sponsored employee stock purchase plan;
- Shares underlying unvested time-based restricted stock and restricted stock units held by the individual;
- Shares underlying vested in-the-money stock options held by the individual in an amount equal to the number of shares issuable upon a net exercise as provided in the Company’s equity incentive plans; and
- Shares, restricted stock and restricted stock units held by the individual in any Company sponsored deferred compensation plan.

For purposes of these Ownership Guidelines, shares underlying unvested performance-based restricted stock units and unvested performance-based stock options will not be considered in determining an individual's stock ownership until, and only to the extent that, the performance criteria has been satisfied and in the case of stock options, such options have vested.

Hardship Exceptions:

There may be rare instances in which compliance with these Ownership Guidelines would place a severe hardship on an individual or would prevent an individual from complying with a court order, such as in the case of a divorce settlement or tuition payments. In these instances, the Committee will evaluate whether exceptions from these Ownership Guidelines should be made. If an exception is granted in whole or in part, the Committee will, in consultation with the individual, develop an alternative stock ownership plan that reflects both the intention of these Ownership Guidelines and the individual's particular circumstances. Any such granted exception and alternative stock ownership plan shall be deemed to be consistent with these Ownership Guidelines and shall not be deemed a waiver.

Compliance:

The Committee shall be responsible for monitoring the application of these Ownership Guidelines. To determine compliance with these Ownership Guidelines, a calculation will be made in January of each year based on the current salary or annual retainer and the value of the stock using the average closing price of the Company's stock for the prior calendar year. Calculations shall be presented to the Committee for its review at its first regularly scheduled quarterly meeting for the year, or at such other time as the Committee chairperson requests.

If an individual covered by these Ownership Guidelines has been determined to be non-compliant, such individual shall not be permitted to dispose of any shares of common stock (except for shares withheld to pay withholding taxes or the exercise price of stock options) until the required level of ownership is reached (whether through the acquisition of additional shares and/or an increase in the stock price (determined based on the average closing price of the Company's stock for the 12 calendar month period prior to any such determination)), other than in hardship situations as approved by the Committee.

The Committee has the discretion to impose additional remedies on a case-by-case basis. Among the remedies that the Committee may impose on non-compliant individuals are:

- Requiring that certain components of compensation which are typically paid in cash (for example, an annual bonus, non-employee director retainer fees) be paid in stock; and
- Disqualifying employees who are out of compliance from participating in other Company sponsored programs, which could include eligibility to receive future equity awards.

Once an individual covered by these Ownership Guidelines has achieved compliance in any year, if he or she fails to meet these Ownership Guidelines in any subsequent year solely because of a decline in the price of the Company's common stock, he or she shall not be found to be noncompliant; provided such person shall not be permitted to dispose of any shares of common stock (except for shares withheld to pay withholding taxes or the exercise price of stock options) until the required level of ownership is reached (whether through the acquisition of additional shares and/or an increase in the stock price (determined based on the average closing price of the Company's stock for the 12 calendar month period prior to any such determination)), other than in hardship situations as approved by the Committee.

Amendment:

The Board may amend these Ownership Guidelines at any time and from time to time in its sole discretion.