

Invitation to the 2019 Annual General Meeting of Ascom Holding AG

Baar, March 2019

Dear Shareholder,

We have pleasure in inviting you to the Annual General Meeting of Ascom Holding AG for the financial year 2018, to be held on

**Wednesday, 10 April 2019, at 14.00 at the Theater Casino Zug, Artherstrasse 2–4,
6300 Zug**

AGENDA AND PROPOSALS

1. 2018 Annual Report and Financial Statements of Ascom Holding AG, Report of the Statutory Auditors

Proposal of the Board of Directors:

That the 2018 Annual Report and Financial Statements be approved.

2. 2018 Consolidated Financial Statements, Report of the Statutory Auditors

Proposal of the Board of Directors:

That the 2018 Consolidated Financial Statements be approved.

3. 2018 Remuneration Report (consultative vote)

Proposal of the Board of Directors:

That the 2018 Remuneration Report be approved.

4. Appropriation of Retained Earnings of Ascom Holding AG for 2018

Proposal of the Board of Directors:

| | in CHF |
|--|--------------------|
| Retained earnings from previous year | 374,801,961 |
| Distribution of dividends 2018 | (16,179,508) |
| Result for the period 2018 | (4,847,306) |
| Retained earnings at 31 December 2018 | 353,775,147 |
| Distribution of CHF 0.45 per share entitled to dividends | (16,200,000) |
| Balance to be carried forward | 337,575,147 |

5. Discharge from liability of the members of the Board of Directors

Proposal of the Board of Directors:

That all members of the Board of Directors be discharged from liability.

6. Elections

6.1 Board of Directors

Proposal of the Board of Directors:

That the following members be re-elected (each separately)

- a) Dr Valentin Chapero Rueda
- b) Dr Harald Deutsch
- c) Jürg Fedier
- d) Christina Stercken
- e) Andreas Umbach

and that

- f) Jeannine Pilloud

be elected as a member of the Board of Directors for the term of one year, i.e. until the completion of the 2020 Annual General Meeting.

6.2 Chairperson of the Board of Directors

Proposal of the Board of Directors:

That Jeannine Pilloud be elected as Chairperson of the Board of Directors for the term of one year, i.e. until the completion of the 2020 Annual General Meeting.

6.3 Compensation Committee

Proposal of the Board of Directors:

That the following members be re-elected (each separately)

- a) Dr Valentin Chapero Rueda
- b) Dr Harald Deutsch

as members of the Compensation Committee for the term of one year, i.e. until the completion of the 2020 Annual General Meeting.

6.4 Statutory Auditors

Proposal of the Board of Directors:

That PricewaterhouseCoopers AG be re-elected as Statutory Auditors for a further year.

6.5 Independent Representative

Proposal of the Board of Directors:

That Franz Müller, Attorney and Notary, Berne, be re-elected as Independent Representative for the term of one year, i.e. until the completion of the 2020 Annual General Meeting, and that Dr Alexander Kernén, Attorney and Notary, Berne, be re-elected as his deputy.

7. Approval of the maximum total amounts for future compensations

7.1 Board of Directors

Proposal of the Board of Directors:

That the maximum amount of gross compensations of CHF 700,000 for the Board of Directors for the period until the 2020 Annual General Meeting be approved (subject to additional mandatory employer contributions to governmental social insurances to the extent they constitute or increase pension benefits for the beneficiaries).

7.2 Executive Board

a) Fixed compensation

Proposal of the Board of Directors:

That the maximum amount of fixed gross compensations of CHF 2,100,000 for the Executive Board (4 members; including contributions to pension funds and other social benefits) for the business year 2020 be approved (subject to additional mandatory employer contributions to governmental social insurances to the extent they constitute or increase pension benefits for the beneficiaries).

b) Variable compensation

Proposal of the Board of Directors:

That the maximum amount of variable gross compensations of CHF 1,700,000 for the Executive Board (4 members) for the business year 2020 be approved.

c) Allocation of equity securities (long-term incentive)

Proposal of the Board of Directors:

That the maximum amount of the value of allocation of equity securities (long-term incentive) of CHF 850,000 (at the moment of allocation) for the Executive Board (4 members) for the business year 2020 be approved.

DOCUMENTS

The Annual Report (incl. Remuneration Report) and the Financial Statements (incl. Consolidated Financial Statements) as well as the Report of the Statutory Auditors are available with the Company. The complete 2018 Annual Report is available in English and can be downloaded at the website <https://www.ascom.com/Investor-Relations/Financial-information/Reports-and-presentations.html>.

ADMISSION TICKETS

Entry cards and voting material are delivered together with the invitation documents. Persons registered with the right to vote at the Company's shareholder's ledger on 2 April 2019 are entitled to vote.

PROXY FORM

You may appoint a proxy at the Annual General Meeting by giving power of attorney and instructions as follows with the enclosed form:

a) to a third person

b) to the Independent Representative

Under Article 689c of the Swiss Code of Obligations, you may authorize Mr Franz Müller, Attorney and Notary, Herrengasse 22, Postbox, 3001 Berne, to act as your proxy. Mr Müller will vote in accordance with your instructions (please use the reverse side of the reply form). You should return the reply form giving written voting instructions by 5 April 2019 at the latest.

You may register as well on the shareholder platform of Nimbus and give your instructions online (<https://ascom.shapp.ch>).

The shareholders' ledger will be closed on 2 April 2019. Shareholders who sell their shares after this date will no longer be entitled to vote at the Annual General Meeting.

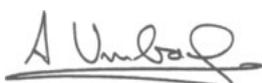
PRACTICAL INFORMATION

After the Annual General Meeting, you are cordially invited to attend a reception at the Theater Casino Zug.

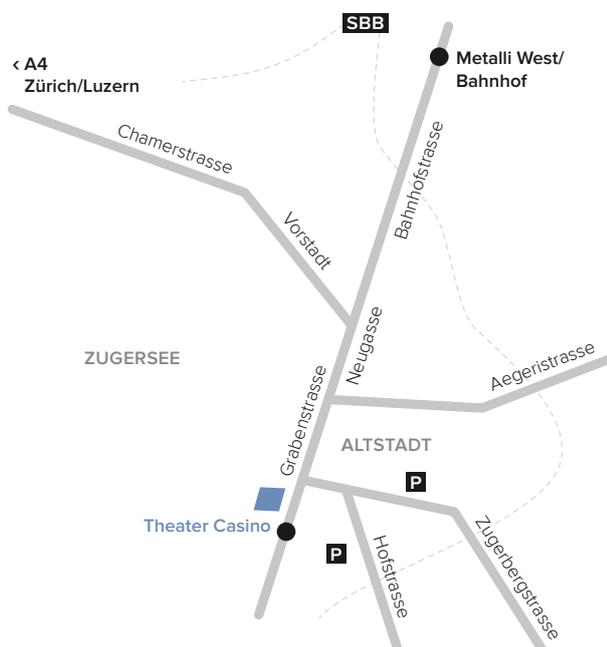
You can reach the Theater Casino Zug by taking bus lines 3 (direction to Oberwil) or 11 (direction to Schöneegg) from "Metalli West/Bahnhof" to the stop at "Theater Casino". The two car parks Altstadt-Casino and Frauensteinmatt are available nearby, subject to payment of a charge. There is no on-site parking at the Theater Casino.

Ascom Holding AG

On behalf of the Board of Directors



Andreas Umbach



Enclosures

- Entrance and Voting Card
- Reply form (for registration and proxy)
- Reply envelope

Explanatory notes on the Invitation to the 2019 Annual General Meeting

Dear Shareholder,

It gives me great pleasure to invite you to this year's Annual General Meeting, which will take place in Zug on Wednesday, 10 April 2019, at 14.00. Please use the enclosed reply form to order the 2018 Annual Report (in English).

I would like to take this opportunity now to make some comments on the agenda:

Agenda items 1 and 2 (Annual Report/Financial Statements and Consolidated Financial Statements)

2018 was a mixed year for Ascom. On the downside, the financial results were disappointing. However, on the positive side, we achieved many important and key strategic milestones in 2018.

Ascom closed financial year 2018 with a Group profit of CHF 21.4 million (2017: CHF 25.9 million). Ascom Holding AG as a company recorded a loss of CHF 4.8 million due to lower income from the shareholdings. However, the Group result is economically relevant.

Ascom generated net revenue of CHF 318.5 million, representing a growth rate of 2.8%. For the full-year 2018, EBITDA margin came to 12.2%. The main reasons for the lower profitability were sales shortfalls in Enterprise and OEM and higher costs in professional services.

The Board of Directors proposes that the 2018 Annual Report, Financial Statements and Consolidated Financial Statements be approved.

Agenda item 3 (Compensation Report)

As we did last year, we are putting the Compensation Report before you for a consultative vote. The Compensation Report is enclosed and provides you with comprehensive information on Ascom's compensation system and on the compensation paid in 2018.

The following gross compensation was paid out within the defined limits:

- Board of Directors (5 members): CHF 600,000 for the period of office 2017/18
- Executive Board (4 members): CHF 2,384,777 for financial year 2018

The Board of Directors proposes that the Compensation Report for 2018 be approved.

Agenda item 4 (Appropriation of Available Earnings)

The Board of Directors proposes that the distribution of a dividend of CHF 0.45 be approved.

Agenda item 5 (Discharge of the members of the Board of Directors)

The Board of Directors proposes that the members of the Board of Directors be discharged.

Agenda item 6 (Elections)

The Board of Directors is proposing that shareholders elect Jeannine Pilloud as new Chairperson of the Board of Directors. Jeannine Pilloud is an experienced leader with a very solid track record in the implementation of transformation strategies and digitalization projects. She has a strong international background and broad expertise in professional service businesses, in particular in the IT and telecommunication industries.

As previously communicated, Andreas Umbach has decided not to stand for re-election as Chairman of the Board at the upcoming Annual General Meeting. However, he will remain in the Board as an ordinary member. Therefore, all current Board members are standing for re-election.

The Independent Representative, Franz Müller, attorney-at-law and notary in Berne – as well as Dr Alexander Kernén, his office partner, as his deputy – are standing for another term of office. Both are independent and have no other mandates for Ascom.

In addition, the Board of Directors proposes that PricewaterhouseCoopers AG be re-elected as auditors.

The Board of Directors proposes that the nominated candidates and the Independent Representative be elected, and that PricewaterhouseCoopers AG be re-elected as auditors.

Agenda item 7 (Approval of the maximum total amounts for future compensations)

Below, we provide you with maximum amounts (framework amounts) to be approved for the 2020 financial year, as per article 20e of the Articles of Association.

Board of Directors

We propose to you that the maximum total amount of gross compensation for the new six members of the Board of Directors for the period of one year until the 2020 Annual General Meeting be set at CHF 700,000. An ordinary member shall receive CHF 100,000 while the Chairperson shall receive CHF 200,000. In addition, mandatory employer contributions to governmental social insurances (e.g. AHV) are to be additionally declared as compensation to the extent they constitute or increase pension benefits for the beneficiaries, which is generally not the case.

Executive Board

The system and the limits of compensation for the Executive Board are to be retained in the coming year. The compensation for the members of the Executive Board consists of three components: fixed compensation, performance-related variable compensation, and a long-term incentive in the form of equity securities.

We propose that the maximum gross compensation for the four members of the Executive Board for the 2020 financial year be determined in line with the prior year:

- **Fixed compensation** including payments into the pension fund and other social benefits: approval of a maximum total amount for the four members of CHF 2,100,000 (2019: CHF 2,100,000) including reserves for currency fluctuations. In addition, mandatory employer contributions to governmental social insurances (e.g. AHV) are to be additionally declared as compensation to the extent they constitute or increase pension benefits for the beneficiaries, which is generally not the case.

- **Variable compensation:**

For the 2020 financial year, too, variable gross compensation will be determined exclusively by reference to quantitative targets (revenue, EBITDA), set for the year by the Board of Directors in December 2019 in line with the budget targets for 2020. If all these targets are met, the CEO will receive variable compensation amounting to 50% of the fixed compensation and the other members of the Executive Board will receive a variable compensation amounting to 40–50%. Based on the current employment contracts for the Executive Board, this amounts to approximately CHF 780,000.

If the quantitative targets are exceeded, the variable compensation for the CEO may be increased to a maximum of 100% of the fixed compensation (with the figure for the other members of the Group Executive Board amounting to 80–100%). In order to cover the maximum amount and taking into consideration currency fluctuations, we propose to you that a maximum total amount of CHF 1,700,000 be approved for the 2020 financial year for the four members of the Group Executive Board (2019: CHF 1,700,000).

The maximum amount can be reached only if the budget is exceeded by a wide margin, resulting in a substantial increase in value for shareholders.

- **Allocation of equity securities (long-term incentive):**

The Board of Directors decided to introduce a different version of a long-term incentive as of 2019. To further recognize and reward members of the Executive Board (and selected senior managers) for sustainable value creation for the company and its shareholders, a new long-term incentive was developed and approved by the Board of Directors. The PSU Plan foresees annual issuance of Performance Stock Units (“PSU”) with the first allocation in 2019. The total value of the long-term incentive for a member of the Executive Board cannot exceed 50% of the fixed compensation. One PSU represents the conditional right to receive a fraction between 0 and 200% of an Ascom share subject to the fulfillment of certain vesting conditions. Vesting of the PSUs occurs on the third anniversary of the respective date of grant. Vesting conditions are, both, the achievement of performance targets as well as an untermiated contractual relationship with the company. Performance targets are represented by equally weighted three-year net income fully diluted Earnings per Share (“EPS”) and three-year relative Total Shareholder Return (“TSR”) measured against the Swiss Performance Index Extra (“SPI EXTRA”) and expressed as a percentage points difference. The award forfeits fully or partly if employment ceased before the vesting date. Furthermore, the PSU plan is subject to malus and clawback provisions. The respective plan rules provide the Board of Directors with absolute discretion to recoup (or cause the forfeiture if not yet vested or awarded) fully or partly any award under the restated financial result and/or for reasons linked to an individual’s behavior.

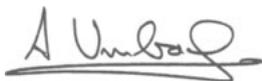
The Board of Directors decided to allocate the PSUs according to the new PSU plan in 2019 after the Annual General Meeting. The maximum amount of the value of allocation of PSUs (long-term incentive) of CHF 850,000 (at the moment of allocation) for the Executive Board (4 members) for the business year 2019 as decided by the Annual General Meeting 2018 will be fully respected.

The Board of Directors proposes that a total amount of CHF 850,000 be approved for 2020 for the allocation of equity securities for the four members of the Group Executive Board (2019: CHF 850,000).

The Board of Directors proposes that the suggested measures be approved.

I would like to thank you for the trust you have placed in Ascom and look forward to welcoming you to the 2019 Annual General Meeting.

Sincerely,

A handwritten signature in black ink, appearing to read 'A Umbach', with a horizontal line underneath.

Andreas Umbach
Chairman of the Board of Directors