

Invitation to the 2022 Annual General Meeting of Ascom Holding AG

Baar, March 2022

Dear Shareholder,

The Annual General Meeting of Ascom Holding AG will take place on

**Wednesday, 13 April 2022, at 14.00 at Ascom Holding AG,
Zugerstrasse 32, 6340 Baar**

Please note: In consideration of the ongoing Covid-19 pandemic and based on Art. 27 of the Ordinance 3 of the Swiss Federal Council on Covid-19, the 2022 Annual General Meeting will be held without the physical participation of shareholders.

AGENDA AND PROPOSALS

1. 2021 Annual Report and Financial Statements of Ascom Holding AG, Report of the Statutory Auditors

Proposal of the Board of Directors:

That the 2021 Annual Report and Financial Statements be approved.

Explanatory notes:

Detailed reporting can be found in the Annual Report.

Ascom as a Group achieved a revenue growth of 3.7% (2.7% at constant currencies) and an EBITDA margin of 9.8% in 2021. The Group profit amounts to CHF 13.5 million.

Ascom Holding AG as a company generated a profit of CHF 4.1 million depending on the income from shareholdings. However, the Group result is economically relevant.

2. 2021 Consolidated Financial Statements, Report of the Statutory Auditors

Proposal of the Board of Directors:

That the 2021 Consolidated Financial Statements be approved.

3. 2021 Remuneration Report (consultative vote)

Proposal of the Board of Directors:

That the 2021 Remuneration Report be approved.

Explanatory notes:

As we did last year, we are putting the Remuneration Report before you for a consultative vote. The Remuneration Report can be found on our website and provides you with comprehensive information on Ascom's compensation system and on the compensation paid in 2021.

The following gross compensation was paid out within the limits defined by the Annual General Meeting 2020:

- *Board of Directors (6 members):*
 - CHF 700,000 for the period of office 2020/21
 - Approved frame: CHF 700,000
- *Executive Board (4 members):*
 - CHF 2,328,349 for financial year 2021
 - Approved frame: CHF 4,650,000

4. Appropriation of Retained Earnings of Ascom Holding AG for 2021

Proposal of the Board of Directors:

	in CHF
Retained earnings from previous year	340,166,556
Distribution of dividends 2021	0
Result for the period 2021	4,096,077
Retained earnings at 31 December 2021	344,262,633
Distribution of dividends 2022	(7,200,000)
Balance to be carried forward	337,062,633

Explanatory notes:

In 2021, Ascom as a Group generated a net profit of CHF 13.5 million. The Board of Directors proposes to pay a dividend of CHF 0.20 per share. The total payout of CHF 7.2 million will correspond to a payout ratio of 53.3%.

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

Explanatory notes:

*The Board of Directors proposes to the shareholders the re-election of the current members. The Board members are all **independent** and have non-executive mandates for Ascom.*

The Board of Directors proposes that the current members be re-elected as members of the Compensation & Nomination Committee, and that Dr Andreas Schönenberger be elected as additional member.

It is intended that Jürg Fedier will continue to chair the Audit Committee.

6.1 Board of Directors

Proposal of the Board of Directors:

That

- a) Dr Valentin Chaperro Rueda
- b) Nicole Burth Tschudi
- c) Laurent Dubois
- d) Jürg Fedier
- e) Michael Reitermann
- f) Dr Andreas Schönenberger

be re-elected (each separately) as members of the Board of Directors for the term of one year, i.e. until the completion of the 2023 Annual General Meeting.

6.2 Chairman of the Board of Directors

Proposal of the Board of Directors:

That Dr Valentin Chapero Rueda be re-elected as Chairman of the Board of Directors for the term of one year, i.e. until the completion of the 2023 Annual General Meeting.

6.3 Compensation & Nomination Committee

Proposal of the Board of Directors:

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

- a) Nicole Burth Tschudi
- b) Laurent Dubois

as well as new election of

- c) Dr Andreas Schönenberger

as members of the Compensation & Nomination Committee for the term of one year, i.e. until the completion of the 2023 Annual General Meeting.

6.4 Statutory Auditors

Proposal of the Board of Directors:

That KPMG be elected as Statutory Auditors for a term of one year.

Explanatory notes:

The Board of Directors decided to retender the audit mandate given the longtime service of the current auditor PricewaterhouseCoopers. The Board of Directors proposes that KPMG be elected as auditors.

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 2023 Annual General Meeting, and that Ill dasadvokaturbuero ag, Berne, be elected as his deputy.

Explanatory notes:

The Independent Representative, Franz Müller, is standing for another term of office. We propose to elect as deputy the law firm Ill dasadvokaturbuero ag in Berne, whereof Franz Müller is a partner. Both are independent and have no other mandates for Ascom.

7. Revision of the Articles of Association

Proposal of the Board of Directors:

That Article 3b Sector 1 of the Articles of Association be changed (Prolongation of approved capital increase):

“At any time until **13 April 2024**, the Board of Directors is authorized to increase the share capital by a maximum amount of CHF 1,800,000 by issuing a maximum of 3,600,000 fully paid registered shares with nominal value of CHF 0.50 each.”

*(Current version: “At any time until **15 April 2022**, the Board of Directors is authorized...”)*

Explanatory notes:

The Annual General Meeting 2020 approved the revision of the Articles of Association including a new Article 3b authorizing the Board of Directors to initiate a capital increase up to 10% of the share capital until 15 April 2022.

According to Swiss law, this authorization has to be limited to two years. The current authorization is expiring unused on 15 April 2022.

*Thus, the Board of Directors proposes to the shareholders a prolongation of this authorization for another two years, i.e. until **13 April 2024**. The remaining part of Article 3b of the Articles of Association remains unchanged.*

8. Approval of the maximum total amounts for future compensations

8.1 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 2023 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).

Explanatory notes:

We propose to you that the maximum total amount of gross compensation for the six members of the Board of Directors for the period of one year from the 2022 Annual General Meeting until the 2023 Annual General Meeting be set at CHF 700,000 (same as previous year). An ordinary member shall receive a fee of CHF 100,000 while the Chairperson shall receive CHF 200,000.

8.2 Executive Board**a) Fixed compensation****Proposal of the Board of Directors:**

That the maximum amount of fixed gross compensations (including contributions to pension funds and other social benefits) of CHF 1,200,000 for the Executive Board (2 members) for the business year 2023 be approved (subject to additional mandatory employer contributions to governmental social insurances to the extent they constitute or increase pension benefits for the beneficiaries).

Explanatory notes:

The compensation for the members of the Executive Board consists of three components: fixed compensation, short-term incentive (performance-related variable compensation), long-term incentive (attribution of Performance Stock Units).

The proposal for the fixed compensation (base salary including payments into the pension fund and other social benefits) includes the approval of a maximum total amount of CHF 1,200,000 (2022: CHF 1,200,000) including reserves. The base salary for the two members of the Executive Board amounts to CHF 804,850 in 2022. 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.

b) Variable compensation

Proposal of the Board of Directors:

That the maximum amount of performance-related variable gross compensations (short-term incentive) of CHF 1,200,000 for the Executive Board (2 members) for the business year 2023 be approved.

Explanatory notes:

For the 2023 financial year, too, variable gross compensation will be determined primarily by reference to quantitative targets (revenue, EBITDA), set for the year 2023 by the Board of Directors in December 2022 in line with the budget targets for 2023. The qualitative targets amount to a maximum of 20% of the total potential of the short-term incentive.

Provided that all performance-related targets are met, the CEO will receive variable compensation (short-term incentive) amounting to 80% of his base salary, and the CFO will receive a variable compensation amounting to 49% of his base salary. Based on the current employment contracts for the Executive Board, this amounts to approximately CHF 550,000. If the predefined targets are exceeded, the variable compensation of the members of the Executive Board may double at most. In order to cover the maximum amount, we propose to you that a maximum total amount of CHF 1,200,000 be approved for the 2023 financial year (2022: CHF 1,200,000). The maximum amount (200% target achievement) can be reached only if the budget is exceeded by a wide margin, resulting in a substantial increase in value for shareholders.

(Please find more details in the Remuneration Report [p. 53–55]).

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 500,000 (fair value at grant following the relevant accounting standards) for the Executive Board (2 members) for the business year 2023 be approved.

Explanatory notes:

To further recognize sustainable value creation for the Company and its shareholders, a long-term incentive was approved by the Board of Directors. The long-term incentive in form of a PSU Plan foresees annual issuance of Performance Stock Units ("PSUs"). One PSU represents the conditional right to receive after the expiry of a period to three years a fraction between 0% and 200% of an Ascom share, based on the fulfillment of the predefined performance targets.

Performance targets are represented by 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 claw back 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.

According to his contract, the CEO has a target grant level amounting to CHF 300,000 (fair value at grant following the relevant accounting standards in accordance with Article 20b Sector 4 of the Articles of Association) equaling to 60% of his base salary. Depending on the target achievement, the CEO receives after the expiry of the three-year vesting period a share allocation between 0% and 200% per PSU. The maximum amount (200% achievement) based on a significant overachievement of all performance targets amounts to 120% of his base salary (not considering share price movements). The maximum amount only can be achieved if substantial added value will be created for shareholders in parallel.

The CFO was awarded PSUs with a fair value at grant of CHF 144,000 in 2021.

The Board of Directors proposes that a total amount of a maximum of CHF 500,000 be approved for the business year 2023 for the long-term incentive (allocation of equity securities) (2022: CHF 500,000) to the members of the Executive Board following the relevant accounting standards (fair value at grant).

(Please find more details in the Remuneration Report [p. 54–55]).

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 2021 Annual Report is available in English and can be downloaded at the website www.ascom.com/investors/reports-and-presentations/.

PARTICIPATION OF SHAREHOLDERS

Voting material is delivered together with the invitation documents. Persons registered with the right to vote at the Company's shareholders' ledger on 4 April 2022 are entitled to vote.

Due to the extraordinary situation in connection with the ongoing Covid-19 pandemic, the Board of Directors unfortunately had to decide to hold the Annual General Meeting on 13 April 2022 based on Article 27 of the Ordinance 3 on Measures to Combat the Coronavirus (Covid-19) **without the physical participation of shareholders.**

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 **7 April 2022** at the latest.

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

The shareholders' ledger will be closed on 4 April 2022. Shareholders who sell their shares after this date will no longer be entitled to vote at the Annual General Meeting.

Shareholders who wish to ask a question with regard to the Annual General Meeting can do so electronically until 8 April 2022 (info@ascom.com). We will publish your questions and our answers on our website www.ascom.com/investors/annual-general-meeting/.

Ascom Holding AG

On behalf of the Board of Directors

A handwritten signature in black ink, appearing to read 'V. Chaperó', with a long, sweeping flourish extending downwards and to the right.

Dr Valentin Chaperó Rueda

Enclosures

Letter of invitation

Reply form (for proxy)

Reply envelope