

Remuneration Report

Letter from the Chairperson of the Compensation and Nomination Committee

Dear Shareholders,

It is my pleasure to present to you the 2023 Remuneration Report on behalf of the Board of Directors and the Compensation and Nomination Committee.

The Annual General Meeting 2023 adapted the Articles of Association of Ascom Holding AG to the revised Swiss Corporate Law integrating the former Ordinance against Excessive Compensation with respect to stock exchange listed companies. The Remuneration Report 2023 fully reflects these adaptations.

The shareholders approved the Remuneration Report 2022 at the last Annual General Meeting with a majority of close to 80%. We thank our valued shareholders for their confidence, and we are committed to further enhancing the report to give even more transparency on our compensation policies and our plans.

Engagement with shareholders remains a key priority for Ascom. The Compensation and Nomination Committee therefore values the feedback on our compensation philosophy and communication received by shareholders.

In course of the financial year 2023, the Compensation and Nomination Committee again focused on:

- Performance review and management evaluation
- Organizational changes
- Compensation and benefits
- Succession planning
- Employee satisfaction
- ESG topics

On behalf of the Compensation and Nomination Committee, I would like to thank you for your interest and your confidence in Ascom.

Yours sincerely,

Nicole Burth Tschudi
Chairperson of the Compensation and Nomination Committee

Note

KPMG as statutory auditors have audited the Remuneration Report according to Article 728a Section 4 of the Swiss Code of Obligations. The audit was limited to the information contained in sections I/2/lit.f, I/3/lit.e, II/1 lit.a, II/2 lit.b and c (Table “Compensation Executive Board 2023”), II/2 lit.h, II/2 lit.i and II/3, and III, all marked as “audited information”.

I. ASCOM REMUNERATION POLICY

1. Corporate governance as basis of the remuneration policy

Remuneration is a part of corporate governance (see also pages 55 to 78 of the Annual Report) and corporate governance is a key topic for Ascom. Both the Board of Directors and management are committed to good corporate governance in order to ensure sustainable development of the Company. According to the Articles of Association, it is a major task of the Compensation and Nomination Committee to prepare the resolution of the Board of Directors concerning the compensation of the members of the Board of Directors and the members of the Executive Board to be approved by the Annual General Meeting.

Basic rules and regulations to be followed are set out in:

- Swiss Code of Obligations (“Schweizerisches Obligationenrecht”)
- Listing Rules of SIX Swiss Exchange (LR)
- Articles of Association of Ascom Holding AG (dated 18 April 2023)
- Organizational Regulations of Ascom Holding AG (dated 19 January 2022)
- Share Registration Guidelines (dated 21 August 2017)
- Ascom Code of Ethical Business Conduct (dated 1 January 2021)
- Swiss Code of Best Practice for Corporate Governance (2023)

The Articles of Association and the Organizational Regulations of Ascom Holding AG are available on the Company website at <https://www.ascom.com/about-us/corporate-governance/directives-and-guidelines/>

The Annual General Meeting 2023 approved a revision of the Articles of Association, which were adapted also to the new Swiss Company Law.

2. Remuneration principles for the Board of Directors

a) Legal background

According to Article 20b of the Articles of Association, the compensation of the members of the Board of Directors shall be adequate, competitive and performance-oriented and shall be set in line with the operative and strategic goals, the success of the Company, as well as the long-term interests of the shareholders.

b) Compensation structure

Members of the Board of Directors receive a fee in accordance with the Remuneration Regulations (Annex to the Organization Regulations). The members of the Board of Directors receive a fixed fee without a variable component, and this fee is paid in cash. No other remuneration is paid. Members of the Board of Directors receive no severance payment. Committee work, additional meetings or special projects are not compensated with an additional fee and no attendance fees are paid out either.

According to Article 20e of the Articles of Association, expense recovery does not count as compensation. The Company reimburses the members of the Board of Directors for all necessary expenses, also in the form of lump sum expense recoveries within the amount accepted by the tax authorities.

c) Compensation determination method and benchmarking

The fees for members of the Board of Directors are periodically reviewed as necessary and are set by the full Board of Directors subject to the approval of the Annual General Meeting. The assessment of the fees is based on external and internal criteria (e.g., workload, request for availability). An external expert did a comprehensive benchmark study in 2017 based on the SPI Top 100 companies, based on a size- and industry-adjusted subgroup of 22 SPI companies, and based on an individual comparison of five companies (Kudelski, Siegfried, Huber+Suhner, Ypsomed, U-Blox). The Board fees were adjusted in 2017 based on this study. The Compensation & Nomination Committee does a yearly review of the Board fees.

d) Board fees

The fees for the members of the Board of Directors have remained unchanged since the Annual General Meeting 2017:

- Chairperson of the Board: Annual gross remuneration of CHF 200,000
- Member of the Board: Annual gross remuneration of CHF 100,000

e) Shareholding guidelines

In addition, all Board members are encouraged to build up an investment over time of Ascom shares in the value of an annual Board compensation. An overview of the current shareholdings of the members of the Board of Directors is provided in Section "Share Ownership" (page 95).

f) Mandates outside the Ascom Group (audited information)

Article 734e of the Swiss Code of Obligations requires the disclosure and specification of the functions of the members of the Board of Directors and the Executive Board in other undertakings. Article 20d of the Articles of Association (as amended at the Annual General Meeting 2023) defines the mandates outside the Ascom Group:

Members of the Board of Directors may occupy or exercise not more than the following number of additional positions in comparable functions at other companies with a commercial purpose that are neither controlled by nor that control the Company:

- Four positions in publicly traded companies
- Five positions in non-listed companies

The Chair of the Board of Directors may exercise a total of up to three positions in other publicly traded companies, and up to five positions in non-listed companies.

For further information please see <https://www.ascom.com/globalassets/assets/global/corporate/documents/corporate-governance/ascom-articles-of-association-2023-en.pdf>

The Company requires that each member of the Board discloses all activities. Based on this, all members of the Board of Directors comply with this regulation.

Mandates outside the Ascom Group of members of the Board of Directors as of 31 December 2023 (audited information)

	Positions in publicly traded companies	Positions in non-listed companies
Dr Valentin Chaperero Rueda	–	Innoterra AG, Cham ZG, Member of the Board TRI Dental Implants Int. AG, Hünenberg ZG, Chairman Valamero Holding AG, Wilen b. Wollerau SZ, Chairman
Nicole Burth Tschudi	–	Post CH Kommunikation AG, Berne, CEO & Member of the Board
Laurent Dubois	–	ADB Safegate BV, Zaventem (Belgium), Chairman & CEO Sarenbach AG, Wollerau SZ, Chairman Trethera Corporation, Sherman Oaks CA, USA, Board Member
Jürg Fedier	Dätwyler Holding AG, Altdorf UR, Member of the Board OC Oerlikon Corporation AG, Pfäffikon SZ, Member of the Board	–
Michael Reitermann	–	Alpha 9 Theranostics, Inc., Vancouver BC, Canada, Director Braun of America Inc., Bethlehem PA, USA, Director Enigma Biomedical Group, Inc., Toronto ON, Canada, Director GoSimplify Private Ltd., Gurgaon, India, Director Unilabs Group Holding ApS, Geneva, Member of the Board
Dr Andreas Schönenberger	–	Sanitas Beteiligungen AG, Zurich, CEO Greater Zurich Area AG, Zurich, Member of the Board

3. Remuneration principles for the Executive Board

a) Legal background

According to Article 20b of the Articles of Association, the compensation of the members of the Executive Board shall be adequate, competitive and performance-oriented and shall be set in line with the operative and strategic goals, the success of the Company, as well as the long-term interests of the shareholders.

The compensation of the members of the Executive Board consists of three elements:

- Fixed compensation in cash
- Performance-related compensation as short-term incentive in cash
- Long-term incentive (allocation of equity securities, conversion rights or option rights)

In addition to fixed compensation, the Company may pay the members of the Executive Board a performance-related variable compensation (“short-term incentive”) in cash. The amount of such variable compensation is dependent on the qualitative and quantitative goals and parameters determined by the Board of Directors, in particular the overall result of the Company and the individual contribution of the respective member.

The amount of the performance-related compensation (STI) of a member of the Executive Board cannot exceed double the amount of the fixed compensation of such member according to Article 20b Section 3 of the Articles of Association.

The fixed compensation and the short-term incentive together form the target cash compensation.

As a third compensation element, according to Article 20b Section 4 of the Articles of Association, the Company may also allocate, beside cash compensation, equity securities, conversion rights, option rights or other rights with equity securities as underlying to the members of the Executive Board (“long-term incentive”). In case of an allocation of equity securities, conversion rights, option rights or other rights with equity securities as underlying, the amount of the compensation is equal to the value of the securities or, respectively, the rights allocated, determined as at the time of the allocation (grant) in accordance with the accounting standards applied by the Company for its consolidated accounts.

The total value of the long-term incentive at grant for a member of the Executive Board, including the CEO, cannot exceed 100% of the fixed compensation of such member. According to Article 20b Section 4 of the Articles of Association, the amount of compensation is equal to the value of the rights allocated determined as at the time of the allocation (grant) in accordance with the accounting standards applied by the Company for its consolidated accounts (Swiss GAAP FER).

b) Appointment of members of the Executive Board

As members of the Executive Board are considered the CEO and each further person who is explicitly appointed as such by the Board of Directors according to Article 8 of the Articles of Association.

As of 31 December 2023, the Executive Board consisted of two members:

- Nicolas Vanden Abeele, CEO
- Dominik Maurer, CFO

c) Determination of the remuneration of the Executive Board members

The remuneration of the Executive Board is periodically reviewed as necessary and is set by the full Board of Directors subject to the approval of the Annual General Meeting. The assessment of the compensation level and structure is based on external and internal criteria (e.g. function, role, reliabilities) and according to market benchmarks of the peer group (SPI companies such as Bossard, Bucher, Burckhardt Compression, Huber+Suhner, Landis+Gyr, Schaffner, Siegfried, SIG Combibloc, Tecan, Temenos, and U-Blox). The list of the peer group has remained unchanged since 2019.

The Compensation and Nomination Committee does a yearly review and benchmark of the remuneration of the members of the Executive Board.

According to Article 20e of the Articles of Association, expense recovery does not count as compensation. The Company reimburses the members of the Executive Board for all necessary expenses, also in form of car allowances and other lump sum expense recoveries within the amount accepted by the tax authorities.

The remuneration package of the members of the Executive Board consists of three parts:

▪ **Fixed compensation**

Fixed compensation in cash including base salary and social benefits (such as pension fund contributions or medical insurance where applicable).

According to Article 20c of the Articles of Association, the members of the Executive Board receive pension payments from the occupational pension scheme in accordance with the domestic or foreign occupational welfare law or pension regulations applicable to them, including possible supplementary benefits. Pension payments outside the occupational pension scheme to a member of the Executive Board by the Company, an affiliate of the Company or any third party are admissible to the extent of not more than 25% of the annual total compensation of the person concerned, as far as the respective person is not affiliated to a Swiss or foreign benefit institution.

▪ **Short-term incentive (performance-related variable compensation)**

Cash payment dependent on the quantitative goals and parameters such as net revenue and EBITDA as determined by the Board of Directors. The goals shall be in line with the yearly budgets of the Company as defined by the Board of Directors in December. In addition, qualitative targets may be set, which shall not account for more than 20% of the total STI potential.

▪ **Long-term incentive (Performance Stock Units plan)**

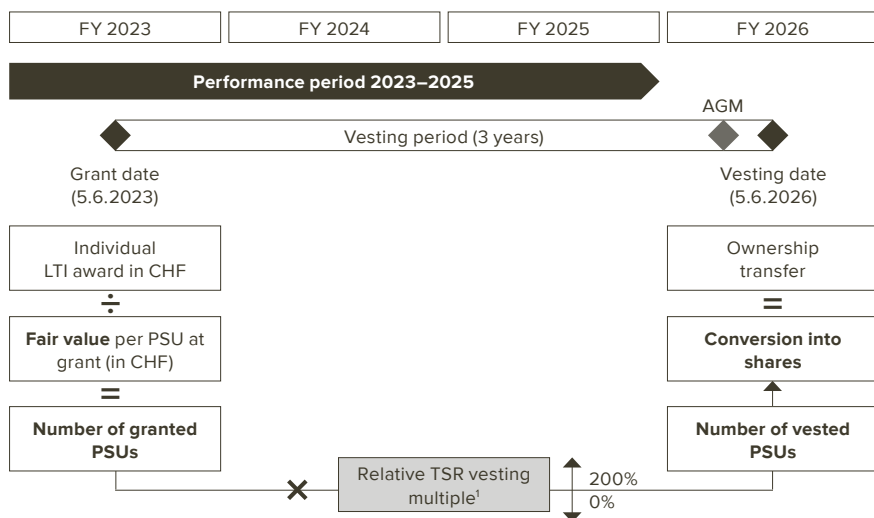
The PSU plan foresees annual grants of Performance Stock Units (“PSUs”). One PSU represents the conditional right to receive a fraction between 0% and 200% of an Ascom share subject to the fulfillment of certain vesting conditions. Vesting of the PSUs occurs on the third anniversary of the respective date of grant. Vesting conditions are both the achievement of a performance target as well as an untermiated contractual relationship with the company.

The target achievement is based on Ascom’s three-year Total Shareholders Return (TSR) measured against the relative Swiss Performance Index Extra (“SPI EXTRA”) as performance indicator and expressed as a percentage points difference as performance indicator. Ascom’s three-year TSR is calculated considering not only the variations of the share price over the same time horizon, but also the dividends distributed in this period, assuming that those dividends are reinvested at the time of the distribution in the shares of Ascom.

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 incentive awarded under the restated financial result and/or for reasons linked to individual behavior.

Schedule of PSU Plan



¹ According to target achievement

d) System of CEO Compensation as of 31 December 2023

The Board of Directors defined the system of CEO compensation as follows:

Salary part	Target salary CEO
Long-term incentive (LTI) [Performance Stock Units (PSU)]	Target LTI: CHF 300,000 ¹ (converted into PSU at grant): = 59% of base salary at fair value at grant date Maximum LTI: 200% achievement (converted into shares at vesting date) = 118% of base salary (at fair value at grant date) [not considering share price movements]
Short-term incentive (STI)	Minimum STI: CHF 0 Target STI: CHF 408,000 = 80.4% of base salary Maximum STI: CHF 816,000 = 160.8% of base salary
Base salary	CHF 507,500
Pension payments	According to regulations of Ascaro Vorsorgestiftung (www.ascaro.ch)

¹ According to Article 20b Sector 4 of the Articles of Association, the amount of compensation is equal to the value of rights allocated determined as at the time of the allocation (grant).

e) Number of external mandates and functions (audited information)

Article 734e of the Swiss Code of Obligations requires the disclosure and specification of the functions of the members of the Board of Directors and the Executive Board in other undertakings. Article 20d of the Articles of Association defines the mandates outside the Ascom Group.

Members of the Executive Board may occupy or exercise not more than the following number of additional positions in comparable functions at other companies with a commercial purpose that are neither controlled by nor that control the Company:

- One position in publicly traded companies
- Two positions in non-listed companies

The performance of these positions shall not interfere with the respective member in exercising his duties towards the Company.

For further information please see <https://www.ascm.com/globalassets/assets/global/corporate/documents/corporate-governance/ascom-articles-of-association-2023-en.pdf>

Mandates outside the Ascom Group of members of the Executive Board as of 31 December 2023 (audited information)

	Positions in publicly traded companies	Positions in non-listed companies	Positions in associations, non-profit organizations and pension funds
Nicolas Vanden Abeele	Belysse NV, Waregem (Belgium), Member of the Board	–	–
Dominik Maurer	–	SpreadYourWingZ GmbH; Teltow (Germany), Partner	–

f) Employment agreements with members of the Executive Board

According to Article 20c of the Articles of Association, employment agreements with members of the Executive Board that form the basis of the compensation for the respective members are entered into for a fixed term of not more than one year or an indefinite term with a termination period of not more than 12 months as per the end of each calendar month.

All members of the Executive Board comply with this regulation.

4. Approval Mechanism

a) Statutory approval mechanism

According to Article 20e of the Articles of Association, the General Meeting votes annually, separately and in a binding manner on the maximum total amounts proposed by the Board of Directors for:

- The compensation of the Board of Directors for the year of office following the ordinary General Meeting until the next ordinary General Meeting
- The fixed compensation of the Executive Board for the next fiscal year (1 January to 31 December) following the ordinary General Meeting (“Approval Period”)
- The variable and other compensation of the Executive Board (including the allocation of equity securities, conversion rights, option rights or other rights with equity securities as underlying) for the same approval period.

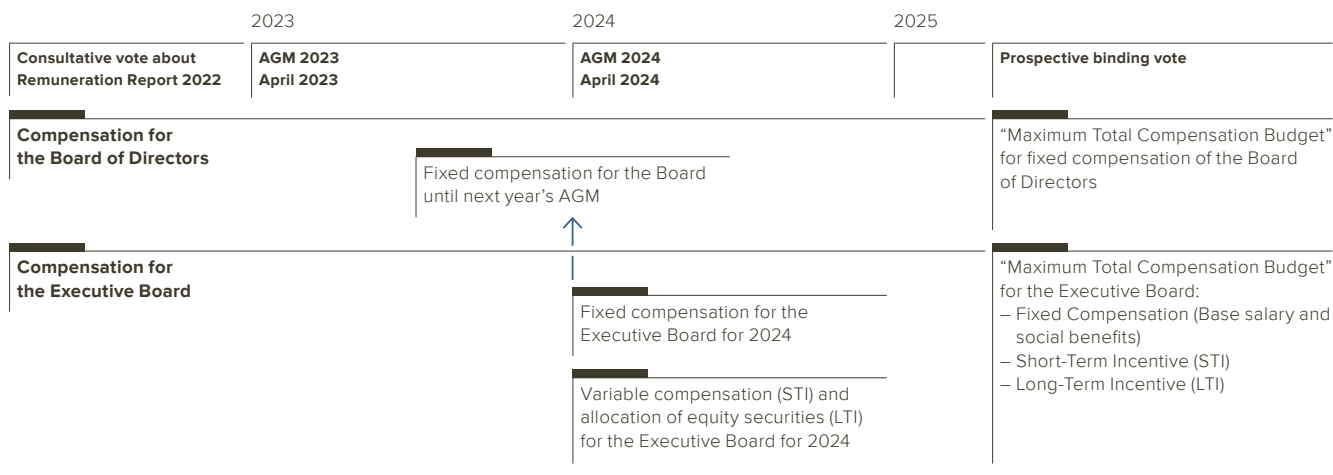
In addition, the Board of Directors submits the Remuneration Report for the business year prior to the Annual General Meeting for a consultative vote.

According to Article 735a of the Swiss Code of Obligations, in the event that the general meeting votes prospectively on the remuneration of the Executive Board, the Articles of Association may provide for an additional amount for the remuneration of persons newly appointed as members of the Executive Board after the vote. The additional amount may only be used if the total amount of remuneration for the Executive Board agreed by the General Meeting is not sufficient to remunerate the new members until the next vote of the General Meeting. The General Meeting does not vote on the additional amount used.

Article 20e Sector 3 of the Articles of Association states that such an additional amount is only available within the following limits: for the CEO an amount which is not more than 20% higher than the compensation of its predecessor and for a member of the Executive Board an amount which is not more than 20% higher than the amount available on average for members of the Executive Board (excl. the CEO) for the Approval Period.

According to Article 20e of the Articles of Association, the Company is entitled to compensate recoverable claims, which a newly appointed member of the Board of Directors or member of the Executive Board would have had toward his or her previous employer or principal, if this member had not changed the company. The recoverability of the claims must be examined by an independent expert.

Ascom Compensation Approval Mechanism



b) Level of decision authority

Type of compensation	Compensation & Nomination Committee	Full Board of Directors	Annual General Meeting
Compensation Board of Directors			
Maximum compensation for the Board of Directors for the period until the next Annual General Meeting	Recommendation	Proposal to the Annual General Meeting ¹	Approval
Individual compensation for the members of the Board of Directors in the reporting year	Proposal	Approval ¹	–
Compensation Executive Board			
Maximum compensation for the members of the Executive Board (fixed compensation, variable compensation, long-term incentive) for the fiscal year following the Annual General Meeting	Recommendation	Proposal to the Annual General Meeting	Approval
Individual compensation for the CEO (fixed compensation, variable compensation, long-term incentive) in the reporting year	Review, recommendation	Approval	–
Individual compensation (fixed compensation, variable compensation, long-term incentive) for the members of the Executive Board (without CEO) in the reporting year	Review of the CEO recommendation	Approval	–

¹ In any case of potential conflict of interest, the respective member of the Board of Directors shall abstain from voting.

c) Approvals of the Annual General Meeting 2023

The shareholders approved the following maximum amounts for future compensations at the Annual General Meeting 2023:

- Board of Directors: maximal amount of CHF 700,000 (for six members) for the period from the Annual General Meeting 2023 until the Annual General Meeting 2024 (subject to additional employer contributions to governmental social insurances to the extent they constitute or increase pension benefits for the beneficiaries); approved with a majority of 98.8%
- Executive Board (for two members) for the business year 2024:
 - Maximal amount of CHF 1,200,000 as fixed compensation (including contributions to pension funds and other social benefits and subject to additional employer contributions to governmental social insurances to the extent they constitute or increase pension benefits for the beneficiaries); approved with a majority of 98.8%.
 - Maximal amount of CHF 1,200,000 as variable compensation (short-term incentive); approved with a majority of 95.9%.
 - Maximal amount of CHF 500,000 as long-term incentive; approved with a majority of 87.4%.

The Annual General Meeting 2023 approved the Remuneration Report 2022 with a majority of 79.3% in a consultative non-binding vote.

II. REMUNERATION IN FISCAL YEAR 2023

1. Board of Directors

a) Remuneration in fiscal year 2023 (audited information)

Members of the Board of Directors were paid a gross remuneration totaling CHF 700,000 in fiscal year 2023 (2022: CHF 700,000).

in CHF	2023	2023	2022	2022
	Gross remuneration including employee contributions to the Swiss social insurances	Employer contributions to the Swiss social insurances (AHV/IV/ALV)	Gross remuneration including employee contributions to the Swiss social insurances	Employer contributions to the Swiss social insurances (AHV/IV/ALV)
Dr Valentin Chapero Rueda (Chairman)	200,000	9,710	200,000	9,710
Jürg Fedier	100,000	4,410	100,000	4,410
Nicole Burth Tschudi	100,000	6,400	100,000	6,400
Laurent Dubois	100,000	6,400	100,000	6,400
Michael Reitermann	100,000	–	100,000	–
Dr Andreas Schönenberger	100,000	6,400	100,000	6,400
Total	700,000	33,320	700,000	33,320

- According to Swiss law, the Company paid Swiss social insurance (AHV/IV/ALV) employer contributions for the members of the Board. These payments do not represent an additional remuneration for the members of the Board as they do neither constitute nor increase Swiss social insurance pension benefits due to the actuarial cap.
- No member of the Board of Directors received any additional remuneration as defined by Article 734a of the Swiss Code of Obligations.
- No remuneration was made to parties closely related to the Board of Directors.
- No members of the Board of Directors or closely related parties were granted any loans by the Company nor do such loans exist.

According to Article 20e of the Articles of Association, expense recovery is no compensation. The Company reimburses the members of the Board of Directors for all necessary expenses, also in form of lump sum expense recoveries within the amount accepted by the tax authorities. According to the Remuneration Regulations for Members of the Board (Annex 1 to the Organization Regulations), the annual lump sum expense recovery amounts to CHF 20,000 for the Chairperson of the Board of Directors and to CHF 4,000 for a regular Board member.

b) Compliance with the decisions of the Annual General Meeting

According to the Articles of Association, the shareholders approved the following maximum amounts for future compensations at the Annual General Meeting 2023: CHF 700,000 for the Board of Directors (six members) for the period from the Annual General Meeting 2023 until the Annual General Meeting 2024.

The remuneration amounting to CHF 700,000 paid to the six members of the Board of Directors in the period between the Annual General Meeting 2022 and the Annual General Meeting 2023 is in line with the approval of the Annual General Meeting 2022.

2. Executive Board

a) Members of the Executive Board

In 2023, the Executive Board consisted of the following members:

- Nicolas Vanden Abeele, CEO
- Dominik Maurer, CFO

In 2022, the Executive Board consisted of the following members:

- Nicolas Vanden Abeele, CEO (since 1 February 2022)
- Dominik Maurer, CFO
- Jeannine Pilloud, CEO (until 25 January 2022)

b) Compensation Executive Board 2023 (audited information)

in CHF	Base salary	Variable salary component (STI)	Miscellaneous	Pension contributions	LTI ³	Total
CEO	507,500 ¹	184,416	21,436 ²	54,622	300,000 ⁴	1,067,974
CFO	309,462 ¹	68,436	0	39,058	144,000 ⁴	560,956
Total Executive Board in 2023	816,962¹	252,852	21,436	93,680	444,000	1,628,930

¹ Including the statutory employee contributions paid to the Swiss social insurance.

² Allocation contributions and flight fares (home leave) according to employment contract

³ Weighted average fair value of the PSU units at grant (1 PSU = CHF 9.27) assuming full achievement of all performance-related targets.

⁴ The amount disclosed corresponds to the fair value at grant date for the whole vesting period (until 30 June 2023). However, the effective remuneration will correspond in maximum to the adjusted vesting period (pro rata temporis until the end of the working contract).

c) Compensation Executive Board 2022 (audited information)

in CHF	Base salary	Variable salary component (STI)	Miscellaneous	Pension contributions	LTI ⁴	Total
CEO (since 1 February 2022)	458,333 ¹	257,760	43,884 ²	39,618	300,000 ⁴	1,099,595
CFO	304,850 ¹	93,453	0	38,661	144,000 ⁴	580,964
Former CEO (until 25 January 2022)	384,380 ^{1,5}	123,958 ^{1,5}	0	42,2825	0	550.620
Total Executive Board in 2022	1,147,563¹	475,171	43,884	120,561	444,000	2,231,179

¹ Including the statutory employee contributions paid to the Swiss social insurance.

² Allocation contributions of CHF 39,653 and flight fares (home leave) of CHF 9,653

³ Weighted average fair value of the PSU units at grant (1 PSU = CHF 6.07) assuming full achievement of all performance-related targets.

⁴ The amount disclosed corresponds to the fair value at grant date for the whole vesting period (until 30 June 2023). However, the effective remuneration will correspond in maximum to the adjusted vesting period (pro rata temporis until the end of the working contract).

⁵ The amount paid to the former CEO in 2022 was in compliance with the commitments set down in the employment contract

According to Swiss law, the Company paid the following Swiss social insurance (AHV/IV/ALV) employer contributions for the members of the Executive Board (audited information):

in CHF	Employer contributions to the Swiss social insurances (AHV/IV/ALV)	
	2023	2022
CEO (since 1 February 2022)	43,833	28,112
CFO	23,878	22,988
Former CEO (until 25 January 2022)	–	37,826
Total	67,711	88,926

These Swiss social insurance employer contributions do not represent an additional remuneration for the members of the Executive Board as they neither constitute nor increase Swiss social insurance pension benefits due to the actuarial cap.

According to Article 20e of the Articles of Association, expense recovery does not count as compensation. The Company reimburses the members of the Executive Board for all necessary expenses, also in form of car allowances and other lump sum expense recoveries within the amount accepted by the tax authorities.

d) Short-term incentive (performance-related variable compensation)

▪ Payout opportunities 2023

- For fiscal year 2023, the CEO had a target potential of 80.4% of base salary on fully achieving all targets. In cases where the targets set are exceeded, the CEO is paid a higher variable salary component (performance-related part) up to a maximum of twice the target potential corresponding to 160% of the basic salary.
- For fiscal year 2023, the CFO had a target potential of 49.5% of base salary on fully achieving all targets. In cases where the targets set are exceeded, he is paid a variable salary component (performance-related part) up to a maximum of twice the target potential.
- Performance-related variable compensation (short-term incentive) cannot exceed the double amount of the fixed compensation of a member of the Executive Board according to Article 20b Section 3 of the Articles of Association.

▪ Performance-related targets 2023 (STI)

The Board of Directors set the performance targets for 2023 with the aim of incentivizing profitable growth of the Group.

The performance-related variable compensation for the members of the Executive Board in 2023 was linked to the achievement of the following measurable quantitative targets (incl. weighting):

- Net revenue (40%)
- EBITDA (40%)
- Qualitative targets (20%)

The Board of Directors set measurable qualitative targets for 2023 to strengthen the performance of the Company:

- The CEO was measured against the delivery of the cost saving program (Shape-up efficiency program), and stepping up sales enablement programmes.
- The CFO got measurable specific targets with regard to the cost saving program (Shape-up efficiency program), and the process and working capital optimization.

Measurable target achievement in 2023:

- CEO: overall 45.2%%
 - Financial targets: 26.2% (out of 80%)
 - Individual targets: 19.0% (out of 20%)
- CFO: overall 44.7%
 - Financial targets: 26.2% (out of 80%)
 - Individual targets: 18.5% (out of 20%)

The variable salary component for the two active members of the Executive Board amounted to CHF 252,852 (2022: CHF 351,213), which corresponded to 36.3% of the fixed salary of the CEO (2022: 56.2%) and to 22.1% of the fixed salary of the CFO (2022: 30.7%).

e) Long-term incentive (Performance Stock Units plan)

▪ Payout opportunities for PSU plan 2023

- The CEO has a target grant level amounting to CHF 300,000 (equals 59.1% of his base salary) which is translated into PSUs. In cases where performance targets set are exceeded, vesting is limited to a maximum of twice the granted number of PSUs corresponding to 120% of the base salary (neglecting potential share price movements).
- The CFO has a target grant level amounting to CHF 144,000 (equals 46,5% of his base salary) which is translated into PSUs. In cases where performance targets set are exceeded, vesting is limited to a maximum of twice the granted number of PSUs corresponding to between 93% of the base salary (neglecting potential share price movements).
- The translation of the CHF target amounts into PSUs is based on the fair value of a PSU which is calculated by an external expert following the relevant accounting standards and is set at CHF 9.27 at grant date for PSU plan 2023.
- On 5 June 2023, the CEO received 32,330 PSUs with a fair value of CHF 300,000 at grant, while the CFO received 15,520 PSUs with a fair value of CHF 144,000 at grant.
- The amount corresponds to the fair value at grant date for the whole vesting period (5 June 2026).

▪ Performance-related targets for the 2023 PSU plan (LTI)

The Ascom long-term incentive 2023 (PSU plan 2023) runs for a period of three years with a vesting date defined as 5 June 2026. The target achievement is based on Ascom's three-year Total Shareholders Return (TSR) measured relative to the SPI EXTRA Index as a performance indicator.

For the annual grant and the corresponding performance target, the vesting curve is defined prior to the grant date focusing on generating symmetrical incentives for performance below and above the target performance level and allowing for a realistic performance-related chance to realize vesting.

The relative TSR target is approved by the Board of Directors, following a thorough outside-in approach conducted by an independent external advisor. Investors' return expectations on market value, stock risk profile, investment projections and current profitability levels were taken as a starting point, using multifactor valuation models and statistical analyses in order to establish an appropriate link between payouts under the PSU plan and the value created for investors. The results of the outside-in approach were assessed against historical company performance, as well as equity analysts' expectations and strategic plan as suggested by management, to reinforce the Board's confidence in the overall quality and robustness of the targets.

The vesting curves for the 2023 PSU plan are illustrated in the table below:

Vesting Multiple		Performance target (2022-2024)	Interpretation
		Relative TSR	
Minimum	0%	≤ 45 p.p.	If the minimum is not exceeded, the respective Vesting Multiple will be set to 0% and no PSUs will vest
Target	100%	= 0 p.p.	If the target is achieved, the respective Vesting Multiple will be set to 100% and all PSUs will vest with a multiple of 100%
Maximum	200%	≥ 45 p.p.	If the maximum is achieved or exceeded, the respective Vesting Multiple will be set to 200% and all PSUs will vest with a multiple of 200%

Furthermore, information regarding the target achievement under the long-term incentive plan and realization of the granted PSUs vesting based on the performance period ending in the current reporting year is provided in the following paragraphs.

f) Total compensation of the members of the Executive Board

The total compensation in 2023 for all members of the Executive Board amounted to CHF 1,628,930 (2022: CHF 2,231,179). The decline in the total compensation compared to the previous year is due to the costs of the CEO change in 2022 and the lower achievement of financial targets in 2023.

g) Highest compensation

The highest total remuneration within the Ascom Group was paid to the CEO with a total amount of CHF 1,067,974 (2022: 1,099,595 for 11 months). The cash remuneration paid to the CEO in 2023, consisting of the basic salary and the variable component (STI), amounted to CHF 691,916. (2022: CHF 716,093 for 11 months).

h) Additional payments (audited information)

No members of the Executive Board received any additional payments as defined by Article 734a of the Swiss Code of Obligations, nor were any payments made to parties closely related to the Executive Board.

The Company granted no members of the Executive Board or closely related parties any loans, nor do such loans exist.

i) Severance payments (audited information)

Contracts of employment with members of the Executive Board provide for no special severance payment. The period of notice for members of the Executive Board is maximal 12 months.

In the event of a takeover and a delisting of the Company, the following rules will be applied for the beneficiaries of the Performance Stock Unit plans: PSUs shall vest with immediate effect at the date of the change of control. The vesting multiple of the PSUs is 1.00, the number of PSUs to be vested shall be adjusted pro rata to reflect the length of service.

j) Compliance with the decisions of the Annual General Meeting 2022

The shareholders approved the following maximum amounts for future compensations at the Annual General Meeting 2022 for two members of the Executive Board for fiscal year 2023:

- CHF 1,200,000 as fixed compensation (including contributions to pension funds and other social benefits)
- CHF 1,200,000 as variable compensation (short-term incentive)
- CHF 500,000 as long-term incentive

The Annual General Meeting 2022 approved a total amount of CHF 2,900,000 for the compensation of the Executive Board in 2023.

The total compensation paid to the Executive Board in 2023 of CHF 1,628,930 is in line with the adapted amount of CHF 2,900,000 as approved by the Annual General Meeting 2022.

Reported compensation of the Executive Board during fiscal year 2023 compared to the amount approved by shareholders at the Annual General Meeting 2022

In CHF	Executive Board compensation earned during FY 2023	Maximum amount approved by shareholders at the 2022 AGM	Amount within the amount approved by shareholders at the 2022 AGM and compensation ratio
Fixed compensation (including contribution to pension funds and other social benefits) ¹	816,962	1,200,000 ¹	Yes 68.1%
Variable compensation (STI)	252,852	1,200,000	Yes 21.1%
Long-term incentive (LTI)	444,000	500,000	Yes 88.8%
Total compensation Executive Board¹	1,628,930	2,900,000	Yes 56.2%

¹ Including miscellaneous and pension contributions

The corresponding reporting of the Executive Board compensation 2024 approved by the Annual General Meeting 2023 as well as the reporting of the compensation ratio will be disclosed in the Remuneration Report 2024.

3. Former members of the Executive Board (audited information)

Jeannine Pilloud, former CEO, received 2,136 Ascom shares as of 4 July 2023 in connection with the Long Term Incentive Plan 2020.

In 2022, Jeannine Pilloud was paid an amount of CHF 550,620 (including CHF 42,282 for pension contributions) in compliance with the commitments set down in her employment contract. Moreover, the Company paid an employer contribution of CHF 37,826 to the Swiss social insurance according to Swiss law.

III. SHARE OWNERSHIP

1. Board of Directors (as of 31 December 2023) (audited information)

All members of the Board of Directors and closely related parties, in total: 330,715 shares.

	Shares
Dr Valentin Chapero Rueda, Chairman	225,000
Nicole Burth Tschudi	5,000
Laurent Dubois	51,825
Jürg Fedier	12,400
Michael Reitermann	34,490
Andreas Schönenberger	2,000
Total Board of Directors	330,715

No members of the Board of Directors or closely related parties hold any conversion or option rights.

2. Executive Board (as of 31 December 2023) (audited information)

All members of the Executive Board and closely related parties, in total: 53,277 shares.

	Shares
Nicolas Vanden Abeele, CEO	40,000
Dominik Maurer, CFO	13,277
Total Board of Directors	53,277

The members of the Executive Board hold the following conversion rights based on the provisions of the Performance Stock Units (PSU) plans 2021, 2022, and 2023:

	PSU 2021	PSU 2022	PSU 2023	Total
Nicolas Vanden Abeele, CEO	–	49,430	32,330	81,760
Dominik Maurer, CFO	9,300	23,730	15,520	48,550
Total Executive Board				130,310

No members of the Executive Board or closely related parties hold any other conversion or option rights.

3. Share allotment in 2023 (audited information)

Ascom Holding AG allotted 10,821 shares in 2023 to the beneficiaries of the Long-Term Incentive Plan 2020 (Performance Stock Units).

IV. LONG-TERM INCENTIVE PLANS

1. Performance Stock Units (PSU) plan 2020

The Ascom long-term incentive 2020 (PSU plan 2020) runs for a period of three years with a vesting date defined on 30 June 2023. Target achievement is based on two performance indicators:

- Three-year fully diluted weighted cumulative Earnings per Share (EPS)
- Ascom's three-year Total Shareholders Return (TSR) measured relative to the SPI EXTRA Index

The fair value of a PSU (based on the PSU plan 2020) was calculated by an external expert and set at CHF 6.85 at grant date.

On 1 July 2020, the Board of Directors awarded to 46 members of the Senior Management 221,650 PSUs. Out of this number, 72,650 PSUs were forfeited during 2020 and 2021. Out of the remaining 149,000 PSUs, another 25,555 PSUs were forfeited in 2022. Thus, 123,445 PSUs qualify for share conversion.

Ascom achieved the following performance during 2020 – 2022:

Performance Target	Performance realized during 2020–2022	Vesting multiple per KPI
Relative TSR	-28.3 p.p.	0%
EPS	0.30 CHF	9%

The vesting multiple for the PSU plan 2020 is therefore 9% and 10,821 shares were allocated to the beneficiaries of this plan at the vesting date.

2. Performance Stock Units (PSU) plan 2021

The Ascom long-term incentive 2021 (PSU plan 2021) runs for a period of three years with a vesting date defined on 30 June 2024. Target achievement is based on two performance indicators:

- Three-year fully diluted weighted cumulative Earnings per Share (EPS)
- Ascom's three-year Total Shareholders Return (TSR) measured relative to the SPI EXTRA Index

The fair value of a PSU (based on the PSU plan 2021) was calculated by an external expert and set at CHF 15.49 at grant date.

On 30 June 2021, the Board of Directors awarded to 49 members of the Senior Management 85,870 PSUs. Out of this number, 27,350 PSUs were forfeited during 2021 and 2022. Another 9,310 PSUs were forfeited during 2023. Thus, 49,210 PSUs may qualify for share conversion.

Ascom achieved the following performance during 2021 – 2023:

Performance Target	Performance realized during 2021–2023	Vesting multiple per KPI
Relative TSR	-34.88 p.p.	0%
EPS	0.40 CHF	39%

The vesting multiple for the PSU plan 2021 is therefore 39% and 19,192 shares may be allocated to the beneficiaries of this plan at the vesting date.

3. Performance Stock Units (PSU) plan 2022

The Ascom long-term incentive 2022 (PSU plan 2022) runs for a period of three years with a vesting date defined as 30 June 2025. Target achievement is based on only one performance indicator: Ascom's three-year Total Shareholders Return (TSR) measured relative to the SPI EXTRA Index as performance indicator.

The fair value of a PSU (based on the PSU plan 2022) was calculated by an external expert and set at CHF 6.07 at grant date.

On 30 June 2022, the Board of Directors awarded to 49 members of the Senior Management 215,370 PSUs. Out of this number, 9,560 PSUs were forfeited during 2022 and 24,970 PSUs during 2023. Thus, 180,840 PSUs may qualify for share conversion.

4. Performance Stock Units (PSU) plan 2023

The Ascom long-term incentive 2023 (PSU plan 2023) runs for a period of three years with a vesting date defined as 5 June 2026. Target achievement is based on only one performance indicator: Ascom's three-year Total Shareholders Return (TSR) measured relative to the SPI EXTRA Index as performance indicator.

The fair value of a PSU (based on the PSU plan 2023) was calculated by an external expert and set at CHF 9.27 at grant date.

On 5 June 2023, the Board of Directors awarded to 51 members of the Senior Management 150,120 PSUs. Out of this number, 10,940 PSUs were forfeited during 2023. Thus, 139,180 PSUs may qualify for share conversion.

5. Performance Stock Units held as of 31 December 2023

	Vesting date	Performance indicators	Number of outstanding PSUs	Maximum of conversion shares
2021	30.06.2024	EPS/TSR	49,210	19,192
2022	30.06.2025	TSR	180,840	361,680
2023	05.06.2026	TSR	139,180	278,360

As of 31 December 2023, there are 369,230 outstanding PSUs related to the PSU plans 2021, 2022 and 2023 which may be converted into a maximum of 659,232 shares according to the PSU plans. Given the achieved vesting multiple of 39%, a maximum of 19,192 shares may be converted according to the PSU plan 2021.

The total of the outstanding contingent conversion shares corresponds to 1.83% of the total share capital of the Company.



Report of the statutory auditor

To the General Meeting of Ascom Holding AG, Baar, ZG

Report on the Audit of the Remuneration Report

Opinion

We have audited the Remuneration Report of Ascom Holding AG (the Company) for the year ended 31 December 2023. The audit was limited to the information pursuant to Art. 734a-734f of the Swiss Code of Obligations (CO) in the tables marked "audited" on pages 81 to 90 and pages 93 to 95 of the Remuneration Report.

In our opinion, the information pursuant to Art. 734a-734f CO in the accompanying Remuneration Report complies with Swiss law and the Company's articles of incorporation.

Basis for Opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Remuneration Report" section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report but does not include the tables marked "audited" in the Remuneration Report, the consolidated financial statements, the financial statements and our auditor's reports thereon.

Our opinion on the Remuneration Report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Remuneration Report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the audited financial information in the Remuneration Report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' Responsibilities for the Remuneration Report

The Board of Directors is responsible for the preparation of a Remuneration Report in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of a Remuneration Report that is free from material misstatement, whether due to fraud or error. The Board of Directors is also responsible for designing the remuneration system and defining individual remuneration packages.



Auditor's Responsibilities for the Audit of the Remuneration Report

Our objectives are to obtain reasonable assurance about whether the information pursuant to Art. 734a-734f CO is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Remuneration Report.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the Remuneration Report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

KPMG AG

Toni Wattenhofer
Licensed Audit Expert
Auditor in Charge

Ronny Heer
Licensed Audit Expert

Zug, 28 February 2024

KPMG AG, Landis + Gyr-Strasse 1, CH-6302 Zug

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