

# Ascom Holding AG

## Organization Regulations

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### 1. GENERAL

The Company's business shall be conducted according to Swiss Law, the Articles of Association, and the Organization Regulations.

The Organization Regulations are based on Art. 18.2 of the Articles of Association of Ascom Holding AG. The Organization Regulations prevail over all other Ascom regulations.

They regulate the constitution of, passing of resolutions by, the signatory power, as well as the duties and powers of the Board of Directors.

### 2. THE BOARD OF DIRECTORS

#### 2.1 Basic Principles

As the supreme managing board of the Company, the Board of Directors may assign all or part of its duties and powers to individual Members or to third parties as set out in these Organization Regulations.

The Board of Directors shall be responsible for the overall direction as well as the supervision and control of the Management. It shall set guidelines for business policies and ensure that it is regularly informed on the course of business.

The Board of Directors shall be empowered to pass resolutions on all matters that are not reserved for or assigned to the Annual General Meeting or another of the Company's boards by Law, the Articles of Association or Organization Regulations.

#### 2.2 Constitution of the Board of Directors

The Annual General Meeting elects the members and Chairman of the Board of Directors. Otherwise, the Board of Directors shall constitute itself.

The duties and obligations of the Chairman are outlined in Clause 10.2.

#### 2.3 Duties

The Board of Directors shall in particular have the following non-transferable and inalienable duties:

- a) overall direction of the Company, including laying down its strategic orientation, and of the Ascom Group, as well as issuing directives as required
- b) laying down the organization and management structure
- c) appointing and dismissing persons entrusted with the management and representation of the Company and laying down who is entitled to sign on behalf of the Company
- d) laying out the forms of accounting, financial control, and financial planning
- e) supervising the persons entrusted with the management of the Company, specifically in respect of compliance with laws, articles, regulations, and directives

- f) drawing up the Annual Report and the Remuneration Report as well as preparing the Annual General Meeting and carrying out its resolutions
- g) submission of an application and for debt-restructuring moratorium, and informing the courts in the event of over-indebtedness
- h) passing resolutions on the financing of the business, especially deciding on capital increases and IPOs and the consequent changes to the Articles
- i) passing resolutions on participations of major/strategic significance
- j) reviewing the specialist requirements for specially empowered auditors
- k) issuing the Organization Regulations
- l) fixing the compensation for Members of the Board of Directors and the Executive Board subject to the approval of the Annual General Meeting according to Article 20a – 20e of the Articles of Association

#### **2.4 Exercise of a Board mandate**

The exercise of a mandate as a Member of the Board of Directors shall be explicitly restricted to the individual concerned. Deputies/proxies shall not be permitted.

Members of the Board of Directors shall in principle be allowed to exercise an advisory mandate for the Ascom Group in parallel to their work as Members of the Board of Directors, provided that prior to the granting of the mandate

- a) there is a written agreement that at least describes the duties contained in the mandate and fixes the details of compensation of the mandate,
- b) the mandate is submitted to the Board of Directors
- c) the mandate is unanimously approved by the Board of Directors.

#### **2.5 Meetings of the Board of Directors**

The Chairman shall convene meetings of the Board of Directors as often as business demands. As a rule, the Board of Directors shall meet six times a year.

Every Member of the Board of Management shall be entitled to convene an immediate meeting upon stating its purpose.

The Chairman shall draw up the agenda, taking into account any wishes of the other Members. Members must submit such wishes at least fifteen working days before the date fixed for the meeting, so that there is sufficient time to prepare for the meeting.

Invitations will be sent in writing at the latest ten working days before a meeting. The Chairman may shorten this period in extraordinary situations. As a rule, any related documentation will be sent five working days before the meeting.

Resolutions on items that are not on the agenda may only be passed if all of the Members of the Board of Directors are present.

The Chairman shall take the Chair. In case the Chairman is absent, the Board of Directors shall elect a chairperson for the meeting.

The Board of Directors can hold its meetings as follows:

- Meetings with physical presence
- Video conferences

- Conference calls

## **2.6 Self-assessment**

The Board of Directors shall discuss its performance and that of its Members each year at the first meeting of the Board of Directors in the new year.

## **2.7 Resolutions by the Board of Directors**

The Board of Directors may pass resolutions provided that an absolute majority of Members is present. The Members of the Board of Directors may not arrange to be represented by someone from outside (a non-member) at meetings of the Board. Voting on behalf of another Member based on a power of attorney to that effect shall also not be permitted. The Board of Directors shall pass its resolutions and make its elections by a majority of the votes cast. The Chairman shall hold the casting vote.

Resolutions may be passed in the form of circular resolutions on paper or in electronic form, unless a Member demands that the matter be discussed orally in a video conference or in a meeting with physical presence of the Members.

Circular resolutions shall be valid provided that at least a majority of all of the Members of the Board of Directors has approved them. They must be ratified at the next meeting of the Board of Directors.

In the case of transactions that cannot be postponed by virtue of their urgent nature, the Chairman is obliged, subject to the duties listed under point 2.3, to decide on his own and to inform the other Members at the earliest opportunity.

Such resolutions must also be ratified at the next meeting of the Board of Directors.

## **2.8 Informing Members of the Board of Directors**

With the assistance of the Executive Board, the Chairman shall ensure that Members are informed in a timely manner of all aspects of the Company's business required for them to reach decisions and to carry out their supervisory functions. The Board of Management shall receive documentation for Board meetings in sufficient time for it to be studied.

## **2.9 Minutes**

Minutes shall be kept of all negotiations and resolutions made by the Board of Directors. These shall be signed by the Chairman and the Company Secretary and approved by the Board of Directors.

## **2.10 Attendance at meetings by third parties**

Taking into account the items on the agenda, the Chairman shall decide whether to summon members of the Executive Board or other management teams to attend meetings or to be present for specific items on the agenda. The other Members of the Board of Directors may in all cases request that those responsible for the business attend.

The Chairman of the Board of Directors must be advised in advance of the attendance of persons not belonging to the Ascom Group.

### **3. DELEGATION**

The Board of Directors shall delegate the operational management of the Company and the Ascom Group entirely to the Chief Executive Officer, unless otherwise required by the Law, the Articles of Association, or these Organization Regulations.

### **4. RIGHT OF MEMBERS OF THE BOARD OF DIRECTORS TO INFORMATION AND INSPECTION**

Every Member of the Board of Directors may demand information on all matters relating to the Company.

#### **4.1. Right of Members of the Board of Directors to information and inspection in meetings of the Board of Directors**

All Members of the Board of Directors as well as those entrusted with the Management of the Company shall be obliged to provide information at the meetings.

Inspection of business documents requires the authorization of the Chairman.

#### **4.2. Right of Members of the Board of Directors to information and inspection outside meetings of the Board of Directors**

Members of the Board of Directors wishing information or inspection of business documents outside meetings of the Board of Directors must express this desire in writing to the Chairman via the Company Secretary.

Information on specific transactions requires the authorization of the Chairman. Insofar as it is necessary to fulfill a duty, any Member can apply to the Chairman via the Company Secretary for books and files to be submitted. If the Chairman rejects a request for information, the Board of Directors as a whole shall decide on the matter.

In preparation of the business of the Committees, the Chairmen of the Committees may make direct contact with the CEO and the CFO, but must inform the Chairman and, if they contact the CFO, the CEO.

### **5. MEDIA AND INVESTORS**

The Chairman and the CEO are responsible for the relations with the shareholders, investors, and other stakeholders as well as for the coordination of the public and media relations.

Under normal circumstances, the CEO, assisted by the CFO and General Secretary, shall communicate according to the strategy laid down by the Board of Directors.

The Board of Directors instructs the Company Secretary to coordinate information and communications to the media, the interested parties and stakeholders listed above and the public throughout the entire Group in order to ensure top-down consistency.

All media and public relations activities shall be conducted in accordance with the principle that statements may not contradict the messages laid down by the Group.

The investor relations activities as well as the major statements to the shareholders and potential investors shall be coordinated with the Chairman. The Chairman shall immediately be informed orally or via e-mail about planned roadshows and the outcome of them. A monthly report about the IR activities shall be sent to all Board Members as a part of the "Monthly Reporting Package". Analysts' reports shall be distributed to the Board of Directors immediately following publication.

The Board is responsible for requests from shareholders or groups of shareholders, ideas relating to the future development of the company from shareholders or potential investors, takeover intentions, Board matters, or corporate governance issues. Therefore, the Chairman has to be informed immediately if such requests are made.

At any time, the Chairman may decide to take charge of communications. If expedient, the Chairman may delegate part of his responsibilities to other persons.

In specific cases, the Board of Directors may decide on another way to handle matters. Unless the Board of Directors has made a special resolution in such specific cases, the other Members of the Board of Directors and the Executive Board are not entitled to arrange for the public, representatives of the media, the Company's stakeholders, analysts, asset managers, investors, individual investors or groups of shareholders to receive information on Ascom, especially not on Board matters, or to make related documents accessible to them.

Members of the Board of Directors or the Executive Board who are approached by media representatives or others from the interested parties listed above, investors, individual shareholders, or groups of shareholders in relation to Ascom are obliged to immediately notify the Chairman. They shall tell the person asking the questions that, to ensure a uniform response by company management, the Chairman is the sole spokesperson vis-à-vis third parties.

Furthermore, the Board of Directors asks the General Secretary to coordinate information and communications to the media, the interested parties and stakeholders listed above and the public throughout the whole Group (including the Board of Directors), in order to ensure top-down consistency.

All media and public relations activities shall be conducted in accordance with the principle that statements may not contradict the messages laid down by the Group.

## **6. REPORTING**

The CEO shall keep the Board of Directors up to date in a "Monthly Reporting Package" on the current state of business and on important events (CEO Report). Extraordinary events must be brought to the immediate attention of the Chairman who, together with the CEO, shall be responsible for informing the Board of Directors.

## **7. COMPENSATION**

Details of compensation and entitlement to expenses for Members of the Board of Directors may be found in Annex 1.

## **8. OBLIGATIONS OF THE BOARD OF DIRECTORS**

### **8.1 Duty of care and good faith**

Members of the Board of Directors shall carry out their duties with all due care and shall uphold the interests of the Company in good faith. They shall fulfill their duties independently and not act under instructions.

### **8.2 Duty to treat all shareholders equally**

The Board of Directors must treat shareholders equally under the same conditions. This principle applies in particular to the dissemination of information to shareholders.

### **8.3 Confidentiality and treatment of insider knowledge**

The Members of the Board of Directors and the Company Secretary shall be obliged to maintain absolute silence on all matters of which they acquire knowledge in connection with the fulfillment of their duties on behalf of the Company. They must treat all meetings and minutes of meetings of the Board of Directors, including any documents issued or e-mails, etc., in strictest confidence and retain them exclusively for their own use.

As the Company has its shares listed on the Swiss Stock Exchange (SIX), all Members of the Board of Directors shall be subject to the obligations arising from Article 142 ff. of the Federal Act on Financial Market Infrastructures and Market Conduct in Securities and Derivatives Trading (FMA) with regard to insider trading. Each Member of the Board of Directors shall take all measures necessary to ensure that information defined as insider information does not reach closely associated persons, their subordinates and superiors, business partners, or others with an interest in advance information, or third parties.

No Member of the Board of Directors shall carry out any transaction for his own or a third party's account in Ascom stock or derivatives (especially in options on Ascom stock) during blocked periods.

In agreement with the Chairman, the Company Secretary informs the Members of the Board of Directors and the concerned members of the management about trade bans. As a general rule, blocked periods shall comprise the following:

- a) the four weeks prior to the release of semi-annual and annual figures;
- b) the four weeks prior to the press conference on the financial statements;
- c) the period between internal knowledge of information requiring "ad hoc publicity" according to the listing regulations (e.g. revised profit forecast, important changes in personnel, new products, or the discovery of business problems) and the publication of this information.

Members of the Board of Directors shall ensure that no information requiring "ad hoc publicity" reaches other persons by the means outlined in para. 3 during a blocked period.

### **8.4 Returning of files**

Members of the Board of Directors must return or destroy (which they must confirm in writing), all official files relating to the Company to the archives at Ascom's head office, at the latest by the time they leave office.

This does not include minutes of Annual General Meetings, texts published by the Company or minutes of meetings of the Board of Directors or hand-written notes/anything in writing they composed themselves, which arose during their term of office.

Once the files have been returned, Members of the Board of Directors have the right to demand release of the returned files if they have good cause, such as in the case of court proceedings in which they are personally involved.

Ascom shall destroy the returned files 10 years after a Member has left the Board.

## **9. CONFLICTS OF INTEREST/EXCLUSION**

Every Member of the Board of Directors and the Executive Board must conduct his personal and business affairs in such a manner that, as far as possible, he avoids conflicts of interest with the Company.

If there is a conflict of interest, the Member of the Board of Directors/Executive Board concerned shall inform the Chairman immediately and completely. The Chairman shall inform the Members of the Board and call for a decision by the Board of Directors depending on the severity of the conflict, which it shall make in the absence of the person concerned. He takes all necessary steps to safeguard the interests of the Company.

Any person who has interests that do not conform to those of the Company or who has to represent such interests on behalf of third parties shall absent himself when decisions are being reached. No person who has a lasting conflict of interests may be a Member of the Board of Directors or Executive Board.

Transactions between the Company and members of boards or persons closely associated with them shall be subject to the arm's length principle; they shall be approved in the absence of the person concerned. If necessary, the Board of Directors shall call for a fairness opinion.

The Members of the Board and the Executive Board are obliged to notify immediately all mandates outside the Ascom Group to the Chairman of the Board and the Company Secretary according to Article 20d of the Articles of Association.

Mandates outside the Ascom Group of Members of the Executive Board are subject to prior approval by the Board of Directors.

## **10. THE CHAIRMAN OF THE BOARD OF DIRECTORS**

### **10.1 Election**

The General Meeting elects the Chairman of the Board annually for a term of office of one year.

In the event that the position of the Chairman is vacant, the Board of Directors appoints a new Chairman of the remaining term of office.

### **10.2 Duties and obligations of the Chairman**

The Chairman shall head the Board of Directors. He shall be responsible for preparing the meetings of the Board of Directors. The basis for preparing meetings shall be the transactions listed in Annex 6 (Ascom Competence Regulations).

The Chairman shall in particular be responsible for preparing the following:

- Strategic orientation of the Ascom Group
- Organization and management structure
- Financing and capital structure.

In addition to his obligations as a Member of the Board of Directors, he shall represent the Board as a whole in supervising the conduct of management and shall ensure that the Board is informed in a timely manner about material developments and events.

The Chairman shall also ensure that the Company's financial situation can be assessed at all times.

The Chairman represents the Company vis-à-vis the shareholders and other stakeholders as well as the public and the media as outlined in the allocation of duties under point 5 (Media Investors).

He shall initiate and monitor all activities (such as issues of succession, compensation, compliance with legal and regulatory provisions, etc.) that enable the Board of Directors to adhere to its obligations under the Law and the Articles of Association and to work together successfully as a body to the benefit of the Company.

The Chairman has a particular right to make proposals to the Board of Directors as a whole on the following topics:

- Annual Report
- Regulations and implementing provisions
- Appointment of Members and Chairpersons of Committees
- The Group's strategy
- The Group's organization

## **11. THE COMPANY SECRETARY**

The Board of Directors shall elect a Company Secretary, who shall not have to be a Member of the Board of Directors, for an indeterminate term of office.

The Company Secretary shall be responsible for the preparation, conduct and minuting of meetings of the Board of Directors and its Committees. He shall not participate himself in the discussions.

The Company Secretary shall also be responsible for arranging for the publications required under stock exchange regulations.

The Company Secretary shall report to the Chairman. Other Members of the Board of Directors may independently issue instructions to the Company Secretary in connection with their function.

The Company Secretary may act as the representative of Ascom Holding AG and, as instructed by the Chairman, attend meetings of the boards of directors of subsidiaries or boards of trustees of pension fund foundations.



## **12. COMMITTEES, WORKING GROUPS, EXPERTS**

### **12.1 Committees**

In order to prepare for making its resolutions and to comply with its supervisory function, the Board of Directors shall set up Committees, which shall analyze specific material or personnel issues in depth and report to the Board of Directors.

The Annual General Meeting elects the members of the Compensation & Nomination Committee for a term of office of one year. The Board of Directors elects the chairperson of the Compensation & Nomination Committee.

The Board of Directors shall set up an Audit Committee as a further standing committee, made up of at least two independent Members of the Board of Directors. The Board of Directors will elect the members and the chairperson of the Audit Committee for a term of office of one year following the Annual General Meeting.

The Audit Committee consists only of independent Members, while the majority of the Members of the Compensation & Nomination Committee shall be independent, whereby non-executive Members of the Board of Directors with relatively little, if any, business relationships with the Company shall be deemed independent.

At its meetings, the Board of Directors shall be regularly informed of the activities of the Committees and provided with copies of the Committees' minutes. Overall responsibility and competence for making decisions in respect of the duties assigned to the Committees remains with the Board of Directors. Exceptions hereto are defined in the Committee Charters. In particular, the non-transferable and inalienable duties under point 2.3 shall not be restricted in any way.

As required, the Board of Directors may set up one or more ad hoc committees, whose duties and membership shall be settled on a case-by-case basis.

### **12.2 Audit Committee**

The Audit Committee ensures that in particular the following duties within the Group shall be executed in the best possible manner and in a professional way:

- Internal Control
- Financial Reporting
- Finance Management
- Risk Management
- Tax Management
- External Auditing
- Compliance with Laws and Regulations
- Compliance with Company's Rules
- Quality of Finance Organization and Processes
- Litigation Matters
- Currency / FX Management
- Corporate Internal Auditing (to the extent necessary)

The composition, duties, rights, and obligations of the Audit Committee are set out in the “Audit Committee Charter” ([Annex 2](#)).

### **12.3 Compensation & Nomination Committee**

The Compensation & Nomination Committee consists of at least two and not more than three members of the Board of Directors.

The task of the Compensation & Nomination Committee is to prepare the resolutions of the Board of Directors concerning the compensation of the members of the Board of Directors and the members of the Executive Board, and to submit a corresponding proposal to the Board of Directors. The Compensation & Nomination Committee arranges for an examination of the proposal by an independent expert with respect to its conformity with the law and the Articles of Association.

The main fields of work of the Compensation & Nomination Committee shall consist of making recommendations to the Board of Directors in relation to

- Ascom Group pay policies
- Fixing compensation models for Members of the Board of Directors and the Top Management
- Implementation and monitoring of long-term incentives
- Selection process for Members of the Board and the Executive Board

The Compensation & Nomination Committee may invite the CEO to its meetings. In any case, the CEO will not participate in discussions relating to himself. The Compensation & Nomination Committee takes all decisions in sessions excluding the Management.

The Board of Directors may assign other tasks with regard to human resources to the Compensation & Nomination Committee.

The compensation, duties, rights, and obligations of the Compensation & Nomination Committee are set out in the Articles of Association (Article 20a) as well as in [Annex 3 to these Regulations](#).

### **12.4 Working groups**

To prepare for the passing of resolutions on transactions requiring expert knowledge, the Board of Directors may appoint working groups from among its Members or nominate individual Board Members as experts on the specific matter.

### **12.5 Nominations of Members of the Board of Directors and of Members of the Executive Board**

The selection of appropriate management persons is an essential success factor for the Company. The Board of Directors conducts at least two sessions related to HR topics per year to address this. Target is to secure that Ascom disposes of the most suitable management team.

The entire Board of Directors discusses as part of its annual program the following standard topics:

- April Board Meeting: Assessment Top Management
- November Board Meeting: Succession Planning Top Management

## **13. THE EXECUTIVE BOARD**

### **13.1 Election**

The CEO and any other person who is explicitly appointed as such by the Board of Directors according to Article 8 Par. 2 of the Articles of Association are considered to be members of the Executive Board. As a rule, members of the Board of Directors shall not be on the Executive Board.

### **13.2 Duties and powers**

The CEO is responsible for the operational management of the Ascom Group. He shall ensure that the rights and obligations listed in the Competence Regulations (Annex 6) are fulfilled and, together with Executive Board, prepare the transactions for resolution by the Board of Directors.

The Members of the Executive Board are answerable to the CEO in disciplinary matters.

### **13.3 Executive Committee**

The Executive Committee is an extended panel, which supports the CEO to fulfill his duties.

## **14. SIGNING POWERS**

The Board of Directors shall lay down and authorize powers to sign on behalf of Ascom Holding AG.

The Chairman, the Chairpersons of the Audit Committee and the Compensation & Nomination Committee as well as the Company Secretary shall each be authorized to sign jointly with one other authorized signatory.

The Board of Directors shall decide which other persons shall have signing powers.

## **15. CONCLUDING PROVISIONS**

### **15.1 Effective date**

These Regulations shall come into force on 1 January 2022 and shall replace those dated 1 September 2017.

## **15.2 Execution**

The Board of Directors and the Executive Board shall enact the implementing provisions necessary for the duties imposed upon them to permit the execution of these Regulations.

Baar, 19 January 2022

Chairman of the Board of Directors

Company Secretary

Dr. Valentin Chapero Rueda

Dr. Daniel Lack

## **Annexes**

1. Compensation Regulations for Members of the Board of Directors
2. Audit Committee Charter
3. Composition, duties, rights, and obligations of the Compensation & Nomination Committee
4. M&A Guidelines
5. Corporate Policy and Procedure on Insider Trading
6. Ascom Competence Regulations
7. Management Transaction Rules
8. Share Registration Guidelines
9. Directive governing the Internal Control System (ICS)