ascom

Sustainability Report 2023

Anchoring sustainability in our business

Sustainability Report

1. STATEMENT FROM THE CHAIRMAN AND THE CEO

Dear customers, partners, employees, and shareholders

We are pleased to submit our Sustainability Report (Report on Non-Financial Matters) in accordance with Art. 964a ff. of the Swiss Code of Obligations to our shareholders. The report provides you with insights into our sustainability strategy, our ESG activities and achievements in 2023, and our plans for 2024.

Caring is part of Ascom's DNA. With our products and solutions, we care about the well-being of people in need, patients, elderly people and workers. But we are also committed to taking care of our environment and our own people. Ascom sees environmental and social responsibility and good corporate governance as key elements of the long-term success of the company.

Sustainability Reporting and Ascom have a long history. Ascom first reported on sustainability topics back in 2004. Since 2005, we have followed an RoHS Directive (Restriction of Hazardous Substances), and since 2013 we have been rated by the platform EcoVadis.

Since 2010, Ascom has been a member of the UN Global Compact, the world's largest corporate sustainability initiative. This means that we are committed to complying with its principles in the areas of human rights, labor, the environment, and anti-corruption and that we are part of a movement that uses concrete solutions to drive sustainable development across a wide range of fields.

We have identified eight of the seventeen UN Sustainable Development Goals (SDGs) to which the Company can contribute and have an impact upon.

Over the years, sustainability, covering environmental, social as well as governance (ESG) in our operations, has become increasingly important, not only in society but also for our customers, partners, investors and our employees. Today, ESG criteria and sustainability-related regulations have a big impact on our daily business. As an international and listed company, we fully commit to all regulatory requirements and believe that the increasing importance of ESG offers new business opportunities. We have defined sustainability as one of our most important strategic initiatives and a key ambition in the Ascom Strategy with a set of communicated targets.

Ascom has further increased its efforts in sustainability, mainly with regard to environmental and social aspects. We expanded and improved on carbon measurements, invested in emission-neutral cloud solutions and more energy-efficient facilities, and defined an ambitious roadmap to further reduce our carbon footprint in the coming years. Our people and talent development initiatives have resulted in a measurable improvement in employee satisfaction.

We care for the environment

Energy efficiency and reducing CO_2 emissions is one of the most important environmental concerns. In 2022, we set ourselves the goal of becoming carbon neutral by 2040. To achieve this goal, we set a new baseline for the calculation of our CO_2 footprint, mainly in Scope 1 and 2, in 2023. Therefore, achievements in the coming years will be in reference to this basis. Group-wide collection of environmental data

Dr Valentin Chapero Rueda, Chairman of Ascom
Nicolas Vanden Abeele, CEO of Ascom

WE SUPPORT

from facilities, fleet, travels, logistics/supply chain and waste was further intensified in 2023, with a focus on those areas of our business where energy emissions can be reduced most efficiently.

We care for our people and culture

Ascom adheres to a responsible, value-oriented, inclusive, and people-centric corporate culture. The most important success factor is, of course, our global team of highly qualified professionals. We foster a culture of innovation and creative thinking, which we consider crucial for the success of the Company and which represents a cornerstone of our ESG strategy. Staff development by way of training and talent management is a priority for us.

In addition, the employee engagement survey of 2023 provides us with valuable additional opportunities for improvement in strengthening our corporate culture. One of our goals is for our staff to better identify with our brand and Company. In 2023, Ascom profiled its brand positioning and aligned it with the new strategic framework. For this, we involved the Executive Committee, employees, and customers. The implementation and internal anchoring of our new vision, mission and brand values will be part of our ESG activities in 2024.

We care for our governance

Good corporate governance remains a top priority for our Company, just like in previous years. Ethical conduct is in the interests of our employees, end users, customers and business partners, as well as the public and investors.

Ascom has achieved good rankings in independent corporate governance surveys published in 2023. At EcoVadis, we have improved our overall result up to 71 points, compared with the previous year (2022: 68).

Like in previous years, Ascom was assessed by the CDP (Carbon Disclosure Project). The benchmarks in the 2023 report again allow us to understand which categories require our attention to reach higher scores.

The zRating Study 2023, provided by Inrate, is a leading Swiss governance rating study. Over recent years, Ascom has been consistently rated among the top third of Swiss listed companies.

We are committed to developing our ESG capabilities on an ongoing basis – for the benefit of our stakeholders and the environment –supported by a strong purpose and culture, and with a clear commitment to sustainability.

Sincerely,

Dr Valentin Chapero Rueda
Chairman of the Board

Nicolas Vanden Abeele
CEO

Better performance and more traction

We have made good progress in our strategic ambition to become the leading enabling platform for Healthcare and Enterprise customers and to provide significant value to customers in terms of digitization and critical communication and collaboration.

We have set a strong focus on enhancing business performance. We have further shaped and streamlined our operations and strengthened our competitive capabilities.

Ascom had a good economic performance with a flat revenue development at actual currencies and a growth of 5.5% at constant currencies. Ascom achieved a double-digit EBIDTA margin of 10.1% for fiscal year 2023. Moreover, the Group profit increased strongly by 58% to CHF 17.4 million (2022: CHF 11.0 million).

Revenue split by market segment showed the Healthcare sector accounting for 66% of total revenue in 2023 (2022: 69%), while the Enterprise sector increased to 28% (2022: 24%) and the OEM business accounted for about 6% (2022: 7%). Service business came to 35% and was in line with the previous year. Revenue from recurring business remained at about 25% of total revenue in 2023 like in the previous year.

Our industry is benefiting from positive growth trends, which in the coming years will continue to drive demand for critical communication and collaboration and the digitization of activities. These growth trends include:
- A global shortage of qualified staff in acute and long-term care.
- An aging population with increasing medical needs.
- A need for continuous communication and monitoring in critical work environments to enhance staff safety and reduce work-related accidents and injuries.
- Digitization in the healthcare market, with digital orchestration of workflows and workforce tasks.
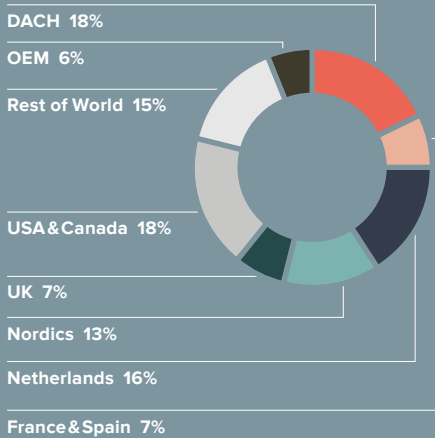- Increased financial pressure, resulting in a need to enhance efficiency and generally reduce costs.

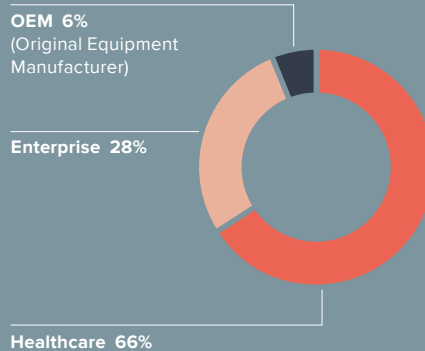# A technology company operating worldwide

1,403 employees around the globe

Net revenue in CHF **297.3m**

19 operating businesses worldwide

Revenue by region

- DACH 18%
- OEM 6%
- Rest of World 15%
- USA & Canada 18%
- UK 7%
- Nordics 13%
- Netherlands 16%
- France & Spain 7%

Revenue by segment

- OEM 6% (Original Equipment Manufacturer)
- Enterprise 28%
- Healthcare 66%
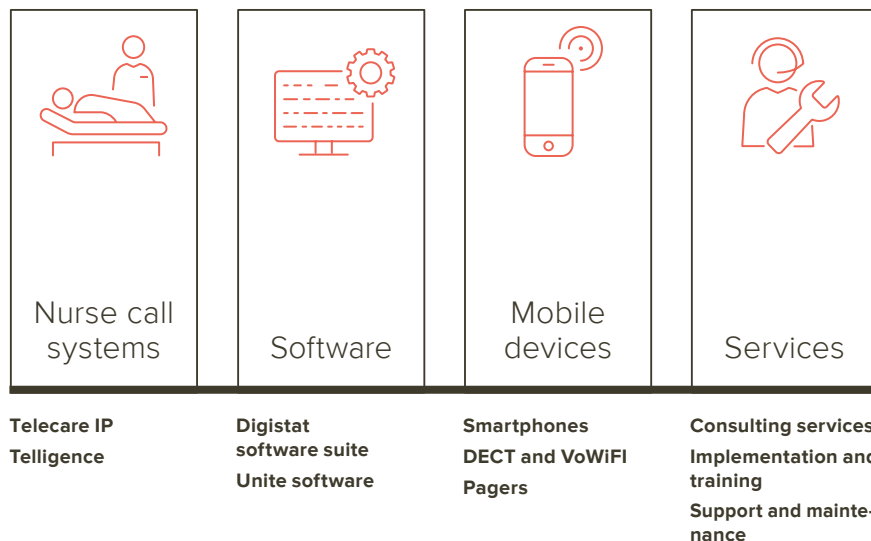
Ascom brings data to life

Ascom is a global solutions provider offering comprehensive, mobile workflow orchestration to facilitate and optimize processes in acute and long-term care, as well as enterprises. We provide mission-critical real-time solutions for highly mobile, ad hoc, and time-sensitive environments.

Ascom strives for a world where the right information moves people forward. We are here to turn data into helpful information for people in the toughest operational environments. We put the right data in the hands of the right person at the right time to enable the best possible decision in critical situations. In doing so, we solve key customer pain points, enable better delivery of care, and improve patient and staff safety and satisfaction. In addition, our solutions provide higher overall productivity, and also reduce costs.
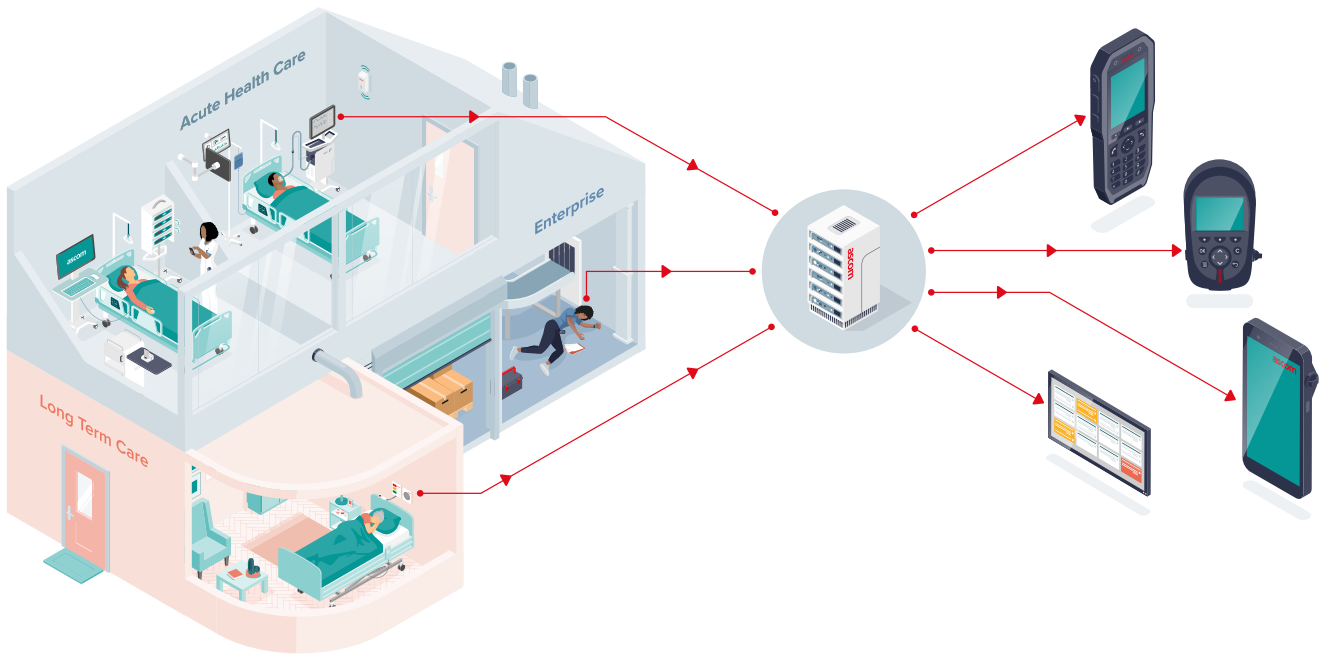
Communication and collaboration solutions form the centerpiece of Ascom's value proposition. It is our ambition to become the backbone of a hospital, acting as the support with which data are generated and converted into insights, workflows are orchestrated, and customers empowered to take the right action at the right time. In doing so, Ascom creates better outcomes for all its stakeholders – patients, caregivers, staff, customers, and partners.

Our products and solutions

Ascom uses its unique products and solutions and software architecture capabilities to devise integration and mobilization solutions to improve workflows for our customers.

Nurse call systems	Software	Mobile devices	Services
Telecare IP **Telligence**	**Digistat software suite** **Unite software**	**Smartphones** **DECT and VoWiFI** **Pagers**	**Consulting services** **Implementation and training** **Support and maintenance**

Healthcare: we support healthcare workers to manage patients conditions and interventions by making the invisible patient visible. Ascom provides advanced nurse call solutions and integrated medical devices and sensors to proactively manage patients.

Enterprise: we manage workforce safety and critical alarms in different situations and make the remote worker and situation visible. Ascom provides voice and collaboration solutions to respond to emergencies and critical alarms, to proactively manage situations.

Sustainability driven solutions

People around the world trust the quality of Ascom's solutions and products. It is this sense of responsibility that accompanies us in our daily business activities and motivates us to give our best every day.

Our products help our customers with their own ESG ambitions, by:

- Improving operational efficiency
- Ensuring data protection
- Higher satisfaction, health, and safety for staff.

Changes to product design and innovation processes take time to implement. They are significantly influenced by legal regulations, may require adjustments in the choice of producers, can be cost-intensive or may have a significant impact on production costs.

However, we are convinced that sustainable products offer our customers added value. For this reason, in 2024, we will continue to work on the following product-related topics:
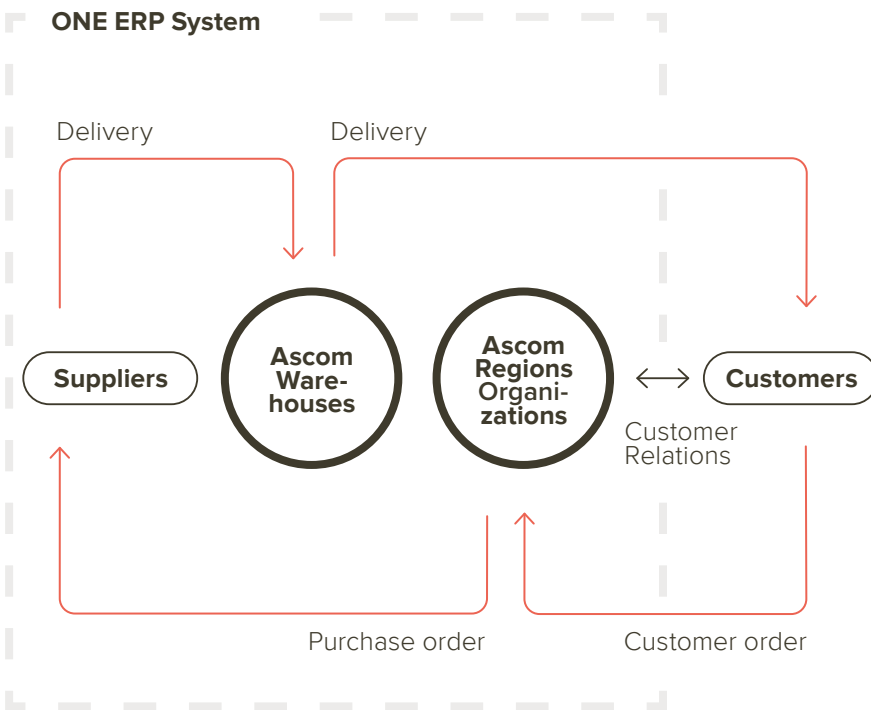
- Energy consumption: how can we the energy consumption of our products?
- Eco-friendly materials: how can we increase the use of environmentally friendly materials?
- Packaging: how can we reduce packaging material or use more sustainable materials?
- Waste: how can we make repair services more accessible and thereby reduce waste of products?

Responsibility along the entire value chain

We take our responsibilities seriously along our entire value chain. We procure worldwide, and all our suppliers must meet high standards in business ethics, environmental behavior, and labor welfare.

Our supplier management follows clear quality and sustainability standards. We choose our suppliers very carefully, assessing them based on environmental and social criteria such as working conditions or their use of natural resources. We have a zero-tolerance policy for forced and child labor. Suppliers are asked to commit to Ascom's Code of Conduct and Supply Policy, which include rules on social and environmental responsibility. We monitor business relations every quarter for Class 1 suppliers and every year for all other suppliers.

Ascom Supply Chain

ONE ERP System

Delivery   Delivery

Suppliers   **Ascom Warehouses**   **Ascom Regions Organizations**   ⟷   Customers

Customer Relations

Purchase order   Customer order

Our supply chain is based on a harmonized, customer-driven ERP solution from order to delivery. Deliveries are managed via two centralized distribution centers in Sweden and the USA.

To ensure sustainable supply chain management, close cooperation with our suppliers is crucial. Ascom pursues a structured supplier policy. We maintain a list of certified suppliers. A prerequisite for being classified as a preferred first-tier supplier is a due diligence of their operations. A sustainability addendum is an integral part of our contracts with first-tier suppliers. In it, they must confirm that their business activities do not conflict with our supplier policy and that they comply with all applicable laws and regulations as well as the key principles of the UN Global Compact. Furthermore, through the Ascom Supplier Code of Conduct, our suppliers are required to demonstrate a high level of environmental protection in their sourcing, manufacturing, and transport activities or to ensure compliance with internationally recognized environmental management systems. As part of its supply chain process, Ascom also tracks the energy consumption of electronic manufacturing services (EMS) suppliers and records Ascom's share of the total activity.

Ascom requires all Class 1 and Class 2 suppliers, which include EMS suppliers, to be certified per ISO 14001 or a similarly recognized certification. Class 1 and 2 suppliers account for 93% of the materials supplied by Ascom. Class 1 suppliers are Electronic Manufacturing Service (EMS) suppliers that deliver Ascom products per Ascom specifications. Class 2 suppliers deliver components, which affect how Ascom products work, per Ascom specifications such as displays, PCBs, plastic parts, keypads, specific electronic components (customized electronic parts, designed electronic parts, safety critical parts and suppliers of third party products qualified as finished Medical Devices).

In 2023, we elaborated an expanded audit plan enabling us to assess the ESG performance of our suppliers. Ascom conducted two specific environmental audits in conjunction with traditional auditing of our EMS suppliers. With this knowledge, we now specify our requirements for suppliers and include ESG auditing in all our Ascom audits.

In addition, we will continue to adapt global supplier policy to include further ESG criteria and supply requirements.

For 2024, we will develop a centralized and group-wide emission reporting system for business travel and inbound/outbound supply chain transport. One major step is to implement and evaluate the full effect of moving from air transport to maritime transport where applicable. We continuously produce analytical data on the best ways to manage and reduce our carbon footprint.

Integrating environmental strategy

Our Environmental Management System is a framework that helps us manage our environmental impact and improve our environmental performance. Based on ISO 14001 requirements, we have defined our environmental policy, identified the environmental aspects and impacts, established objectives and targets, and implemented activities to achieve these objectives and targets.

The environmental policy is a statement that outlines Ascom's commitment to environmental protection and sustainability. It has been communicated to all employees and stakeholders and is reviewed periodically to ensure its continued relevance and effectiveness.

To define environmental aspects, we need to identify those activities, products, and services that have an impact on the environment and assess the significance of this impact. This information is used to establish objectives and targets for improvements in environmental performance.

The implementation of programs to achieve these objectives and targets involves the development of procedures, work instructions, and other documentation to ensure that environmental objectives are met. This includes training employees, monitoring and measuring environmental performance, and conducting periodic reviews to ensure the effectiveness of the Environmental Management System.

The Environmental Management System has been harmonized with our Integrated Ascom Management System in cases where further management systems have been considered, such as a reliable and effective quality management system and an information security management system.

By promoting an Integrated Ascom Management System, we can ensure that Ascom's processes and technologies comply with local laws and environmental standard requirements.

Ascom complies with the EU Regulation on Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) and the EU Restriction of Hazardous Substances Directive (RoHS). We require our suppliers to reduce their impact on the environment by implementing environmental management systems and keeping themselves informed about substances and materials that could harm people and the environment.

Selected products have been tested by our Notified Body and found to be compliant with the Regulation on equipment, protective systems or components intended for use in potentially explosive atmospheres (Directive 2014/34/EU).

Ascom's most important certifications

- ISO 9001: Quality management system
- ISO 13485: Research and development sites for medical devices.
- MDR 2017/745 (Medical Device Regulation). Ascom is certified for its Class IIb medical devices such as Digistat Care, Unite Connect for Clinical Systems and External Input Module.
- ISO 14001: Key sites have been selected for external certification of the environmental management system, including our two largest sales and service locations in Gothenburg (SWE) and Utrecht (NL), as well as our distribution center in Herrljunga (SWE).
- ISO/IEC 27001: International standard for information security, which defines the specifications for an information security management system (ISMS).

Externally certified ISO management system standards

Type of certification	Number of sites[1]	Year of initial certification
ISO 9001 – Quality management	23	2009
ISO 14001 – Environmental management	6	2009
ISO/IEC 27001 – Information security management systems	4	2019
ISO 13485 – Medical devices – Quality management systems	6	2012
ISO 20000-1 – IT service management	1	2021

[1] Some sites are certified to several standards.

Ascom is going to step up to the newest version of ISO/IEC 27001:2022 with the certification in 2024. At the same time, the audit scope will be extended to additional sites and include cloud services with ISO/IEC 27017 and 27018.

Ascom Environmental Policy

Clauses in the Environmental Policy	Roadmap 1. Material Efficiency	Roadmap 2. Energy Efficiency	Roadmap 3. Business Traveling	Roadmap 4. Supplier Due Diligence	Monitored Environmental Indicators
To be economical with raw materials and energy, and to minimize consumption of non-renewable sources of materials and energy.	✓	✓		✓	✓
To minimize negative environmental impacts and to strive for continuous improvements in our products and their impact in the environment throughout their life cycle.	✓	✓	✓	✓	✓
To increase awareness of environmental aspects among all employees and help employees carry out their responsibilities in an environmentally responsible way.		✓	✓		✓
To involve our suppliers to implement consistent environmental requirements.				✓	✓
For sites subject to the Environmental Management System certification: To maintain and continuously improve the Environmental Management System to ensure that we meet or exceed legal and other environmental requirements, and that we consider the needs and expectations of interested parties as well as internal and external issues.	✓	✓	✓		✓

Governance through vigilance

Like any other company, Ascom is exposed to a variety of financial and non-financial risks, including sustainability risks, that are directly related to our business activities. Risk management is therefore an integral part of our corporate governance. It is integrated into the general risk and control framework of the business processes.

The risks identified by Ascom are based on an annual risk mapping analysis and are analyzed in terms of probability of occurrence and potential impact. Where possible and appropriate, the consequences of the identified risks are quantified, considering the frequency of impact and measures already implemented; otherwise, a qualitative assessment is used.

Risks are monitored centrally by the Group's finance department, to ensure an objective assessment and to identify potential risks in operating processes and control systems. The Board of Directors regularly reviews the Group-wide risk assessment and defines suitable risk mitigation measures.

Overview of the Ascom Risk Management Process

- Risk identification: Identification and assessment of the most important corporate risks, categorized into external, strategic, operational, and financial risks, that could impact Ascom's business development, and in-depth discussion between the Executive Committee and the Board of Directors on a regular (annual) basis.

- Risk analysis: Assessment of specific business risks within the Ascom Group and analysis of possible changes in individual risk categories. Assessment of the probability of occurrence using a scale from 1 to 4 (1 = unlikely, less than once in five years, 4 = very frequent, more than once a year). Assessment of the impact of risks on financial performance based on EBIT from 1 to 4 (1 = marginal, less than CHF 0.5 million, 4 = critical, more than CHF 5 million). Assessment of the impact of risks on the company's reputation from (1) no impact to (4) extremely high.

- Risk management: Instruments, measures, and responsibilities are defined and regularly reviewed for each risk and risk category (usually in the second quarter of each financial year).

- Risk monitoring and reporting: Risks are evaluated, presented, and approved by the Executive Committee, regarding frequency and the financial impact, probability of occurrence, and their impact on the Company's reputation. Risks are continuously assessed throughout the year and findings are reviewed annually by the Audit Committee.

- Further information on Ascom's risk management, its most important corporate risks, and detailed information on cyber security and data protection can be found on page 69 of the Corporate Governance Report and in the notes on the Consolidated Financial Statements on page 126 of the Annual Report 2023.
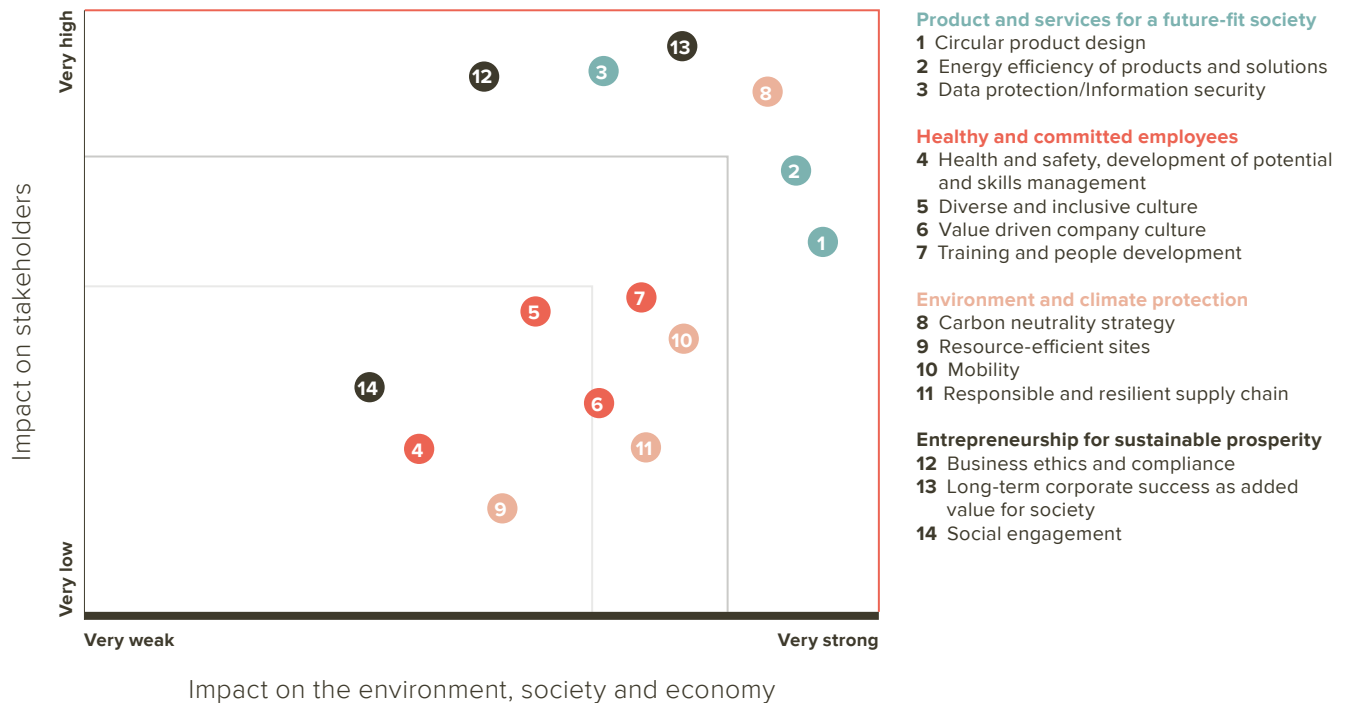
- See also https://www.ascom.com/investors/reports-and-presentations/

Ascom's material sustainability topics

As an information and communication technology (ICT) company operating in the healthcare industry, there are both opportunities and risks associated with sustainability. Balancing these opportunities and risks requires a strategic and holistic approach to sustainability. At Ascom, we believe that considering environmental, social, and governance (ESG) factors in our decision-making processes creates long-term value for both the business and society.

The central pillars are the material areas of economy, ecology and social affairs as well as a modern and future-oriented understanding of good corporate governance, to which the material topics of Ascom listed below are assigned.

These four areas of activity are closely linked to the development of an integrated management system (IMS) in the areas of environmental and energy management, quality management and occupational health and safety management.

Ascom's materiality matrix shows which topics are relevant for us and our stakeholders. The matrix forms one of the sources for our sustainability strategy and sustainability reporting. Ascom carried out its materiality analysis for the first time in 2021. It is reviewed once a year and refined and adapted if necessary. In 2023 we integrated climate-related risks. We applied the dual materiality approach and reassessed the relevance of the impact on sustainable development as well as the relevance for Ascom's corporate success. The final matrix was subsequently approved by the Executive Committee and the Board of Directors.

Product and services for a future-fit society
1 Circular product design
2 Energy efficiency of products and solutions
3 Data protection/Information security

Healthy and committed employees
4 Health and safety, development of potential and skills management
5 Diverse and inclusive culture
6 Value driven company culture
7 Training and people development

Environment and climate protection
8 Carbon neutrality strategy
9 Resource-efficient sites
10 Mobility
11 Responsible and resilient supply chain

Entrepreneurship for sustainable prosperity
12 Business ethics and compliance
13 Long-term corporate success as added value for society
14 Social engagement

A tradition of responsibility

Ascom introduced a comprehensive Code of Business Conduct as early as in 2003. Since 2005, we have been committed to RoHS Directive (Restriction of Hazardous Substances). Ascom's environmental management system is well established and was introduced in 2009 at its Swedish sites.

In our Annual Report 2010, we reported on ESG aspects for the first time. Since 2013, Ascom has been registered to the EcoVadis rating platform. Since 2015, we have maintained EcoVadis gold status for our largest distribution center in Europe, located in Sweden.

Sustainability at Ascom

Environmental	Social	Governance
2019 Gothenburg site procured 100% renewable energy for its operation	**2023** Ascom US listed in Newsweek Top 100 Most Loved Workplaces 2023	**2022** MDR (EU Medical Device Regulation) Certification
2016 ISO-13485 Medical devices quality management system	**2019** Female Talent Workshop	**2019** European General Data Protection Regulation (GDPR)
2010 Member of UN Global Compact	**2009** First Employee Survey	**2015** EcoVadis Gold Rating for Ascom Sweden
2009 ISO-140001 certified – Environmental management system	**2009** Launch Talent Development Program (TDP)	**2013** Internal Whistleblower Channel
2009 ISO-9001 certified - Quality management system		**2011** Ascom Sustainability Directive
2005 RoHS Directive (Restriction of the use of Hazardous Substances)		**2010** First Sustainability Report as part of the Annual Report)
		2003 Ascom Code of Ethical Business Conduct

Anchoring sustainability in our business activities

Ascom is committed to investing in and improving environmentally friendly products and work processes, raising our profile as a socially responsible employer, and ensuring transparent and sustainable policies and governance for all our stakeholders.

In 2022, the Executive Committee defined our sustainability goals: to become carbon neutral by the end of 2040 and to achieve a strong ESG rating, benchmarked in our industry. Based on these overarching goals, we have defined focus topics that we believe have the most impact on reducing our CO_2 emissions (environment) and achieving strong improvements in social and governance matters.

Ascom's focus areas in ESG:

Environment
Products
& Manufacturing
Logistics
Facilities
IT Infrastructure
Transport

Social
Diversity, Inclusion,
Equity & Belonging
Working Environment
Talent Management
Health & Safety
Employee Engagement
Learning & Development

Governance
Policies
Brand & Culture
Information Security
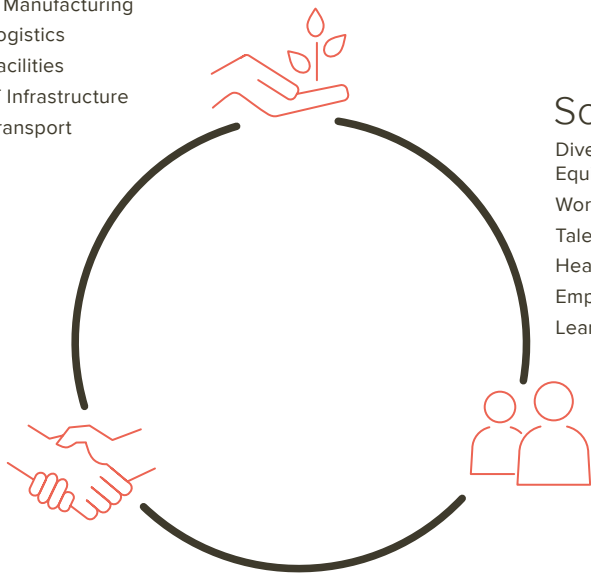
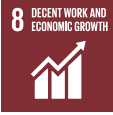All of this is based on the corporate strategy, the Ascom Code of Conduct (dated January 1, 2021), the Ascom Environmental Policy and the Sustainability Development Goals defined by the United Nations (SDGs).

Commitment to the UN Sustainable Development Goals

Ascom has aligned its business with the UN Sustainable Development Goals (SDGs). We see our greatest impact potential in our core business, and we focus on eight SDGs that we consider to be particularly relevant to us.

Low Impact

Medium Impact

High Impact

1

17

11

7

16

6

14

2

15

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

13 CLIMATE ACTION

4 QUALITY EDUCATION

3 GOOD HEALTH AND WELL-BEING

5 GENDER EQUALITY

10 REDUCED INEQUALITIES

SDGs	UN description	Ascom's actions
3 GOOD HEALTH AND WELL-BEING	**SDG 3 Good Health and Well-Being** Ensure healthy lives and promote well-being for all at all ages	■ Provide safe working conditions ■ Support flexible working options in terms of location and time
4 QUALITY EDUCATION	**SDG 4 Quality Education** Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	■ Provide talent development programs ■ Ensure competency-based, individualized development ■ Providing individualized up- and reskilling training programs
5 GENDER EQUALITY	**SDG 5 Gender Equality** Achieve gender equality and empower all women and girls	■ Invite diverse talents to apply to our positions ■ Recognize all our existing diverse talents ■ Run regular gender assessments on compensation
8 DECENT WORK AND ECONOMIC GROWTH	**SDG 8 Decent Work and Economic Growth** Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	■ Sustainable growth strategy ■ Ensure compliance and risk management ■ Promote result and output orient- ed management
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	**SDG 9 Industry Innovation and Infrastructure** Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	■ Use new technologies to support innovations ■ Evaluate new solutions to reduce device energy consump- tion
10 REDUCED INEQUALITIES	**SDG 10 Reduced Inequalities** Reduce inequality within and among countries	■ Provide non-discriminatory conditions ■ Ensure equal opportunities and pay through 'objective' decision-making criteria in hiring and promotion decsions
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	**SDG 12 Responsible Consumption and Production** Ensure sustainable consumption and production patterns	■ Strive for efficient use of natural resources ■ Promote waste prevention and recycling in production and by repair services ■ Follow sustainable procurement of products processes
13 CLIMATE ACTION	**SDG 13 Climate Action** Take urgent action to combat climate change and its impacts	■ Work closely with business partners to ensure successful implementation of the sustainabi- lity strategy ■ Provide and increase remote services

Our main ESG achievements in 2023

Setting a new baseline

The ESG action plan in 2023 was refreshed and includes yearly targets that were approved by the Board of Directors. In order to harmonize our data collection process throughout the entire Group, we set a new baseline for the calculation of our emissions in Scope 1, 2, and 3, during 2023. The collection of environmental and social data is based on prioritized fields of the GRI Reporting Standard. Ascom focused on those aspects where we have the most impact in order to strive toward our long-term goal to become carbon neutral while also fostering a work culture rooted in responsibility and belonging.

We set up a new process for the collection of ESG data that is now built on an extended scope for measuring our environmental impact. The data collection followed two main objectives:

- Firstly, to hone our environmental data collection capabilities and continuously increase transparency as regards impacts. Key drivers include process optimization and market requirement monitoring.
- Secondly, to support functions and regions in the definition and implementation of tailored measures to reach the objectives defined by the Board of Directors. Key drivers are data availability and cross-functional collaboration.

The Group-wide collection of environmental data clearly showed us where we can have the most impact and where energy emissions can be reduced most efficiently and continuously. Around 90% of Ascom's total environmental impact is generated from materials used in products, power consumption during product use, and travel.

Stepping up ESG within the whole Ascom Group

At the start of 2023, we designated an ESG Taskforce, a cross-functional global team that drives ESG actions based on the targets set by management. This report provides insights on the ESG activities in 2023. Highlights include:

- We take measurements and analyses of energy consumption into account when designing our software products.
- We centralized and combined different transportation and flight systems to measure the CO_2 emissions in our supply chain.
- We aligned processes to increase remote service offers and reduce material consumption in product repairs.
- We fostered our culture by repositioning our brand with new vision, mission and values.
- We launched a new intranet to strengthen cross-functional and cross-regional communication and culture.
- We promoted further personal development through a designed leadership program and training sessions.

The ESG project streams we started in 2023 will continue in 2024. This year, we will focus on key areas where we have the most environmental impact, by reducing carbon emissions in our operations and supply chain and driving employee engagement.

Greenhouse gas balance sheet driven by Scope 3 emissions

Ascom's ambition is to become carbon neutral by the end of 2040. Our activities in sustainability are geared towards this overarching goal and are aligned with the consistent implementation of our holistic corporate development strategy. In 2023, we focused on the implementation of some key measures to reduce Ascom's environmental impacts and work on a new set-up for Greenhouse Gas (GHG) emissions accounting.

Overview of GHG Protocol scopes and emissions across the value chain
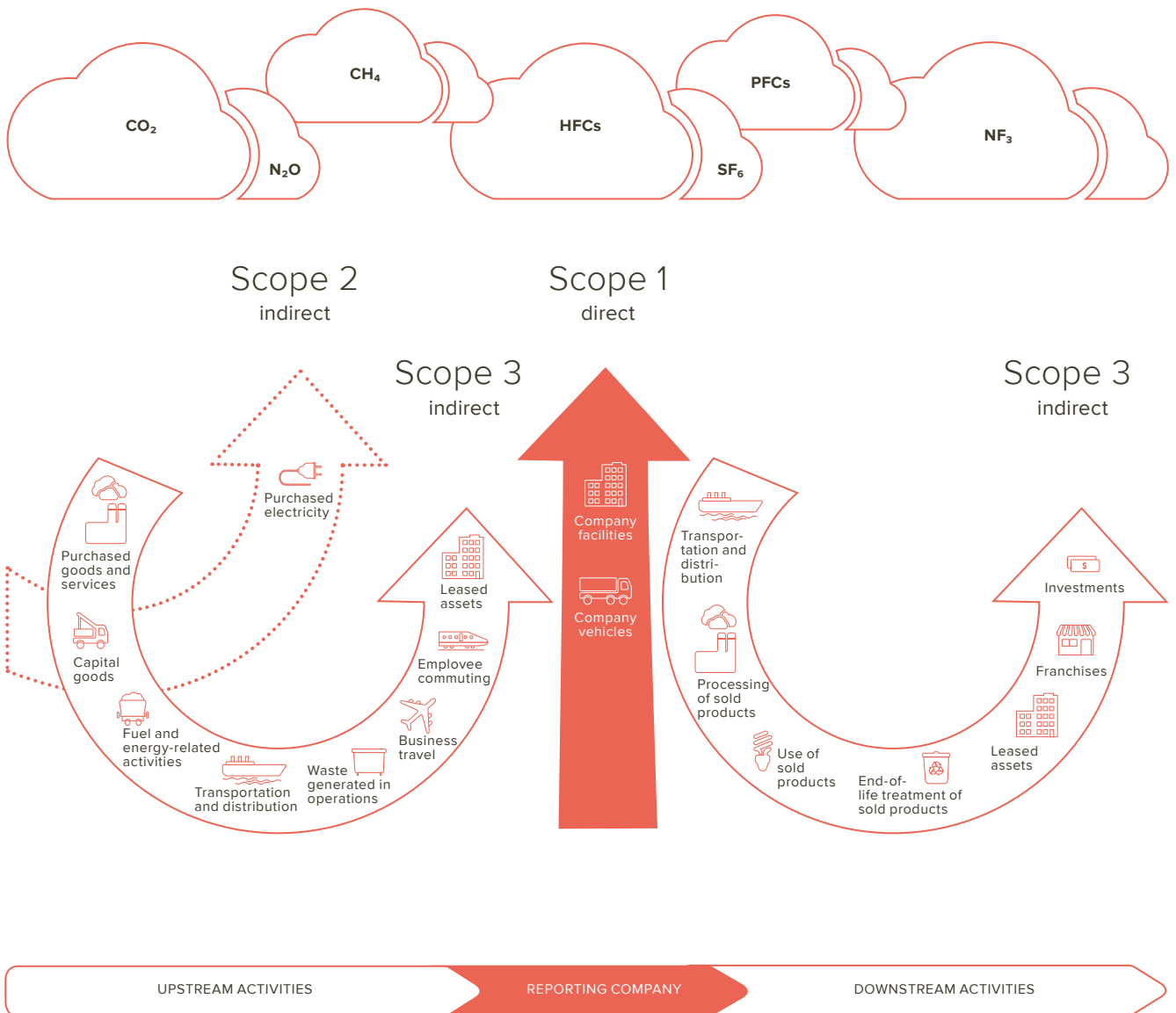
Source: GHG Protocol's Technical Guidance for Calculating Scope 3 Emissions, p. 6.
https://ghgprotocol.org/scope-3-calculation-guidance-2

Greenhouse Gas Emissions 2023

The overview of our greenhouse gas emissions helps us to identify key action areas and take targeted and effective measures. The calculation shows that most emissions were generated through transport and mobility: 38.5% came from the transportation of our products between our suppliers and Ascom's warehouses, and 46.5% from our employees' business travel (by plane and car).

Another 9.7% stems from purchased electricity. However, these emissions were calculated with the location-based method. Therefore, "green" electrical products with lower emission values are not taken into account.

Ascom Group GHG Balance Sheet 2023

Greenhouse Gas Emissions[1]	Unit	Total
Total Scope 1 Emissions	**tCO2e**	**988**
Heating oil and natural gas	tCO2e	90
Own and leased vehicles	tCO2e	898
Total Scope 2 (location-based) Emissions	**tCO2e**	**466**
Purchased electricity and electricity consumption of own/leased electric cars	tCO2e	466
District heating and thermal power[2]	tCO2e	n/a
Total Scope 3 Emissions	**tCO2e**	**3,346**
Fuel- and energy-related activities (not included in scope 1 and 2)	tCO2e	29
Upstream transportation and distribution[3]	tCO2e	1,849
Business travel[4]	tCO2e	1,468
Total Scope 1, 2 (location-based) and 3 Emissions	**tCO2e**	**4,801**

[1] The GHG balance sheet covers approximately 96% of all employees. Not included are the offices in Austria, Dubai, Malaysia, Romania, Saudi Arabia and Singapore.
[2] Emission factors not available and therefore not included in GHG accounting.
[3] Transportation services of main logistics providers from suppliers to Ascom warehouses.
[4] Business travel with private cars and airplanes.

Reconfiguring our GHG accounting

One focus area of our sustainability management in 2023 was the development of a new data collection and calculation process. The data collection process was expanded regionally: Ascom is present in 19 countries and has 30 physical locations (with four warehouses) and five virtual offices. Some locations, including all virtual offices, are not included in the greenhouse gas footprint (see footnote 1 of the GHG calculation).

Emissions

Scope 1 20.6%

Scope 3 69.7%

Scope 2 9.7%
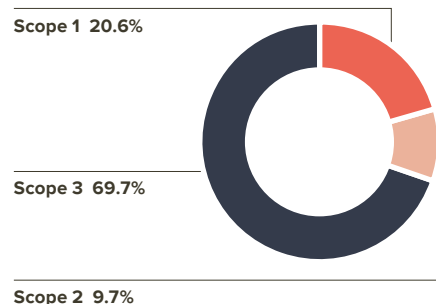
For the data collection, we focused on those areas where we were able to collect good-quality data. The data measured are:

- Electricity consumption and heating for office facilities and warehouses
- Business travel by plane
- Logistics: transportation (plane, boat, and trucks) from the producer to the regional warehouses
- Mobility/Fleet: mileages driven by car for business purposes.

Data were collected for the period from January to August 2023 and extrapolated linearly on this basis. In case of minor gaps, conservative estimates were made. In case this was not possible, the corresponding emission source was not included in the greenhouse gas balance.

With regard to our GHG accounting, 2023 was a year of rebaselining and reorganization. Therefore, the disclosed emissions are not comparable to the reported emissions for 2022. We strive to close gaps, expand the disclosed sources of emissions (particularly in Scope 3), enhance data quality, and make agreements with external partners to obtain relevant data from them in good quality.

From previous analysis, we know that the bulk of Ascom's GHG emissions occur in Scope 3. Of particular significance are the emissions generated during the production of the materials in our products and those that occur during the use phase of our products. Ascom is committed to analyzing both aspects in the future, based on newly evaluated ways and methodologies for measuring the energy consumption of our products, as well as emission sources from raw materials to end-of-life in order to better understand the activities through which we can influence the GHG emissions in Scope 3 most efficiently. As those evaluations are still ongoing, we decided to exclude them from the 2023 reporting, but plan to include the emissions of materials used in products as well as product power consumption in next year's calculation.

Committed to the principles of the GHG Protocol

Ascom is guided by the principles of the GHG Protocol: relevance, completeness, consistency, transparency, accuracy, conservativeness and permanence. In 2023, we took further measures to better comply with these principles in the future. With the new baseline and data collection process, we have significantly improved the internal and external transparency, laid the groundwork for consistent reporting over the coming years, and upheld the principle of conservativeness in order to completely report emissions for all included locations. As stated, we are also working on various measures to further improve the relevance, for example by extending the measurements of scope 3 emissions.

Ascom strives to make further improvements by way of more regular data measurements and higher-quality data, as well as increased transparency and completeness when reporting on greenhouse gases, their sources, and the effectiveness of the measures we have taken.

Our environmental focus topics

Innovation and product design

Energy-efficient products offer value to customers by helping them to achieve their sustainability agenda. Sustainability is an integral part of Ascom's design and development of products, solutions, and innovations. For us, the biggest potential in terms of reducing energy consumption and embedded carbon lies in the consolidation or replacement of product components and the reduction of server hardware deployed on shared infrastructure. Our customers will thus benefit from lower energy consumption, better longevity for our products, and less space required for server hardware on site. In 2024, we will extend our measurements of the energy consumption by our software applications and look for new opportunities and criteria to reduce the energy consumption of our hardware devices.

Production and packaging

Ascom strives to minimize the emissions of the materials used. We consider our emissions from the perspective of an overall solution, not just from an individual product. As part of the innovation process for new products, Ascom has implemented a standard procedure that uses a questionnaire to gather ESG information from business partners, which is used when selecting new suppliers, developers, or manufacturers. The questionnaire covers all ESG areas: environment (e.g. energy consumption for new products), social (e.g. labor practices) and governance (e.g. anti-corruption).

We make sure that the primary material and packaging of our products is as environmentally friendly as possible. We eliminated styrofoam from our packaging in the first quarter of 2021. We analyze the use of recycled materials for molds of equipment and for packaging. The outer product packaging for all product lines is made of cardboard. For most primary packaging, we are continuously replacing foam with densely compressed cardboard. For all new products for which we develop packaging, we aim to continuously increase the use of packaging from recycled sources only. We are convinced that Ascom can further reduce CO_2 emissions in packaging, by both reducing packaging material and using environmentally friendly materials.

Remote Service Support

Ascom has infrastructure in place to provide remote support to our customers in the case of unexpected system events. This gives customers the advantage of receiving a solution faster and in parallel cutting costs. At the same time, it also prevents vehicle emissions due to the travel time of the service technicians. In addition, Ascom stepped up the conversion of its vehicle fleet to electric vehicles over 2023.

Ascom is therefore continuously expanding its range of remote support services. In 2023, 14% of unplanned events globally required travel to the customer's location. For example, in the UK, remote resolution of customer issues increased from 61% in 2017 to 92% in 2023; in Sweden, 82% of issues were resolved remotely, and in Finland, this was 94%. We are committed to providing remote services in all Ascom countries, exploring the potential of cloud offer or remote deployment, and setting regional targets, while always ensuring Ascom's high quality standards in customer service.

Our goal is to increase the share of remote support. For 2024, we are aiming for 87%, and by 2026 more than 90%.

Product repair services

Ascom has been offering its customers repair services for many years. This has the advantage of both extending the service life of the product or system, therefore saving costs, and preventing emissions by way of repairing defective devices instead of replacing them. The total repair volume decreased by 6.5%, from a volume of 84,625 repair equivalents in 2022 to 79,176 repair equivalents in 2023. The main reason for the lower volume is the introduction of a new series of hardware components, mainly in the area of mobility.

With regard to Ascom's strategic long-term sustainability goal, we expanded the measurement of energy consumption of hardware repair in 2023 and looked for new opportunities and criteria to reduce energy consumption. We see the potential for reduced energy consumption in the newly developed repair standard, which will be introduced in 2024 in order to reduce the number of product components used in the repair service. The lower amount of raw materials used for repairs compared to new sales leads to an annual saving of 176 tons of CO_2.

Facilities

The energy consumption of our buildings account for 3% of our total carbon footprint. We promote the use of renewable energy wherever possible, especially at sites owned by Ascom. 30% of Ascom-owned or rented buildings use renewable energy sources for electricity or heating. In Gothenburg (Sweden), one of our biggest sites, we achieved 100% use of renewable energy sources.

IT infrastructure

Migrating from on-premises to cloud services can lead to carbon and energy efficiency improvements. In 2023, we initiated a project of measuring and analyzing the energy consumption of our on-premises hardware, with a view to reducing or replacing on-premises hardware with more energy-efficient infrastructure. This project entails a 3-year replacement plan for our IT equipment.

Waste management

Improving waste management is a continuous ambition for us. The biggest way in which we can reduce waste is by limiting how often are devices are disposed of. We are continuing our efforts to increase the number of product repairs. As part of this, we will extend our repair portal to all Ascom regions in 2024.

We comply with all relevant legal requirements for the management of electronics and packaging, including applicable fee structures in national markets. In this way, we contribute to the safe disposal and recycling of waste.

An important element of our waste management approach is to avoid and reduce waste as much as possible, as part of a resource-conserving circular economy. Waste is primarily sorted in order to recycle the major portions of it such that as little as possible has to be incinerated or sent off to landfills. This approach has been already implemented at some locations. A more systematic collection of data for the entire Group is planned for 2024.
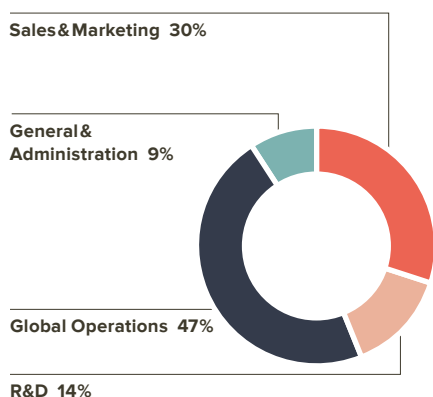
We care for people

The path to becoming a sustainable company is a process of transformation. This can only succeed if it is supported by all our employees. A clearly defined brand profile is important to create a shared understanding of what we are striving for, why, and how we want to achieve our goals. We are keenly aware of our responsibility for what we do and the consequences of this as part of this brand positioning.
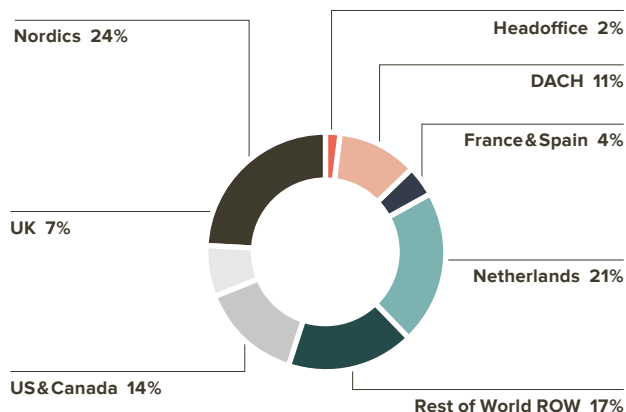
In 2023, we sharpened and refocused Ascom's brand positioning. In 2024, we will initiate various actions to anchor the new vision and mission internally and make sure that all employees know the brand values and what they stand for.

On 31 December 2023, Ascom employed 1270 full-time employees and 185 part-time employees (1403 FTEs). Our employees are spread across 19 different countries. At Ascom, we see the resulting diversity of cultural backgrounds as an enrichment for our corporate culture, as well as a boost in all areas of our business activities.

Employees by functions

Sales & Marketing 30%
General & Administration 9%
Global Operations 47%
R&D 14%

Employees by regions

Nordics 24%
UK 7%
US & Canada 14%
Headoffice 2%
DACH 11%
France & Spain 4%
Netherlands 21%
Rest of World ROW 17%

Bringing data to life
Ascom turns data into insightful information for people in the toughest operational environments, improving everyday decision-making.

Our vision:
A world where the right information moves people forward.

Our mission:
We put the right information in the right hands at the right time, and help people to make the best possible decisions.

Our values:

- **Customer focused:** Focusing on our customers always is and has always been our highest priority. Once we fully understand each customer's environment, challenges, and needs we create solutions that will lead them to success.

- **Innovative:** We believe that innovation and improvement always starts with understanding our customers' needs. We build our systems and platforms on global, open, and flexible architectures – which means we can update and tailor all our solutions to evolving demands.

- **Dedicated:** We walk the extra mile to ensure that people using our products can make the best decisions possible. We care about the well-being of our customers, colleagues, society, and the environment.

- **Connected:** We bridge information gaps to always enable customers and employees to collaborate and perform at their best.

In 2024, we will embed our vision, mission, and values in the company. Working on our participative corporate culture, we will initiate various actions to anchor the new brand positioning internally and to make sure that all employees know the brand values and what they stand for.
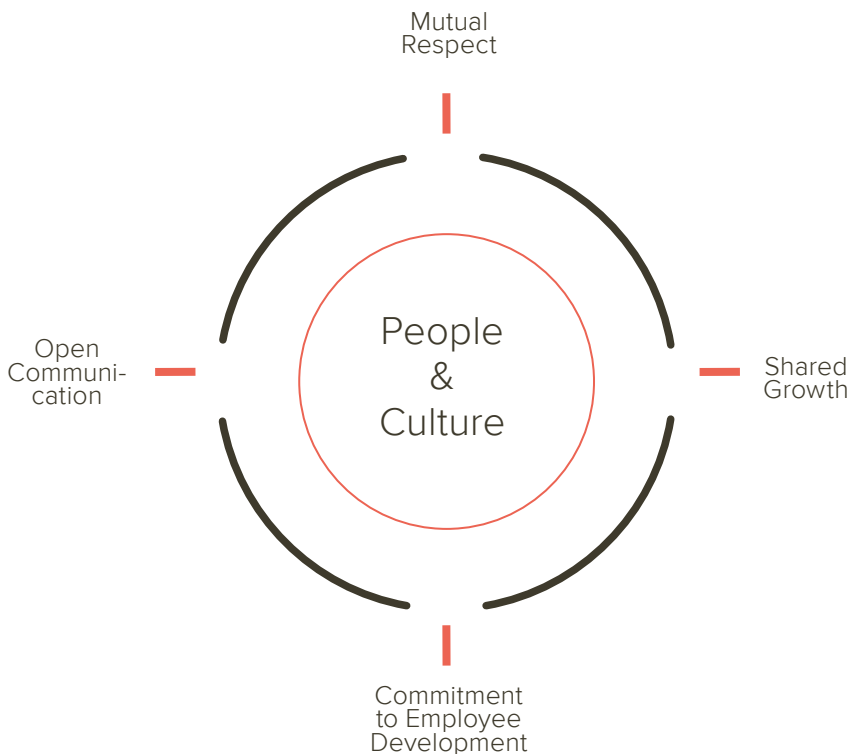
Employee engagement

We involve our employees in the strategic direction of the company, promote an open, fair, and safe working environment, encourage, and facilitate lifelong learning, and endeavor to promote them from within. We wish to keep improving and developing this approach.

Employee engagement is strongly linked to open, transparent, and regular communication from management to the employees as a key for reliable performance, and a sense of belonging to Ascom as a whole.

- As well as regional CEO Town Hall Meetings, we hold an internal "Ascom All-hands Call" every toher month; this is an online meeting that provides an excellent platform for the CEO and upper management to share the strategy and business updates with all employees. The online calls are well established within the organization, attended "live" by more than 75% of all our employees, and remain available as recorded files on our intranet. They also provide a platform for employees to share their success stories.
- In "Hello from the CEO"- Video Messages, Nicolas Vanden Abeele regularly shares information with all employees. This format is established and appreciated by the employees.
- In addition to this group communication, the regional managing directors communicate with their employees in various events and formats.
- In 2023, Ascom launched a new intranet that encourages regions, functions, and every employee to share content, opinions, and news. This again strengthens the feeling of belonging to one group.

For new joiners in particular, these communication platforms are important to feel embedded in the organization as quickly as possible. In 2024, we will focus on better onboarding, creating communities, and engaging in more varied ways with our new joiners.

Employee Engagement Survey 2023

In 2023, like in 2021, Ascom conducted an employee engagement survey. The survey was conducted throughout the company in the main national languages.

Compared to 2021, the participation rate increased by 5% to 74% and the engagement score by 9% to 64%. Compared to 2021, 13% more employees feel prepared for the challenges ahead.

Our employees submitted over 3,000 suggestions for improvement. Thorough action plans have been created and followed through on a global, regional, and departmental basis to ensure that the results of the survey are actioned on to make improvements. In 2024, we are launching more training and development opportunities, inspiring a more positive solidified culture, and improving communication on both a top-down and horizontal basis. Regional and departmental actions are more specific due to the needs and concerns of those specific employees.

In 2024, we will also focus on developing further succession and career path planning. We will also conduct another Employee Engagement Survey in the second half of 2024, along with a smaller pulse survey in the first half of the year. These surveys aim to create and implement actions that address employee concerns, and to track progress on the differences we are making.

64%
Engagement score

74%
Participation rate

71%
Satisfaction

Focus on new joiners
One of our focus areas in 2024 is to integrate new employees into the organization as quickly as possible and create opportunities for them to help shape our culture as quickly as possible. We will therefore continue to improve our onboarding process, create communities and engage more actively with our new employees in a variety of ways. With these and other measures, we believe that we can further reduce the employee turnover rate, which stood at 8.4% at the end of 2023, a significant improvement on the previous year (2022: 15.8%).

Working environment
At Ascom, we believe that a good working environment has a positive impact on employee satisfaction and productivity. We strive to create an attractive and inclusive working environment where employees can grow and realize their full potential. Two of our largest offices, in Utrecht (NL) and Gothenburg (SE), have been or are currently being renovated. They now offer a modern and friendly atmosphere. Ascom also continues to offer employees the option of combining remote work, and physical presence in the office, where jobs allow for it. At the end of 2023, the number of employees working entirely remotely was 79, which corresponds to 5.4%. Every employee (except for field staff) has access to hybrid work, allowing them to benefit from a more accommodating work/life balance.

Talent management
Regular performance reviews allow us to reflect on employees' personal goals, development, performance, and behavior. Our "Skills & Competencies" initiative and its combination with our performance management process, skills pools, and succession planning ensure that our talent management is more flexible.

Learning and development

Ascom makes a point to continuously drive employee development at all levels, helping them to best rise to the daily challenges of their work. Ascom offers a range of different training courses, and supports customized learning opportunities for all employees.

Our very own Ascom Academy provides internal learning and training programs to our employees. In 2023, we broadened further the Ascom Academy learning paths (technical / non-technical paths) and implemented key technical learning paths for our R&D employees. We targeted having 75% of employees with defined development actions. By the end of 2023, 89% of employees had been assigned to their respective learning paths.

In 2023, 6,949 courses were completed. 1,116 employees took part in courses available at the Ascom Academy. On average, almost 5 courses were completed per Ascom employee.

The Academy will be further enhanced in 2024 to offer even more training programs and learning pathways. These sessions will be delivered either on site or as eLearning modules and webinars. We want to promote eLearning & webinars in particular this year to help cut down on unnecessary travel as part of our push to achieve our sustainability goals.

Health and safety

The health and safety of our employees is a key priority for Ascom. We take all necessary precautions to prevent illnesses and accidents of our employees and take regional circumstances and country-specific legal requirements into account. Work processes are continuously reviewed to be able to eliminate possible risks quickly. We regularly analyze accident occurrences at Ascom.

We offer related training, provide working equipment to reduce accidents, and increase our managers' awareness of topic-related information. Additionally, we consider how we can benefits to well-being where applicable. This can be seen in our 2023 Benefits Review where we introduced benefits such as a sports allowance, medical insurance increase, and annual leave increase. In 2023, the Group-wide weighted absences stood at 2.72%.

6,949
courses were completed

1,116
employees took part in courses

Diversity and equal opportunities

Ascom believes in the added value of a diversified workforce. We are committed to equal opportunities for all employees, and subscribe to the idea of diversity, inclusion, equity, and belonging (DIEB). To this end, all employee remuneration is based on their performance. We do not tolerate any forms of harassment.

We strictly reject all forms of discrimination against employees based on gender, race, disabilities, ethnicity, sexual orientation, political affiliation or religion. Ascom is committed to addressing and resolving all kinds of discrimination. Incidents of discrimination are followed up through formal procedures.

In 2023, we initiated several activities to increase internal awareness of our DIEB policy, and we adapted our recruitment policy to have a stronger focus on diversity. We offered training to hiring managers on DIEB and implemented equal pay. In 2024, various initiatives will focus on attracting more women, particularly in technical and managerial positions.

23% of our employees are female. 22% of the management positions are held by women. By the end of 2023, 17% of technical positions were held by women. This represents an increase of 4.5% compared to 2022. The overall significantly higher proportion of male employees is not unusual for technology companies. We will continue to work over the coming years to attract and promote more female employees.

Human rights, child labor and freedom of association

The Ascom Code of Conduct, which is mandatory for all roles in all locations, requires all employees and suppliers to comply with the laws and regulations that apply to their business and sets further requirements that can go beyond these. Ascom maintains collective bargaining aggreements (CBA) in Sweden, France, Italy and Spain.

Our employees are trained in the areas of the Code of Conduct & Compliance. At all locations where Ascom operates, forced, compulsory, or child labor is prohibited. In 2023, Ascom received no indications or reports of human rights violations concerning its entities. Ascom has established structures that guarantee freedom of association and the right to collective bargaining for its employees.

Charity work

Ascom is aware of its social responsibility. Supporting aid organizations has been a matter of course for us for many years. In 2023, we were proud to support UNICEF with a donation to help the most vulnerable in our global society. As an agency of the United Nations, UNICEF works in more than 190 countries to help the most disadvantaged and focuses on issues such as protecting their rights, promoting quality education, and reducing child poverty.

In addition, the regional Ascom organizations have supported a wide range of local charity events and organizations. Two prominent examples would be the Cruyff Legacy charity run in the Netherlands and the Cathedral to Castle run in the UK. For 2024, we have set ourselves the goal of strengthening our commitments with various cross-regional activities so we can make a bigger impact together. It is important for Ascom to involve our employees whenever possible and to support their direct commitment to a good cause. We focus on professional events in the areas of health, safety, and well-being.

Gender in Management Positions

Female 22%

Male 78%
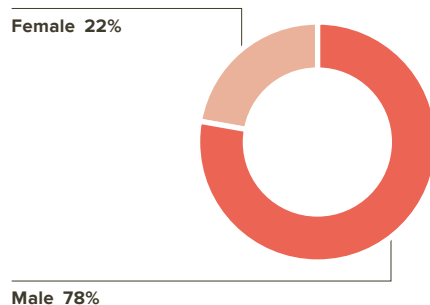
Gender in Tech Positions

Female 17%

Male 83%

UNICEF SUPPORTER
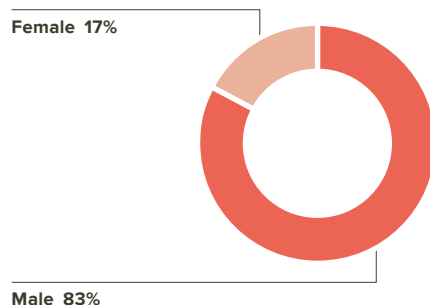
Committed to principles and transparency

As a listed, international company, Ascom is committed to clear corporate governance and transparent reporting. Ascom is governed by a system of Group guidelines and directives covering key areas such as procurement, sales, finance, human resources, legal, ICT, and communications.

The information published in the Corporate Governance Report on page 55 follows the guidelines of the SIX Swiss Exchange on corporate governance standards.

Governance

The Board of Directors and Executive Committee are composed of people who have the necessary expertise and skills as well as the personal prerequisites to manage and further develop a technology company such as Ascom.

All members of the Board of Directors are non-executive and independent members. No member has any significant relationship with Ascom Holding AG and its subsidiaries.

Two-thirds of the Board members have terms of fewer than five years. In 2023, we had no change in Board members. There has been a consistent turnover of the Board of Directors over the years.

In 2023, the Board of Directors comprised 17% female and 83% male members. Ascom's Board of Directors strives to achieve a solid balance in the composition of the members of the Board, in terms of professional qualifications and diversity. When nominating new members to be proposed to the Annual General Meeting, appropriate consideration is therefore given not only to professional qualifications, but also to aspects such as gender representation, international experience, education, and general background experience. See also the Corporate Governance Report 2023, page 64. https://www.ascom.com/about-us/corporate-governance/.

Governance training modules

All Ascom employees must pass an internal training module on the principles of our Code of Conduct. In 2023, we provided additional employee training in the areas of confidentiality and intellectual property rights, anti-trust and corruption, whistleblowing as well as compliance. In 2024, we will continue to enhance our training and communication to raise employee awareness of the principles in our Code of Conduct.

Ascom's Code of Conduct

The Ascom Code of Conduct forms the basis of good governance and contains binding principles for all Ascom locations.

The 10 business conduct principles of Ascom:

- We comply with the law.
- We do not tolerate any form of corruption or bribery.
- We comply with anti-trust laws and conduct our business fairly.
- We follow the rules on insider information and trading.
- We apply the 4-eyes principle.
- We know our business partners and adhere to accounting rules and export restrictions.
- We protect our business property, trade secrets, and personal data.
- We respect others and lead by example.
- We are loyal and avoid conflicts of interest.
- We value the environment, health and industrial safety, and children's rights.

These principles apply to every Ascom employee worldwide. The Code is supplemented by additional corporate directives and guidelines.

Ascom competes for customer contracts based on the quality and value of its products and services. We do not tolerate any form of bribery and corruption, and no employee may offer or grant improper advantages to anyone. Ascom works for anti-corruption, responsible involvement in the public and political sphere, fair competition, respect for property rights, and socially responsible behavior.

In 2023, no fines or non-monetary sanctions for non-compliance with local or international environmental laws or regulations were imposed on Ascom.

Whistleblower channel

Since 2013, Ascom has had a whistleblowing and compliance hotline that employees can use to communicate confidentially. Our intranet offers a simple and anonymous way of reporting. This encourages employees to report actual or suspected misconduct via an anonymous and independent tool. In 2023, Ascom recorded three cases that were resolved.

Information security, cyber security and data protection

As a global provider of mobile workflow solutions, Ascom ensures reliable communication of highly sensitive data.

Ascom is ISO/IEC 27001 certified as of 2019 and has implemented an Information Security Management System with a global approach. This enables an effective management of information security risks related to company assets, financial information, intellectual property, employee details and information entrusted by third parties. Ascom has compulsory training programs for all its employees that cover information security and cybersecurity good practices as well as legislative and standard requirements.

Within our ESG strategy, we allocate key priority to information security. In 2023, we executed penetration tests to identify potential external risks, and additional internal vulnerability scans and remediation are planned. In 2024, we will continue our internal campaign to raise internal awareness on cybersecurity. In addition, we will update our ISMS, BCMS, ICT policy, SOP, WI and strive for continuous improvement by way of ISO/IEC 27001 recertifications.

Active stakeholder dialogue

Knowing the needs of our stakeholders such as shareholders, customers, and employees is a key success criterion. Their feedback helps us to implement further developments and optimizations. During 2023, Ascom did not receive any government support.

Shareholders and analysts

Ascom attaches great importance to exchanges with shareholders, analysts, and investors. The company engages with them on a regular basis as part of the stakeholder dialogue strategy and ESG activities. To ensure transparent and comprehensive information for the financial community, Ascom organized two media conferences in 2023. In addition, management participated in about ten investor conferences and roadshows and conducted several individual investor meetings.

Customers, partners and suppliers

The Ascom Executive Committee is also committed to an active dialogue with customers, partners, and suppliers. Their feedback enables us to continuously assess our products and processes and inspires innovations. Customer visits are held regularly.

Local communities

Ascom wishes to contribute to the development of the local communities where it is present. They are as important to us as we are to them, and we therefore provide job opportunities, cooperate with educational centers and the people who work and live there, as well as any other local stakeholders. We respect local cultures and laws.

The table below provides information on the specific expectations of our stakeholder groups and how Ascom communicates with each group.

Stakeholder Group	Expectations	Communication channels
■ Institutional investors ■ Shareholders ■ Financial analysts (equity/credit) ■ SIX Swiss Stock Exchange ■ Proxy advisors ■ Brokers ■ Financial media / Local media ■ Newswires	■ Sustainable and profitable growth ■ Good corporate governance ■ Effective risk management ■ Transparent, complete, and continuous disclosure of information ■ Outlooks / financial guidance ■ Dividend payments ■ Fulfilling all requirements of SIX Swiss Exchange Regulations	■ Annual and interim reports ■ Sustainability report ■ Financial/corporate press releases ■ Roadshows / one-to-one meetings ■ Investor conferences ■ Direct contact with the CEO . CFO, and Investor Relations ■ Annual shareholder meetings
■ Customers: existing and potential (hospitals, long-term care, enterprises, OEM partners) ■ Associations	■ Innovative products and services ■ High-quality standards ■ State-of-the-art technology ■ High-security standards ■ Good after-sales services ■ Security of personal information ■ Excellent CRM ■ Reliability ■ Flexibility ■ ESG certifications ■ ESG reporting standards ■ Suggestions or complaints management	■ Direct customer contact ■ Customer satisfaction survey ■ Fairs / Exhibitions ■ Case studies / Brochures ■ Webinars on demand ■ Expert seminars ■ Social media and email ■ Brochures ■ Website ■ Sustainability report
■ Business partners ■ Suppliers ■ Contractors ■ Environmental partners	■ Transparency in business ■ On-time administration and payments ■ ESG commitment ■ Code of Conduct commitments	■ Sustainability report ■ Sustainability Directive ■ Supplier Policy ■ Training sessions ■ Social media and email ■ Fairs / Exhibitions ■ Website
■ Employees: existing / new / potential ■ Managers ■ Trainees ■ Temporary employees ■ Employee representatives (unions)	■ Good working atmosphere ■ Work-life balance ■ Fair and attractive compensation ■ Career and advancement opportunities ■ Flexible working hours ■ Stability and job security ■ Talent development ■ Training programs ■ On-time administration and payments	■ Annual employee survey ■ Annual strategy meeting ■ Regular CEO-information ■ Management meetings ■ Information via email, intranet, Town Hall meetings ■ Internal events
■ Public sector ■ Educational institutions ■ Research organizations ■ Politicians ■ Opinion leaders ■ Regulator bodies ■ Local authorities	■ Support for and promotion of activities that benefit the community ■ Fair complaint handling ■ Transparent and reliable communication ■ Responsible behavior ■ Respect for local laws and cultures	■ Social media/email ■ Website ■ Regular contact with universities and other research organizations ■ Activities with government networks ■ Sponsoring ■ Charity

13. GRI CONTENT INDEX

The Ascom Sustainability Report 2023 has been prepared in accordance with GRI Standards.

This report applies to Universal Standards 2021, General Disclosures 2021, to 2016, 2018 and 2020 version of the Global Reporting Initiative (GRI) Standards. 2016*, 2018*, 2020*, 2021* refer to the Standards, publication date, not to the date of the information contained in this report.

GRI-Standard	Title	Location of content	Annual Report 2023 page	Omission
GRI 1	**Universal Standards 2021***			
	Apptlicable GRI Sector Standard	None		
GRI 2	**General Disclosures 2021***			
	The organization and its reporting practices			
2-1	Organizational details	Ascom Holding AG	148	
	Location of headquarters	Zugerstrasse 32 I CH-6340 Baar	148	
	Location of operations	Worldwide contacts	148	
	Ownership and legal form	Stock listed company, registered shares listed on SIX Swiss Exchange	55	
2-2	Entities included in the organization's sustainability reporting	Corporate Governance Report	56	
2-3	Reporting period, frequency and contact point	1 January 2023 – 31 December 2023 Contact	148	
2-4	Restatement of information	No restatements of information in 2023		
2-5	External assurance	No external assurance in 2023		
	Activities and workers			
2-6	Activities, value chain and other business relationships	Corporate profile Performance Report Sustainability Report (Business Model/Supply chain)	Inside cover 4-5 20-22	
2-7	Employees	Company profile Sustainability Report Summary of Key Financial Data	inside cover 18, 38 ff 136	
2-8	Workers who are not employees	None		
	Governance			
2-9	Governance structure and composition	Corporate Governance Report Sustainability Report Sustainability Directive	55 44 ff	
2-10	Nomination and selection of highest governance body	Corporate Governance Report	61	
2-11	Chair of the highest governance body	Corporate Governance Report	62 ff	
2-12	Role of highest governance body in overseeing the management of impacts	Corporate Governance Report Sustainability Report	61 16	
2-13	Delegation of responsibility for managing impacts	Corporate Governance Report Sustainability Report Sustainability Directive	49 32	
2-14	Role of the highest governance body in sustainability reporting	Sustainability Report Sustainability Directive	16	
2-15	Conflict of interest	Corporate Governance Report Sustainability Report Code of Conduct	61 44-45	
2-16	Communication of critical concerns	Sustainability Report Whistleblowing service is anonymous at Ascom	45	
2-17	Collective knowledge of the highest governance body	Corporate Governance Report Sustainability Report	61 16-17	

GRI-Standard	Title	Location of content	Annual Report 2023 page	Omission
2-18	Evaluation of the performance of the highest governance body	Corporate Governance Report	66	
2-19	Remuneration policy	Remuneration Report	80	
2-20	Process to determine remuneration	Remuneration Report	82 ff	
2-21	Annual total compensation ratio	Remuneration Report Key financial data	80 ff 136	
2-22	Statement on sustainable development strategy Statement from senior decision-maker	Sustainability Report Letter to Shareholders	16 2	
2-23	Policy commitments	Sustainability Report Corporate Governance Report Remuneration Policy Code of Conduct Sustainability Directive	16, 22-26,38,44 64 ff 61	
2-24	Embedding policy commitments	Corporate Governance Remuneration Report Sustainability Report	77 80 ff 16, 22-26,38,44	
2-25	Processes to remediate negative impacts	Corporate Governance Sustainabiity Report / Whistleblowing channel	68-69 45	
2-26	Mechanisms for seeking advice and raising concerns	Sustainability Report /Whistleblowing channel Sustainability Directive	45	
2-27	Compliance with law and regulations	Corporate Governance Sustainability Report Sustainability Directive	55 ff 44 ff	
2-28	Membership associations	None		
	Stakeholder engagement			
2-29	Approach to stakeholder engagement	Corporate Governance Report Sustainabilty Report	54, 57 30, 31	
2-30	**Collective Bargaining Agreement**	Sustainability Report	43	

GRI 3   Material Topics 2021*

3-1	Process to determine material topics	Sustainability Report Sustainability Directive	27	
3-2	List of material topics	Sustainability Report / Materiality matrix	27	
3-3	Management of material topics	Remuneration Report Sustainability Report	65 27, 29 -47	

GRI 200: 2016*   Economic Topics

GRI 201	**Economic Performance**			
201-1	Direct economic value generated and distributed	Shareholder Return Letter to Shareholders Performance Report Sustainability Report	Front inside cover 2 4 18	
201-2	Financial implications and other risks/opportunities due to climate change	Strategy Will be topic in 2024 Report	12	
201-3	Defined benefit plan obligations and other retirement plans	Remuneration Report	61 - 67	
201-4	Financial assistance received from government	None		
GRI 202	**Market Presence**			
202-2	Proportion of senior management hired from the local community	Corporate Governance Report	70 ff	
GRI 203	**Indirect Economic Impacts**			
203-2	Significant indirect economic impacts	Customer Success Sustainability Report	14 29, 33ff, 38ff	

GRI-Standard	Title	Location of content	Annual Report 2023 page	Omission
GRI 204	**Procurement Practices**			
204-1	Logistics & Supply chain	Sustainability Report	22	
GRI 205	**Anti-Corruption**			
205-1	Operations assessed for risks related to corruption	Sustainability Report Sustainability Directive Code of Conduct	44	
205-2	Communication and training about anti-corruption policies and procedures	Sustainability Report Sustainability Directive	44 ff	
205-3	Confirmed incidents of corruption and actions taken	None		
GRI 206	**Anti-competitive Behavior**			
206-1	Legal actions for anti-competitive behavior, anti-trust and monopoly practices	None		

GRI 300: 2016* Environmental Topics

GRI-Standard	Title	Location of content	page	Omission
GRI 301	**Materials**			
301-1	Materials used by weight or volume	Sustainability Report Sustainability Directive	36 ff	
301-2	Recycled input materials used	Sustainability Report	36 ff	
301-3	Reclaimed products and their packaging materials	Sustainability Report	37	
GRI 302	**Energy**			
302-1	Energy consumption within the organization	Sustainability Report Sustainability Directive	34	
302-4	Reduction of energy consumption	Sustainability Report	34 ff	
302-5	Reductions in energy requirements of products and services	Sustainability Report Sustainability Directive	36	
GRI 305	**Emissions**			
305-1	Direct (Scope 1) GHG emissions	Sustainability Report	34	
305-2	Energy indirect (Scope 2) GHG emissions	Sustainability Report	34	
305-3	Other indirect (Scope 3) GHG emissions	Sustainability Report	34	
305-4	GHG emissions intensity	Sustainability Report	34	
305-5	Reduction of GHG emissions	Sustainability Report Sustainability Directive	34 ff	

GRI 306: 2020* Effluents and Waste

GRI-Standard	Title	Location of content	page	Omission
306-1	Waste generation and significant waste-related impacts	Sustainability Report	37	
306-2	Management of significant waste-related impacts	Sustainability Report Sustainability Directive	37	
306-3	Waste generated	Sustainability Report Sustainability Directive	37	
306-4	Waste diverted from disposal	Sustainability Report Sustainability Directive	21 - 22	
306-5	Waste directed to disposal	Sustainability Report Sustainability Directive	21 - 22	
GRI 307	**Environmental Compliance**			
GRI 307-1	Non-compliance with environmental laws and regulations	None		
GRI 308	**Supplier Environmental Assessment**			
308-1	New supplies that were screened using environmental criteria	Sustainabilty Report	22	
308-2	Negative environmental impacts in the supply chain and actions taken	Sustainability Report	22, 33	

GRI 400: 2016* Social Topics

GRI-Standard	Title	Location of content	page	Omission
GRI 401	**Employee Engagement**			
401-1	New employee hires and employee turnover	Sustainability Report	40 - 41	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Ascom complies with all local employment laws and regulations		
401-3	Parental leave	Ascom complies with all local employment laws and regulations		
GRI 402	**Labor Management**			
402-1	Minimum notice periods regarding operational changes	Ascom ensures timely communication with employees and their representatives regarding both negative and positive corporate changes		
GRI 403: 2018*	**Occupational Health and Safety**			
403-1	Occupational health and safety management system	Sustainability Report Sustainability Directive	42	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Sustainability Report	42	
403-8	Workers covered by an occupational health and safety management system	Sustainability Report	42	
GRI 404	**Training and Education**			
404-1	Average hours of training per year per employee	Sustainability Report	42	
404-2	Programs for upgrading employee skills and transition assistance programs	Sustainability Report	41 -42	
404-3	Percentage of employees receiving regular performance and career development reviews	Sustainability Report	41 f	
GRI 405	**Diversity and Equal Opportunity**			
405-1	Diversity of governance bodies and employees	Sustainability Report Corporate Governance Sustainability Directive	43 64	
GRI 406	**Non-discrimination**			
406-1	Incidents of discrimination and corrective actions taken	Sustainability Report	43	
GRI 407	**Freedom of Association & Collective Bargaining**			
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Sustainabiiity Report Sustainability Directive	22	
GRI 408	**Child Labor**	Sustainabiiity Report Sustainability Directive	43	
GRI 409	**Forced or Compulsory Labor**	Sustainability Directive		
GRI 410	**Security Practices**	Sustainabiiity Report Sustainability Directive	46	
GRI 411	**Rights of Indigenous Peoples**	Sustainability Directive		
GRI 412	**Human Rights Assessment**	Sustainabiiity Report Sustainability Directive	43	
GRI 414	**Supplier Social Assessment**			
414-1	New suppliers that were screened using social criteria	Sustainabiiity Report Sustainability Directive	22	
414-2	Negative social impacts in the supply chain and actions taken	None		
GRI 415	**Public Policy**	None		
GRI 416	**Customer Health and Safety**			
416-1	Assessment of the health and safety impacts of product and service categories	Sustainability Directive		
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	None		

GRI-Standard	Title	Location of content	Annual Report 2023 page	Omission
GRI 417	**Marketing and Labeling**			
417-1	Requirements for product and service information and labeling	Sustainability Directive		
417-2	Incidents of non-compliance concerning product and service information and labeling	None		
417-3	Incidents of non-compliance concerning marketing communications	None		
GRI 418	**Customer Privacy**			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	None		
GRI 419	**Socioeconomic compliance**			
419-1	Non-compliance with laws and regulations in the social and economic area	Ascom did not record any relevant fines or non-monetary sanctions due to non-compliance with laws and / or regulations in the social and economic area in the reporting year.		

Sustainability Directive

https://www.ascom.com/globalassets/assets/global/corporate/documents/
sustainability/ascom-sustainability-directive-2021.pdf

Code of Conduct

https://www.ascom.com/globalassets/assets/global/corporate/documents/
corporate-governance/ascom-code-of-conduct-2021.pdf

Contacts

https://www.ascom.com/about-us/who-we-are/contact-us/

14. GENERAL NOTE

Regulatory basis
The Ascom Sustainability Report 2023 has been prepared
- in accordance with Art. 964 CO ff "Reporting on non-financial matters" and the Federal Ordinance "Reporting on climate matters".
- in accordance with the GRI Standards. This report applies to the Universal Standards 2021, General Disclosures 2021, and the 2016, 2018 and 2020 version of the Global Reporting Initiative (GRI) Standards.

This Sustainability Report 2023 is based on rules and regulations to be followed as set out in:
- the Swiss Code of Obligations
- the Ordinance on Climate Disclosures
- the Articles of Association of Ascom Holding AG (dated 18 April, 2023)
- the Organizational Regulations of Ascom Holding AG (dated 19 January, 2022)
- the Ascom Code of Ethical Business Conduct (dated 1 January, 2021)
- the GRI Standards

Sources of the greenhouse gas emission factors
Emission factors from the following institutions (amongst others) were used in the GHG accounting 2023:
- BAFU:Federal Office for the Environment (CH)
- Department for Environment, Food and Rural Affairs (UK)
- Carbon Footprint Ltd.
- Verein mobitool

The organizational boundaries of the 2023 GHG footprint were determined on a basis using the financial control consolidation approach by the GHG Protocol. All relevant greenhouse gases are included, i.e. in addition to carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), sulfur hexafluoride (SF_6), nitrogen trifluoride (NF_3), hydrofluorocarbons (HFCs) and perfluorocarbons (PFCs), and are shown in CO_2 equivalents (CO_2e).

Approval of the Board of Directors
The Board of Directors of Ascom Holding AG approved this Sustainability Report (Report on Non-Financial Matters) according to Art. 964a ff. Swiss Code of Obligations on 27 February 2024.