

Invitation to the
**General
Meeting**

18 05 21

Important information

Dear Shareholders

The pandemic continues to have a firm grip on the world. The easing of measures only takes place step by step and events such as annual general meetings are currently still prohibited. At the present time, we must assume that this situation will not change until a large part of the population has been vaccinated. Therefore, for the second time in a row, we unfortunately will have to hold our Annual General Meeting again without your personal attendance.

To enable you to make full use of your voting rights, we kindly ask you to issue power of attorney and voting instructions to the independent proxy.

Please find all detailed information on how to proceed in the reply form.

We deeply regret that we are not able to welcome you personally again this year. At the same time, we look to the future with confidence.

Thank you for your understanding.

Yours sincerely
Sensirion Holding AG



Dr. Moritz Lechner
Co-Chairman of the Board of Directors



Dr. Felix Mayer
Co-Chairman of the Board of Directors

**Experts
for smart
sensor
solutions**

Invitation to the 22nd Annual General Meeting
of Sensirion Holding AG

Tuesday, 18 May 2021
5.00 p.m.

Sensirion Holding AG
Laubisrütistrasse 50
8712 Stäfa

Agenda

Proposals of the Board of Directors

1 Annual report 2020

1.1 Annual management report, annual financial statements and consolidated financial statements 2020; Auditors' reports

Proposal: The Board of Directors proposes that the annual management report, the annual financial statements and the consolidated financial statements 2020 be approved and that the Auditors' reports be acknowledged.

1.2 Consultative vote on the compensation report 2020

Proposal: The Board of Directors proposes that the compensation report 2020 be accepted in a non-binding consultative vote.

2 Appropriation of balance sheet result 2020

Proposal: The Board of Directors proposes that the annual result 2020 of the Company in the amount of CHF 4,375 thousand (net profit) be allocated as follows:

In thousands of CHF	2020
Retained earnings brought forward	22,098
Net profit for the year	4,375
Available earnings	26,473
Appropriation of available earnings proposed by the Board of Directors:	
Balance to be carried forward	26,473

3 Discharge of the members of the Board of Directors and the Executive Committee

Proposal: The Board of Directors proposes that the members of the Board of Directors and the Executive Committee be granted discharge for their activities in the financial year 2020.

4 Elections and re-elections

4.1 Re-election of the Co-Chairmen and the members of the Board of Directors and election of a new member of the Board of Directors

Mr. Moritz Lechner and Mr. Felix Mayer have declared acceptance of their re-election as Co-Chairmen of the Board of Directors. The other current members of the Board of Directors, Mrs. Ricarda Demarmels, Mr. Heinrich Fischer, Mr. François Gabella and Mr. Franz Studer are also standing for re-election as members of the Board of Directors.

The Board of Directors further proposes to elect Ms. Anja König as a new member of the Board of Directors.

Explanations: The Board of Directors of Sensirion will nominate Anja König for election to the previous six-member body at the upcoming Annual General Meeting 2021. As part of its long-term planning, the Board of Directors has decided to increase the number of members for one year. The nomination of Anja König will achieve this goal, while Heinrich Fischer will reach the extended age limit for members of the Board of Directors in 2022. The Board is convinced that Anja König is a very suitable candidate for recommendation to the Annual General Meeting. Due to her experience and broad knowledge of strategic investments and acquisitions, as well as her insight into the Swiss startup scene, she will provide Sensirion with significant support in its further development of strategic collaborations.

The CVs of the members of the Board of Directors are available in the Corporate Governance section of the annual report 2020. The CV of Ms. Anja König can be found below before the Section “Organizational matters”.

Proposal: The Board of Directors proposes to re-elect the following members of the Board of Directors, and to elect the following new candidate as a member of the Board of Directors, individually and for a term of office until the completion of the next Annual General Meeting.

- 4.1.1 Re-election of Moritz Lechner as member and as Co-Chairman of the Board of Directors
- 4.1.2 Re-election of Felix Mayer as member and as Co-Chairman of the Board of Directors
- 4.1.3 Re-election of Ricarda Demarmels as member of the Board of Directors
- 4.1.4 Re-election of Heinrich Fischer as member of the Board of Directors
- 4.1.5 Re-election of François Gabella as member of the Board of Directors
- 4.1.6 Re-election of Franz Studer as member of the Board of Directors
- 4.1.7 Election of Anja König as member of the Board of Directors

4.2 Re-election of the members of the Nomination and Compensation Committee

The current members of the Nomination and Compensation Committee, Mr. Heinrich Fischer, Mr. Moritz Lechner and Mr. Felix Mayer, have declared acceptance of their re-election as members of the Nomination and Compensation Committee, subject to their re-election as Co-Chairman, or member of the Board of Directors, respectively.

The Board of Directors intends to appoint Mr. Felix Mayer (if he is re-elected) again as Chairman of the Nomination and Compensation Committee.

Proposal: The Board of Directors proposes to re-elect the following members of the Nomination and Compensation Committee, individually and for a term of office until the completion of the next Annual General Meeting.

4.2.1 Re-election of Heinrich Fischer as member of the Nomination and Compensation Committee

4.2.2 Re-election of Moritz Lechner as member of the Nomination and Compensation Committee

4.2.3 Re-election of Felix Mayer as member of the Nomination and Compensation Committee

4.3 Re-election of the Auditors

Proposal: The Board of Directors proposes to re-elect KPMG AG, Zurich, as Auditor for a term of office until the completion of the next Annual General Meeting.

4.4 Re-election of the Independent Proxy

Proposal: The Board of Directors proposes to re-elect the Law Office Keller Partnership, Zurich, as Independent Proxy for a term of office until the completion of the next Annual General Meeting.

5 Approval of the compensation of the Board of Directors and the Executive Committee

A detailed description of Sensirion's compensation system and the compensation awarded to members of the Board of Directors and the Executive Committee in 2020 can be found in the compensation report 2020 on pages 84 to 96 of the annual report 2020.

Basic principles of variable compensation

Sensirion cultivates a distinctive corporate culture in which employees take on responsibility and support the group as a whole. At the end of every year, each employee discusses his or her annual performance objectives with his or her supervisor. However, we are firmly convinced that many important goals cannot really be measured objectively and fairly and that an overemphasis on quantitative, measurable goals may lead to wrong incentives. For this reason, for many years, Sensirion structured the bonus as follows:

- Variable compensation is not allocated according to a fixed mathematical formula that reflects the degree to which quantitative targets are achieved. Instead, each employee's superior makes an overall assessment of the annual performance to determine the bonus.
- The majority of the total compensation is paid in the form of a fixed salary. Consequently, the variable component is kept relatively small and less important.

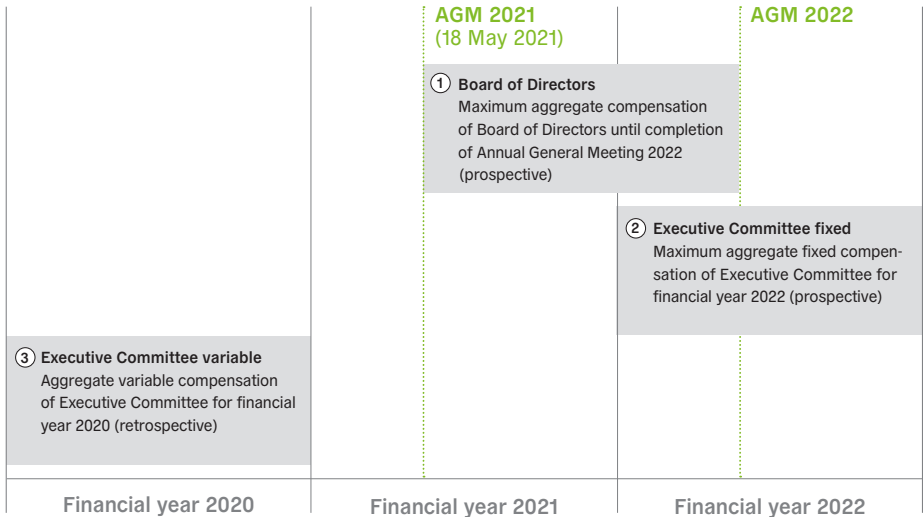
For the members of the Executive Committee, the aggregate amount of variable compensation of one year is submitted to the General Meeting of the following year for retrospective approval.

Shareholders' approval of compensation (say on pay)

According to the Articles of Association, the Annual General Meeting must approve the proposals by the Board of Directors regarding the aggregate amounts of:

1. the maximum compensation of the Board of Directors until completion of the next Annual General Meeting;
2. the maximum fixed compensation of the Executive Committee for the following financial year; and
3. the variable compensation of the Executive Committee for the preceding financial year.

The following chart shows the periods for which proposals on compensation will be submitted to the Annual General Meeting on 18 May 2021.



5.1 Compensation of the Board of Directors

Proposal: The Board of Directors proposes to approve a maximum aggregate amount of compensation for the members of the Board of Directors of CHF 1,010,000 for the period from the Annual General Meeting 2021 to the Annual General Meeting 2022.

Explanations: The compensation for the members of the Board of Directors consists exclusively of a fixed compensation in cash, and is subject to prospective approval of the maximum aggregate compensation by the Annual General Meeting. The Co-Chairmen both act for Sensirion AG on a 50 % basis and are responsible for sensor innovation and strategic tasks. They are not involved in the day-to-day management of Sensirion. For their work, each Co-Chairman receives an annual fixed compensation. The Co-Chairmen are neither entitled to a performance-related compensation nor to any additional compensation as Co-Chairmen and chairman or member of any committee. The compensation awarded to the other members of the Board of Directors consists of a fixed board membership fee and additional fixed fees as chairperson or member of a committee of the Board of Directors (see page 89 of the annual report 2020).

5.2 Fixed compensation of the Executive Committee

Proposal: The Board of Directors proposes to approve a maximum aggregate amount of fixed compensation for the members of the Executive Committee of CHF 2,200,000 for the financial year 2022.

Explanations: Members of the Executive Committee receive an annual base salary as fixed compensation paid in cash. The base salary is reviewed and determined on an annual basis by the Nomination and Compensation Committee. The Board of Directors approves the individual fixed compensation of the members of the Executive Committee subject to prospective approval of the maximum aggregate amount of fixed compensation by the Annual General Meeting.

5.3 Variable compensation of the Executive Committee

Proposal: The Board of Directors proposes to approve an aggregate amount of variable compensation for the members of the Executive Committee of CHF 433,431 for the financial year 2020.

Explanations: Members of the Executive Committee are awarded an annual bonus as variable compensation paid in restricted shares subject to a blocking period of three years and in restricted share units (RSUs) subject to a vesting period of three years (see Sensirion's Bonus and RSU Plan on page 92 of the annual report 2020).

The Nomination and Compensation Committee determines the annual bonus of each member of the Executive Committee and submits it to the Board of Directors for approval. The annual bonus is awarded to the members of the Executive Committee, subject to the approval by the Annual General Meeting, in the following year. Therefore, the Company will not deliver the restricted shares and the RSUs granted with the annual bonus in 2020 to the members of the Executive Committee before approval by the Annual General Meeting 2021.

As a consequence of a strong performance in 2020, primarily extra efforts to meet the heavily increased demand for gas flow sensors employed in ventilators and achieving growth in the regular business in spite of challenging market conditions in connection with the COVID-19 pandemic, the Board of Directors, based on a suggestion of the Nomination and Compensation Committee, increased the bonus for all employees, including the Executive Committee, by 50 % compared to a reference level (for comparison: in 2019, the bonus was halved compared to the reference level).

CV of Anja König

Anja König, Swiss and German citizen, born in 1970

Professional background

- 2017 – today Novartis Venture Fund, Switzerland: Global Head
- 2007 – 2017 Novartis Venture Fund, Switzerland: Managing Director
- 2006 – 2007 Novartis Inc., Switzerland: Strategic Assistant to the Chairman and the CEO
- 2000 – 2006 McKinsey & Company, New York: Associate Partner

Education

- 2000 PhD in Theoretical Physics, Cornell University
- 1995 Master's degree (Diploma) in Physics, Ludwig Maximilians University Munich

Other functions

- Since 2014: Forendo Pharma, Finland: Member of the Board of Directors
- Since 2019: Ribon Therapeutics, USA: Member of the Board of Directors
- Since 2020: Arctos Medical, Switzerland: Member of the Board of Directors
- Since 2021: Swiss National Science Foundation (SNF), Member of the Foundation Board and the Foundation Board Committee

Organizational matters

Annual report

The annual report 2020 (including the compensation report and the Auditors' reports) is available to shareholders for inspection at the Company's registered office at Laubisrütistrasse 50, 8712 Stäfa, as of Thursday, 22 April 2021 and is also available on the Company's website under www.sensirion.com/financial-reports. The annual report 2020 will be mailed only on request.

Right to vote

The invitation including the agenda and the proposals of the Board of Directors will be mailed to shareholders who are registered in the share register with the right to vote. Shareholders registered in the share register with the right to vote between Thursday, 22 April until Friday, 7 May 2021 at 5.00 p.m. (CET) will receive an invitation to the Annual General Meeting after registration.

Shareholders registered in the share register with the right to vote on Friday, 7 May 2021 at 5.00 p.m. (CET) are entitled to vote in the Annual General Meeting.

Representation/Proxy

Personal attendance at our Annual General Meeting is not possible. You may authorize the Independent Proxy, the Law Office Keller Partnership, Zurich, to act as your proxy and submit voting instructions.

Further information on the written authorization of a proxy are included in the reply form enclosed with the invitation letter. The reply form for written authorization of the Independent Proxy must reach the share register of the Company no later than Friday, 14 May 2021 (by mail).

Electronic authorization and voting instructions to the Independent Proxy (e-voting)

You may authorize the Independent Proxy and submit voting instructions on the e-voting platform Shareholder Application "ShApp" under <https://sensirion.shapp.ch/>. The requisite login data for the registration is included on the reply form enclosed with the invitation letter. Electronic authorization, or change of any electronic voting instructions, is possible by no later than 11.59 p.m. (CET) on Monday, 17 May 2021.

Record of resolutions

A record of the resolutions taken by the Annual General Meeting will be available for inspection shortly after the Annual General Meeting at the Company's registered office at Laubisrütistrasse 50, 8712 Stäfa, Switzerland, and will be published on the Company's website under www.sensirion.com/annual-general-meeting.

Contact

For further information please contact

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The invitation to the Annual General Meeting on 18 May 2021 is also available in German.
The German version is the only binding version.

Sensirion Holding AG

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