

Invitation to the
**General
Meeting**

16 05 22

Important information

Dear Shareholders

Despite relaxed COVID-19 regulations in Switzerland, health remains our top priority, of course, this applies to our shareholders, too. Therefore, in accordance with the applicable COVID-19 ordinance, without personal attendance of shareholders, the Board of Directors has concluded that the Annual General Meeting 2022 again be held remotely.

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 detailed information on how to proceed in the reply form.

We deeply regret that we are unable to welcome you personally again this year. Nevertheless, we are still looking toward 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

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sensor
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Invitation to the 23rd Annual General Meeting
of Sensirion Holding AG

Monday, 16 May 2022
5:00 p.m.

Sensirion Holding AG
Laubisrütistrasse 50
8712 Stäfa

Agenda

Proposals of the Board of Directors

1 Annual report 2021

1.1 Annual management report, annual financial statements and consolidated financial statements 2021; Auditor's reports

Proposal: The Board of Directors proposes that the annual management report, the annual financial statements and the consolidated financial statements 2021 be approved and that the Auditor's reports be acknowledged.

1.2 Consultative vote on the compensation report 2021

Proposal: The Board of Directors proposes that the compensation report 2021 be accepted in a non-binding consultative vote.

2 Appropriation of balance sheet result 2021

Proposal: The Board of Directors proposes that the annual result 2021 of the Company in the amount of CHF 4,858 thousand (net profit) be allocated as follows:

In thousands of CHF	2021
Retained earnings brought forward	27,736
Net profit for the year	4,858
Available earnings	32,594
Appropriation of available earnings proposed by the Board of Directors:	
Balance to be carried forward	32,594

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 2021.

4 Elections and re-elections

4.1 Re-election of the Co-Chairmen and the members 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, Ms. Ricarda Demarmels, Mr. François Gabella, Ms. Anja König and Mr. Franz Studer, are also standing for re-election as members of the Board of Directors. Ricarda Demarmels will become the new Lead Independent Director subject to her re-election as member of the Board of Directors. As previously announced, Mr. Heinrich Fischer does not stand for re-election as member of the Board of Directors.

The CVs of the members of the Board of Directors are available in the Corporate Governance section of the annual report 2021.

Proposal: The Board of Directors proposes to re-elect the following members 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 François Gabella as member of the Board of Directors

4.1.5 Re-election of Anja König as member of the Board of Directors

4.1.6 Re-election of Franz Studer as member of the Board of Directors

4.2 Re-election of the members and election of a new member of the Nomination and Compensation Committee

The current members of the Nomination and Compensation Committee, 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 and member of the Board of Directors. Due to the departure of Mr. Heinrich Fischer, the Board of Directors proposes to elect Mr. François Gabella as an additional member of the Nomination and Compensation Committee.

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

Proposal: The Board of Directors proposes to re-elect or 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 Moritz Lechner as member of the Nomination and Compensation Committee
- 4.2.2 Re-election of Felix Mayer as member of the Nomination and Compensation Committee
- 4.2.3 Election of François Gabella as member of the Nomination and Compensation Committee

4.3 Re-election of the Auditor

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 2021 can be found in the compensation report 2021 on pages 82 to 94 of the annual report 2021.

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 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, which 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.

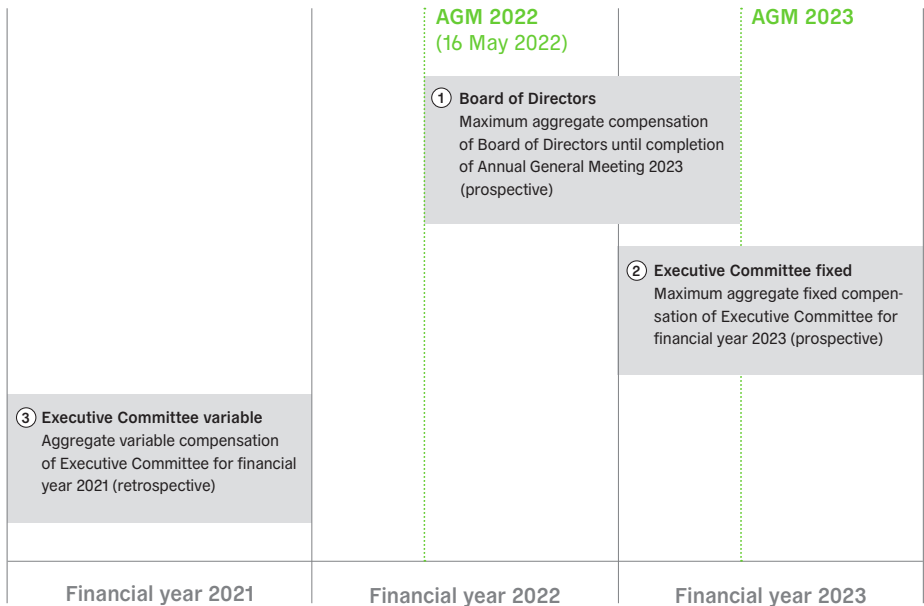
For the members of the Executive Committee, the aggregate amount of variable compensation of one year is submitted to the General Meeting of the following year for retrospective approval.

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 16 May 2022.



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 950,000 for the period from the Annual General Meeting 2022 to the Annual General Meeting 2023.

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 87 of the annual report 2021).

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 2,300,000 for the financial year 2023.

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 424,511 for the financial year 2021.

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 90 and 91 of the annual report 2021).

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 2021 to the members of the Executive Committee before approval by the Annual General Meeting 2022.

As a consequence of a strong performance in 2021, achieving growth in all business areas 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 70 % compared to a reference level (for comparison: in 2020, the bonus was increased by 50 % compared to the reference level).

6 Renewal of the authorized share capital

Proposal: The Board of Directors proposes to renew the authorized share capital of Sensirion Holding AG in the amount of up to CHF 145,581.70, which authorizes the Board of Directors to issue up to 1,455,817 registered shares with a par value of CHF 0.10 each until 16 May 2024, and to amend article 3a of the 4 Articles of Association of Sensirion Holding AG as follows (the proposed amendment is underlined):

Article 3a Authorized Share Capital

1 The Board of Directors shall be authorized to increase the share capital at any time until 16 May 2024 by a maximum amount of CHF 145,581.70 by issuing a maximum of 1,455,817 fully paid in registered shares with a par value of CHF 0.10 each. Increases in partial amounts shall be permissible.

Article 3a para. 2 to 4 remain unchanged.

Explanations: In order to maintain Sensirion's strategic and financial flexibility, the previous authorized share capital, which will expire on 11 May 2022, shall be renewed for two years. The Board of Directors will be authorized to restrict or exclude the subscription rights of existing shareholders, inter alia, for the acquisition of companies or for investment projects.

Organizational matters

Annual report

The annual report 2021 (including the compensation report and the Auditor's reports) will be available to shareholders for inspection at the Company's registered office at Laubisrütistrasse 50, 8712 Stäfa, as of Monday, 11 April 2022 and is also available on the Company's website at www.sensirion.com/financial-reports. The annual report 2021 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 Wednesday, 20 April 2022 until Thursday, 5 May 2022 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 Thursday, 5 May 2022 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 the Independent 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 Wednesday, 11 May 2022 (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" at <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 modification of any electronic voting instructions, is possible by no later than 11:59 p.m. (CET) on Sunday, 15 May 2022.

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 at www.sensirion.com/annual-general-meeting.

Contact

For further information, please contact

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The invitation to the Annual General Meeting on 16 May 2022 is also available in German.
The German version is the only binding version.

Sensirion Holding AG

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