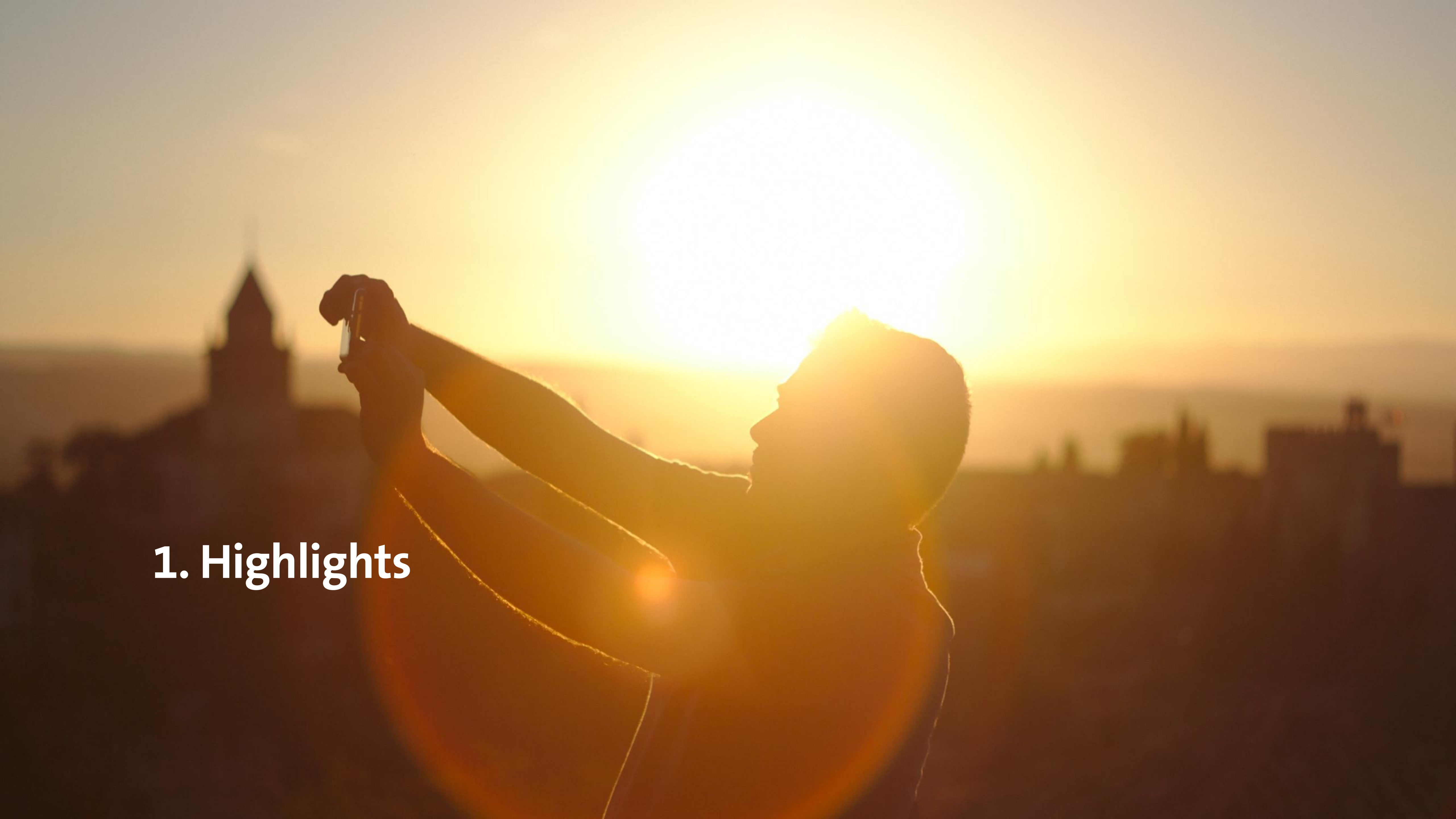
Q1 2020 results

Analyst and investor presentation

30 April 2020

Agenda

Introduction	Louis Schmid, IR
1. Highlights	Urs Schaeppi, CEO
2. Business review	Urs Schaeppi, CEO
3. Financial results	Mario Rossi, CFO
Q&A	all
Appendix	



1. Highlights

Q1 in a nutshell

Healthy financials and secured access to enough liquidity also thanks to A credit ratings

COVID-19 crisis: full **business continuity ensured** and **resilient performance so far**

Swisscom Switzerland with **new B2C and B2B organisation** since 1.1.2020

ESG essential: Swisscom awarded as **one of the most sustainable companies**

Win of several tests for best mobile network in Switzerland

#1 in cloud and managed security services in Switzerland according to ISG research

Fastweb with **solid Q1**:

EBITDAaL +5%

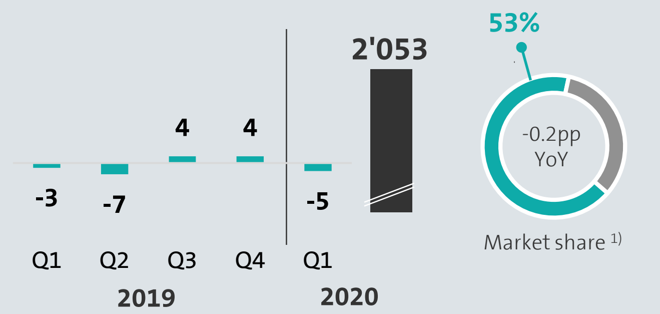
Successful improvement on **efficiency** leads to an **EBITDA margin of 40.6%**

Q1 market (share) performance

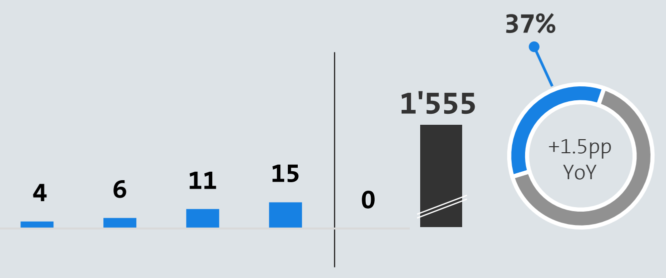
Overall solid market position in Switzerland despite promotional dynamics. Continuous growth in Italy

Swisscom Switzerland (RGUs in k)

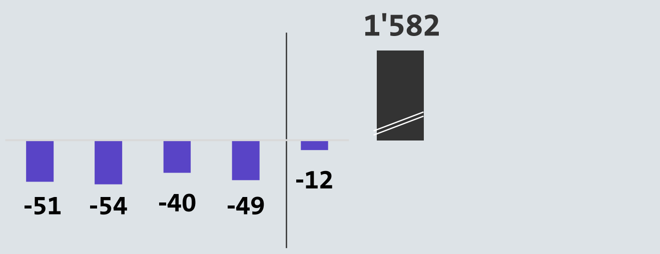
Broadband



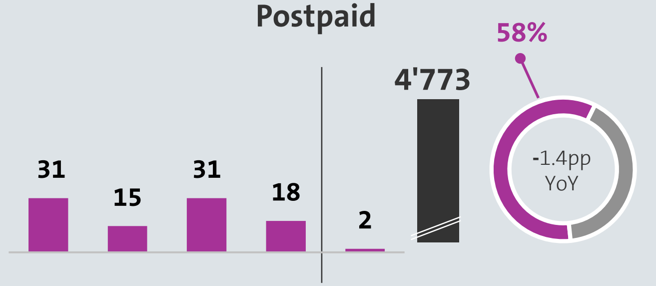
TV



Fixed voice

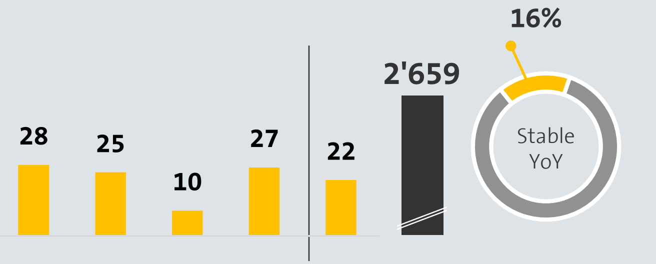


Postpaid

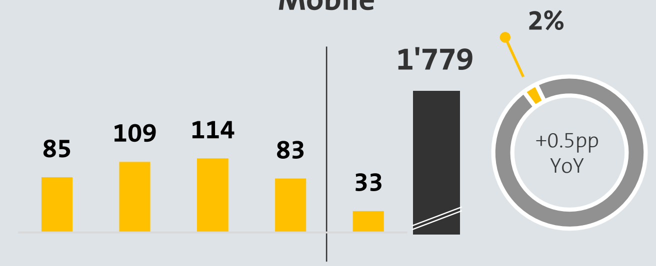


Fastweb (RGUs in k)

Broadband



Mobile



1) as per 31.12.2019

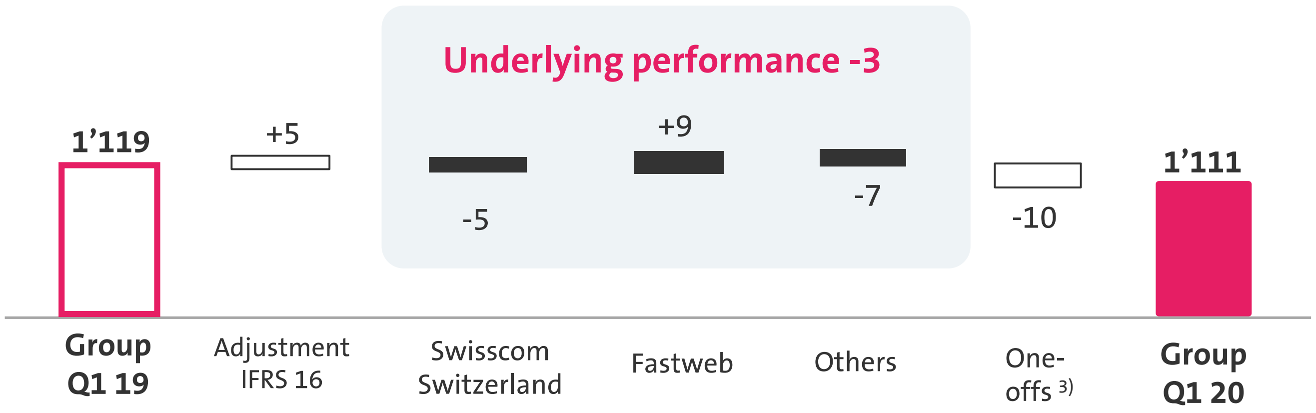
Q1 financial performance

Almost unchanged EBITDA thanks to continuous cost management in Switzerland and Fastweb growth

Net revenue	CHF **2'737**mn (-4.3% YoY)
Net income	CHF **394**mn (+2.9% YoY)
CAPEX	CHF **516**mn (-0.4% YoY)
Net debt 1)	CHF **8'528**mn (-2.9% YE 2019)
Leverage 2)	**2.0x** (stable YoY)

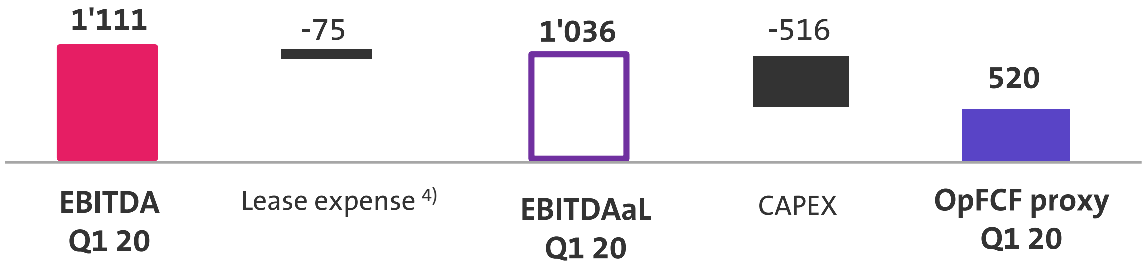
EBITDA development

YOY changes in CHF mn



OpFCF proxy development

YOY changes in CHF mn



1) including lease liabilities of CHF 1'976mn 2) 1.7x IFRS16 adjusted, 3) consists of FX impact of CHF -10mn, 4) consists of depreciation right of use assets excluding IRU of CHF -64mn and interest expense leases of CHF -11mn

2. Business Review

Actions taken so far to prevent COVID-19 implications and support customers

Pro-active and balanced (risk) management key in this extraordinary situation

- Government with
  - specific intervention program (since 16 March) in order to **protect vulnerable people**
  - first steps of easing from 27 April onwards
- Swisscom with crucial role as **critical infrastructure provider**

- **Working from home policy** implemented
- **Business continuity** guaranteed
- **Sufficient network capacities** to cover higher traffic volume

- **Shops**: 16 March-25 April >50% **open,** currently ~90% open
- New innovative **video helpdesk**
- Limiting exposure through **extra hygiene efforts** and **social distancing**
- Overall **business steadiness** in B2C and B2B **ensured**

- Swisscom supportive
  - **roaming** voucher (max. CHF 200)
  - **extra w- data** volume for mobile subs
  - **free extra-service** for elderly people
  - all **fixed** subs with **speeds up to 50 Mbps**
  - free **home office solutions**

Similar prevention measures taken by Fastweb, full business continuity ensured also in Italy

COVID-19 with possible impacts on business and financials[1] ...

... although Swisscom showed a resilient performance in first two months of crisis

B2C
- **80%** of postpaid subs with unlimited data
- **Increasing online demand**, overall **churns at low level**
- **Shop frequencies down** due to 'stay at home' directive

B2B
- **Slowdown** of **order entry**
- **Project stops**
- **SMEs** with potential **liquidity issues**

Hardware
- **No impact for telco equipment** to be expected
- **TV boxes** and **routers available** (until mid-year)
- **Slight upside** on **SAC/SRC** or commercial costs

Roaming
- **Inbound pressure** compensated by **less outpayments**
- **Less metered outbound traffic** possible

Fastweb
- **B2C** sales with diverging trends: **w+ up, w- softer**. **Churn** down
- **B2B orderbook slight decrease**, more than offset by **lower churn**
- **Bad debt**: **minor shortfall on SHP, no impact on other segments** so far

CAPEX
- Network **capacity** sufficient
- Some **delays** expected – both **construction** and **projects**

1 Possible COVID-19 financial impacts can not be quantified at this stage as (a) it depends on many different factors (such as scope and duration of epidemic, government measures to support the economy, customer behaviour in Switzerland and Italy, etc.) and (b) there is material uncertainty with regards to these factors

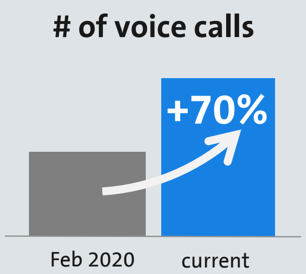
Voice and fixed data traffic up in Switzerland due to COVID-19 lockdown

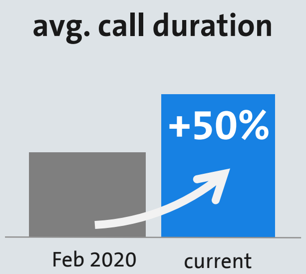
Network capacities sufficient. No need for extra CAPEX (also for Fastweb)

Mobile network

Avg. volume evolution and capacity degree

- **Voice volume** significantly **up**
- **Data** with **ordinary** usage pattern
- Network **capacity manageable**

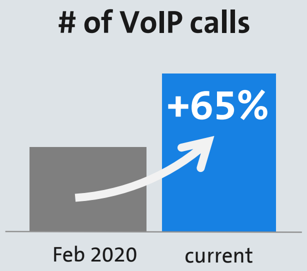


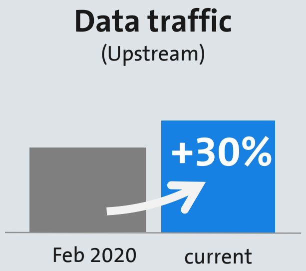


Fixed network

Avg. volume evolution and capacity degree

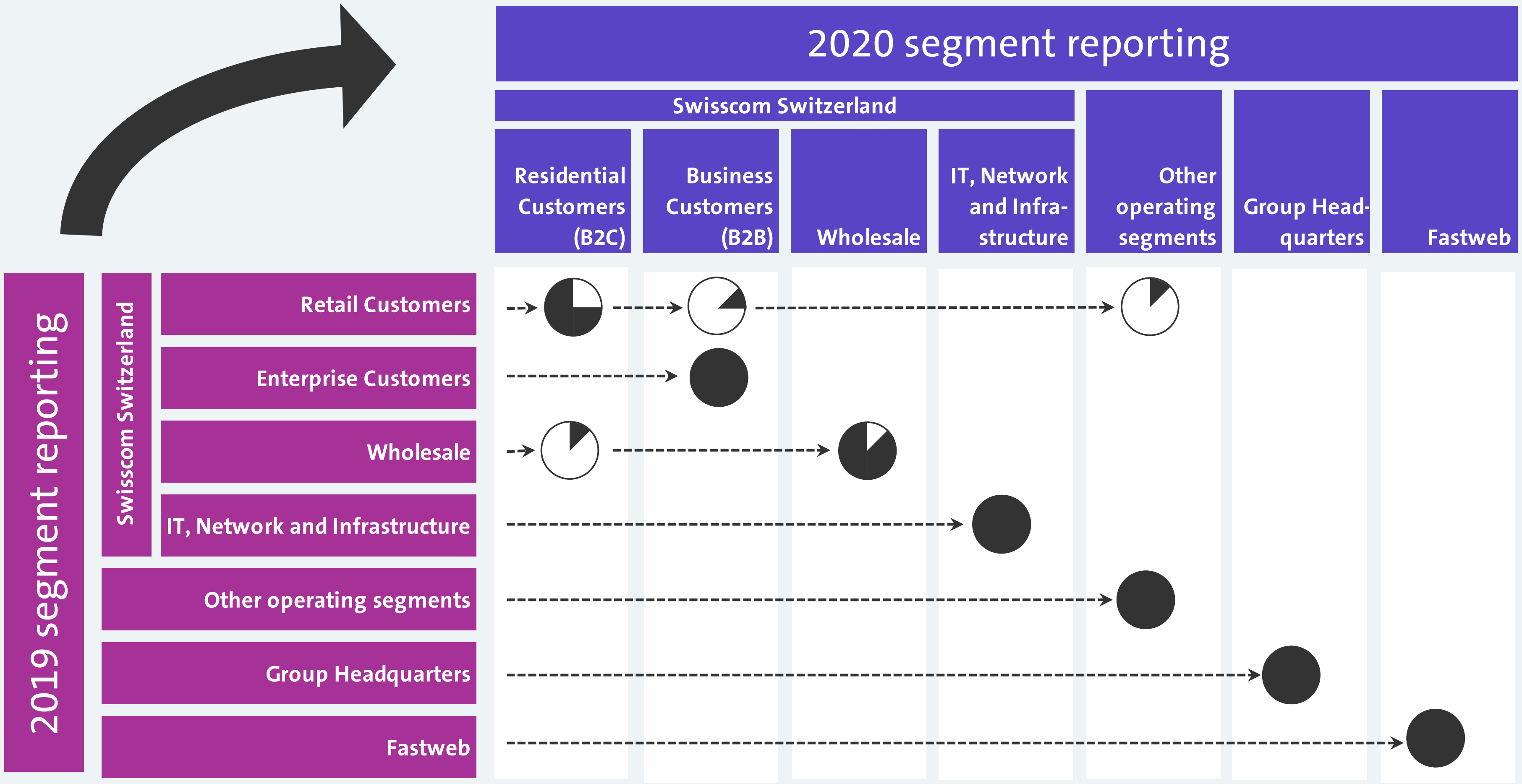
- # of **VoIP calls up** due to home office
- School closing and TV consumption explain **higher data traffic**
- **Sufficient** network **capacity**





Swisscom Switzerland with new segmental setup as per 1.1.2020

Segment Retail Customers with transfers of SME customers (to B2B) and field force organisation (to Other)



Domestic business with segment restatement for fiscal year 2019

Overview of restated B2C and B2B figures and data as per 31.12.2019

	B2C			B2B		
	Residentials ~5.4mn customers			**SME** ~300k firms	**Corporates** ~1.5k firms	
RGUs	W- 4'492k	BB 1'757k	TV 1'491k	W- 1'841k	BB 301k	TV 64k
Blended ARPU	W- CHF 38	W+ CHF 37		W- CHF 37		
Net revenue	CHF 4'736mn			CHF 3'240mn		
CM2 (in %)	CHF 2'770mn	58.5%		CHF 1'394mn	43.0%	

B2C with balanced approach in managing long-term value generation

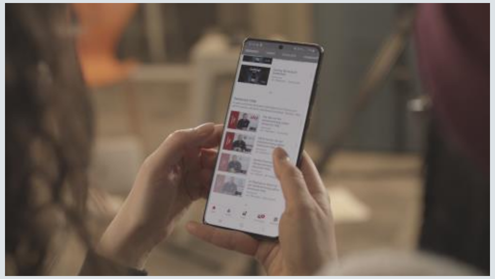
Non-stop innovation crucial to cement Swisscom's leading position in the Residential market

Innovate entertainment further

- **Successful** rollout of new **entertainment OS4 platform** for all UHD subs
- Launch of **new TV X bundle with Netflix**
- **>70k new TV boxes installed**

Enable 5G services

- Swisscom offering: **S20** and **S20+ models** in combination with inOne mobile go
- The Samsung devices use the **Swiss-wide 5G network**



Stimulate value through core brand

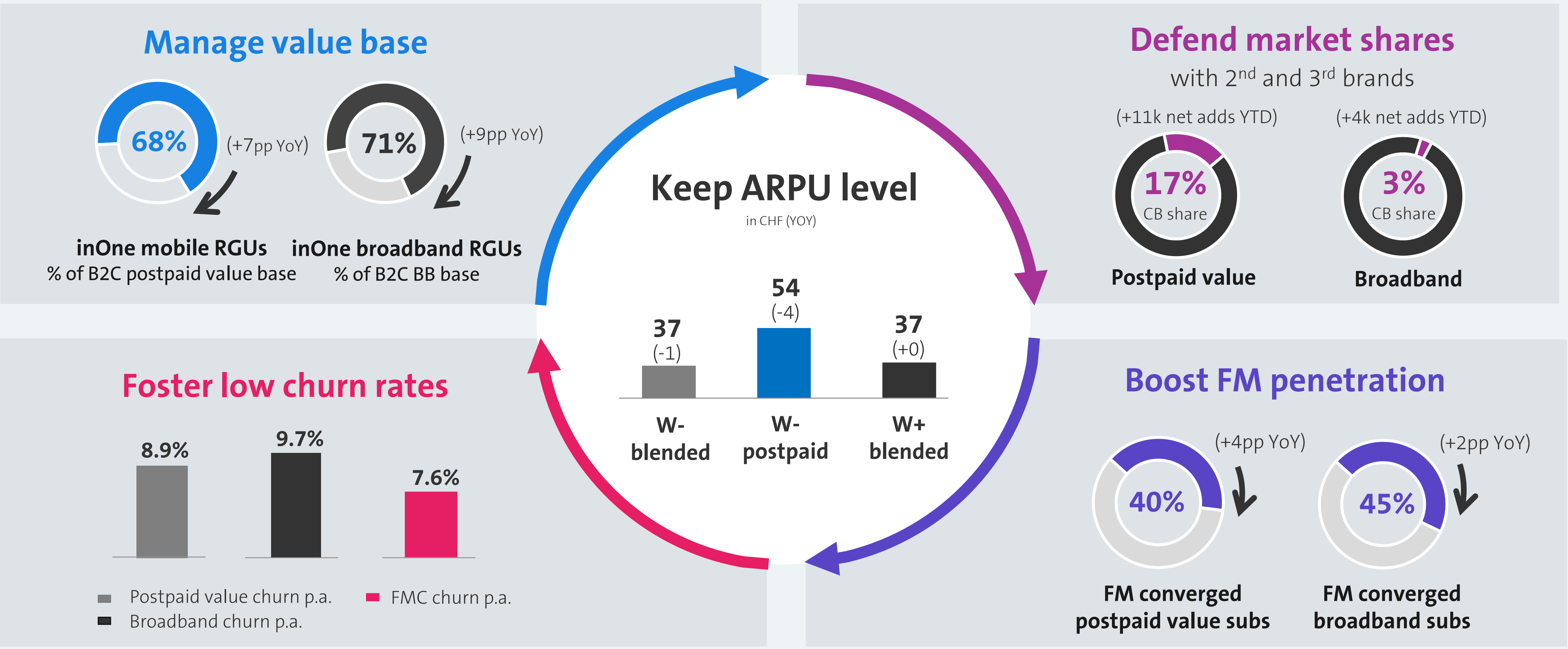
- More than **1 million inOne mobile go subs**
- Positive **mobile cross-selling** with inOne home subs
- inOne portfolio key lever for **FM penetration growth**

Grow with 2nd and 3rd brands

- **Wingo** appealing thanks to **two new products** (Fair Surf and Fair Europe) and a **strong online attraction**
- Selective **promotional pushes through 3rd brands**

Stabilise B2C top-line contributions by differentiating on different success factors ...

... and covering max customer clusters with the right offer



OneB2B transformation a step further and fully on track

Best-in-class experience with maximum standardisation, digital push and outstanding customer proximity

Drive product standardisation and digital experience to the next level

Standardised portfolio with best product offerings in Switzerland

Clear and simple tariffs with leading price/ performance-ratio

Maximum process automation enabling **best digital experience**

Harmonised and comprehensive service descriptions

Push sales and service excellence to increase competitiveness in the SME market

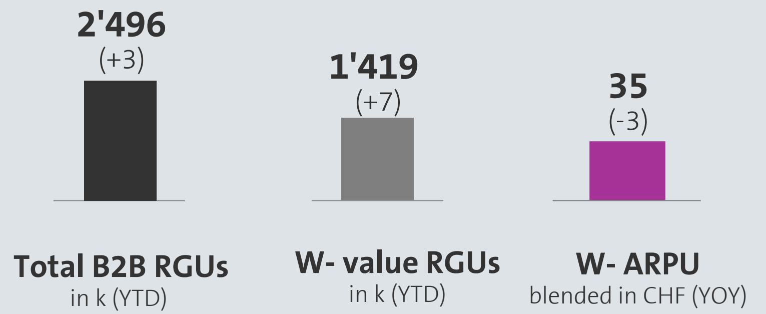
New ecosystem setup (10 regions instead of 31 so far) to ...

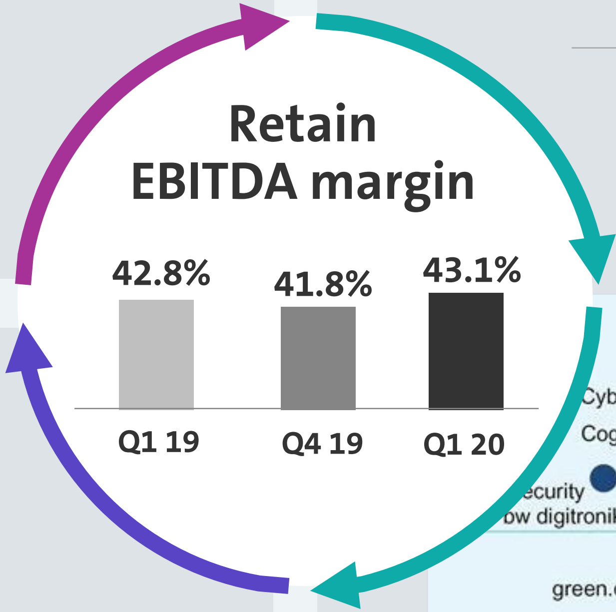
- strengthen **local presence**,
- develop **IT capabilities** in sales and with its partners,
- increase share of wallet by **customer development**,
- defend CB through more and tailored **prevention actions**

#1 ICT position in Switzerland further strengthened

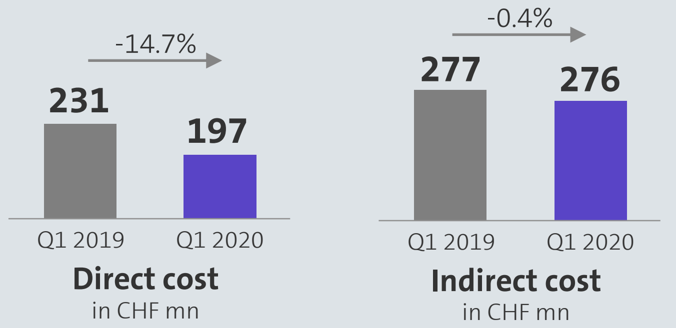
Strong Solutions offerings support defending market position in Telco and keeping attractive EBITDA margins

Maintain service revenue

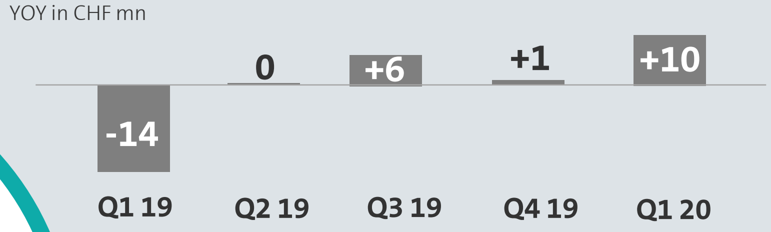




Optimise cost base



Positive YOY evolution of Solutions revenue



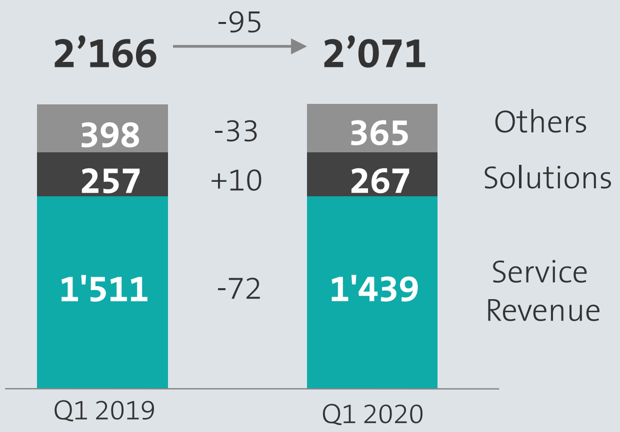
Cloud and Managed Security Services *

* Source: ISG Research 2019

Financial performance of Swisscom Switzerland

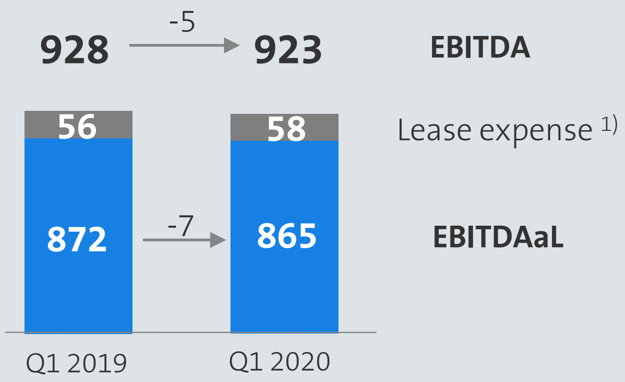
Cost savings nearly compensate top-line decline. Lower OpFCF proxy also due to high construction intensity in Q1

Net revenue in CHF mn



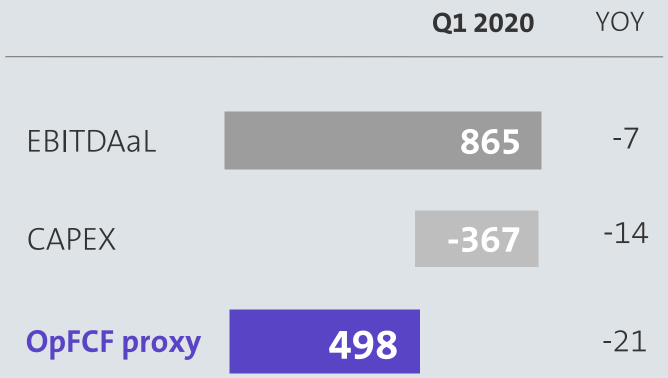
- **B2C** with **CHF -32mn** lower service revenue
- **B2B**'s service revenue down **CHF -40mn**

EBITDA in CHF mn



- **Outstanding performance in cost cutting** almost compensates top-line decline fully

OpFCF proxy in CHF mn



- **Higher CAPEX compared to** prior year due to friendly weather conditions in Q1

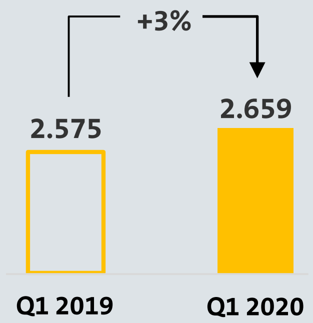
1) consists of depreciation right of use assets and interest expense leases

Consumer performance

Strong resiliency on wireline, slow-down in mobile

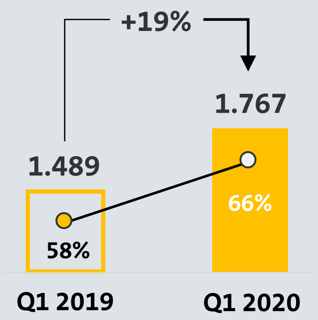
Wireline

Broadband subs (k)



- Solid +3% CB growth
- Gross and net adds substantially in line with Q1 2019
- Downwards trend for churn, expected to further decrease

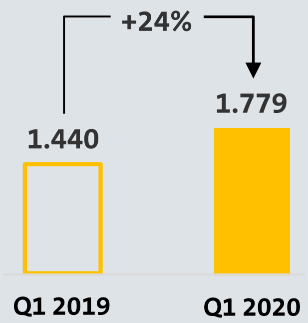
UBB subs (k) and **penetration**



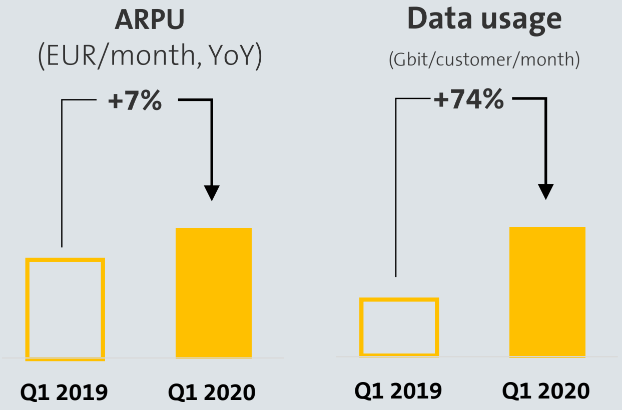
- UBB penetration over CB +8 pp YoY
- 83% of Q1 gross adds are UBB

Mobile

Mobile subs (k) 1)

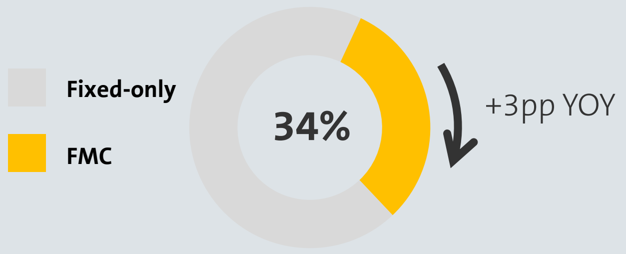


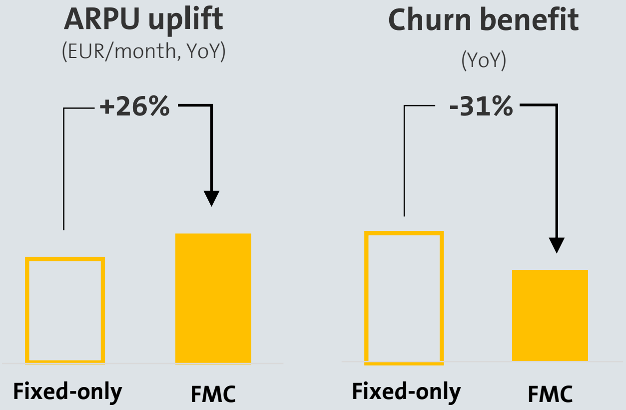
- Robust CB growth vs. 1Q 2019
- Commercial performance slow-down in March, driven by COVID-19 impact



FM convergence

FMC penetration over fixed customer base





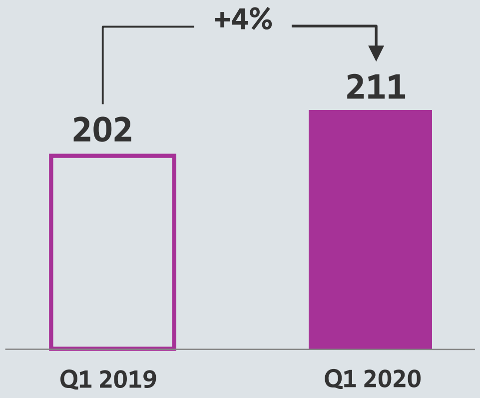
1) Mobile CB one-off restatement (silent/inactive SIMs)

B2B performance

Growth in Enterprise mainly driven by private sector, in Wholesale by outstanding performance of core services

Enterprise

Revenues (in EUR mn)



- +4% YoY revenues growth mainly due to Private sector
- COVID-19 impact on Q1 orderbook (-10% YoY) more than offset by lower churn (-24% YoY)

New contracts

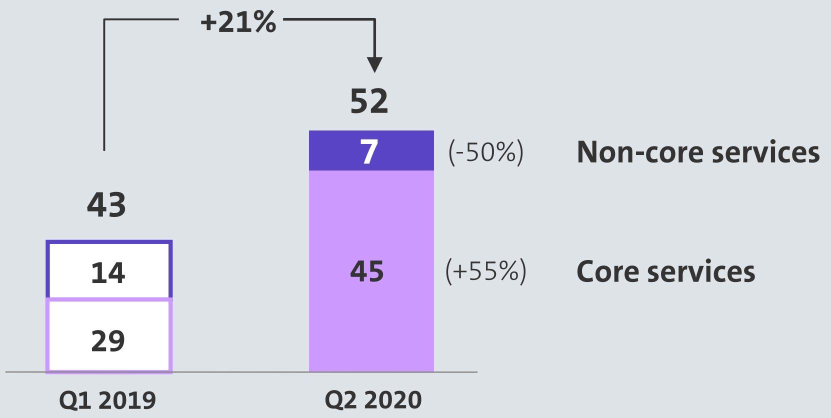
- **BPER** (nation-wide banking group): Cloud services
- Administrative region of **Lazio:** data center services

BPER: Banca

REGIONE LAZIO

Wholesale

Revenues (in EUR mn)[1)]



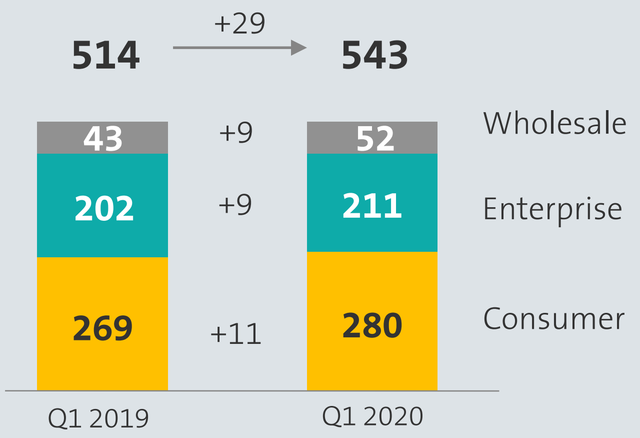
- **Core services**: Q1 YoY revenues growth at 55%, mainly driven by Fiber-to-BTS and dedicated point-to-point services
- **Non-core services**: -50% YoY due to progressive phase-out of low-margin infrastructure projects

1) incl. intercompany revenues

Financial performance

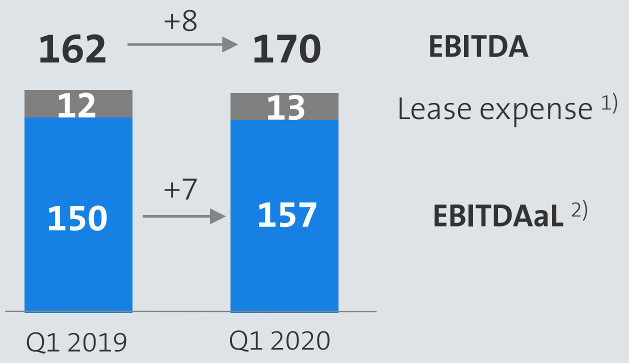
+5% EBITDA growth

Net revenue in EUR mn



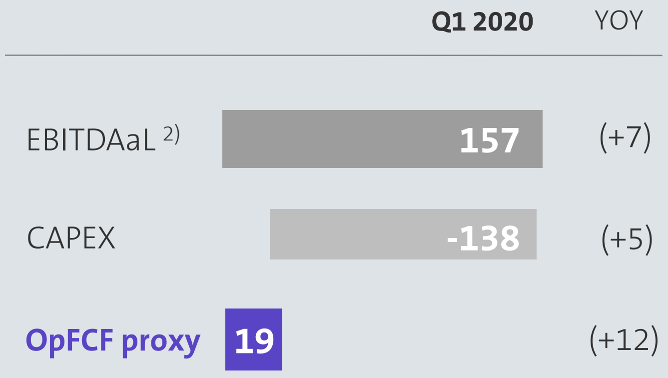
- **Revenues +6%** sustained by all business units and mainly by:
  - **- mobile** (+32% YoY)
  - **- wholesale** (+21% YoY)

EBITDA in EUR mn



- **EBITDAaL growth of +5%** (in line with previous quarters and guidance) thanks to growing recurring margins in all segments

OpFCF proxy in EUR mn



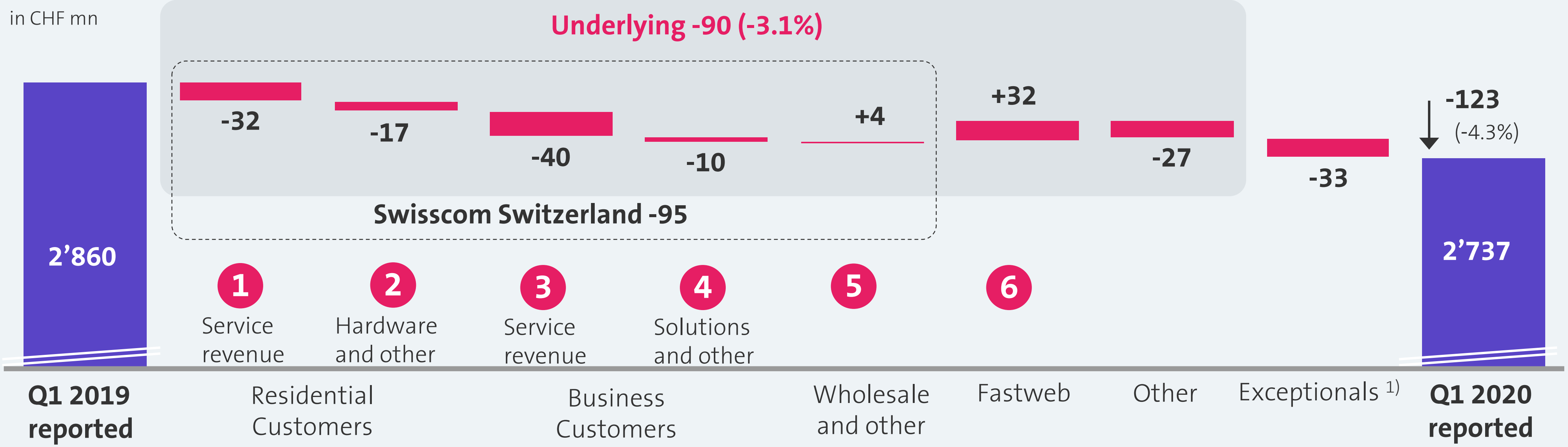
- **CAPEX** down -3% despite incremental network capacity
- **OpFCF proxy** YoY up by EUR +12mn

1) Consists of depreciation right of use assets and interest expense leases with scope of IFRS 16, 2) EBITDA after lease expense

3. Financial Results

Group revenue and changes by segments

Divergent top-line evolutions (with Switzerland down and Italy up)

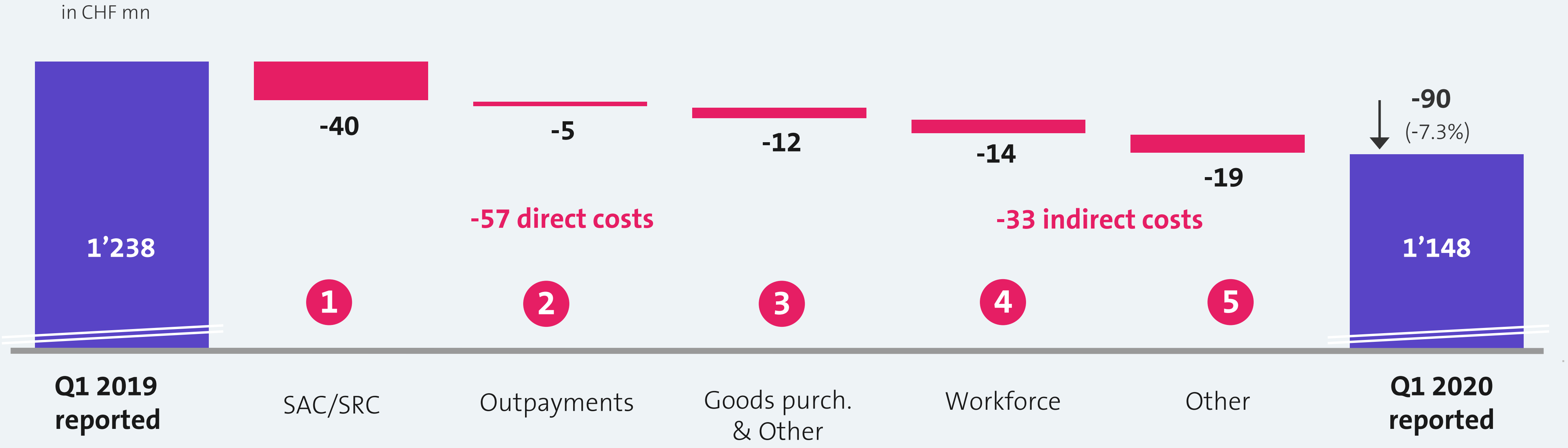


1. Competitive market dynamics with promotional activities and ongoing brand shifts leads to pressure on service revenue
2. Decrease primarily due to device decoupling from new mobile tariffs impacting revenue reconciliation (IFRS 15) by CHF -11mn
3. Price pressure in wireless and wireline
4. Solutions with growth CHF +10mn (cloud services and banking) but overcompensated by lower hardware sales
5. Increase primarily driven by higher MVNO and UBB services
6. Consumer, Enterprise and Wholesale with positive evolution

1) Consists of currency impacts (CHF -33mn)

OPEX Swisscom Switzerland and YOY changes

Operational excellence initiatives with expected impacts lowering OPEX on a recurring basis

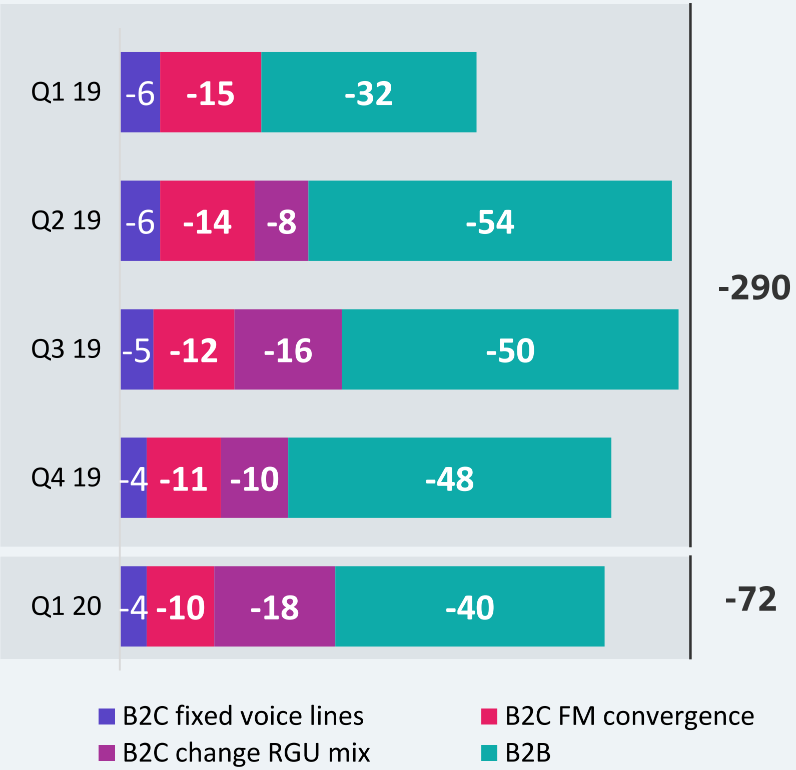


1. Lower retention and acquisition cost primarily for wireless
2. Lower roaming outpayments (lower tariffs overcompensate higher volume)
3. Decrease driven by lower hardware sales in customer projects
4. Operational excellence leads to a FTE reduction at Swisscom Switzerland of -539 YoY (o/w -242 in Q1 2020)
5. Lower cost for marketing communication, customer care and IT

EBITDA Swisscom Switzerland: YOY dynamics

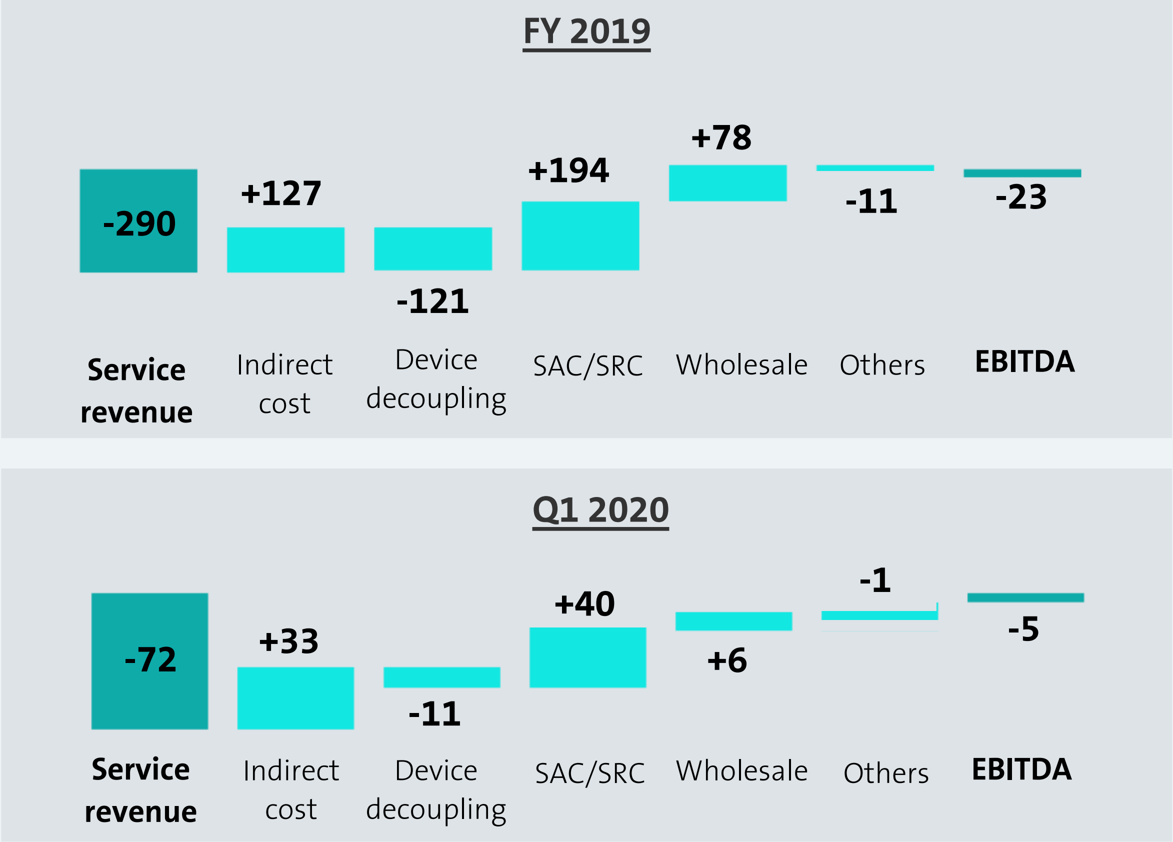
YOY changes fully in line with expectations

Service revenue …



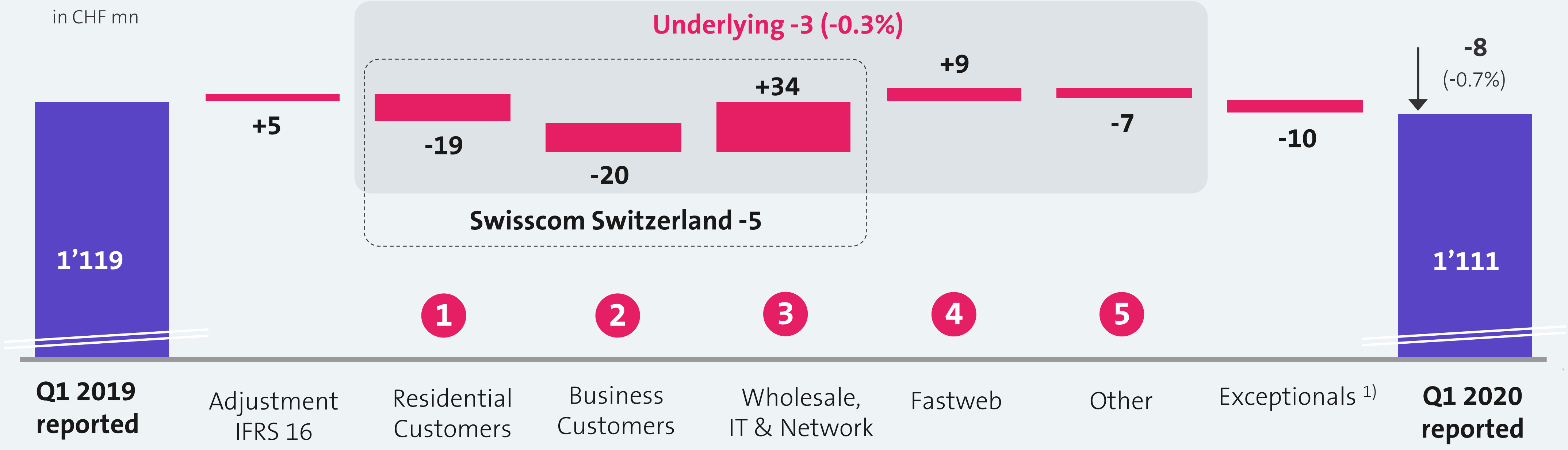
… and EBITDA dynamics of Swisscom Switzerland

YOY changes in CHF mn



Group EBITDA and changes by segments

Underlying performance almost flat thanks to strong cost savings in Switzerland and growing Fastweb

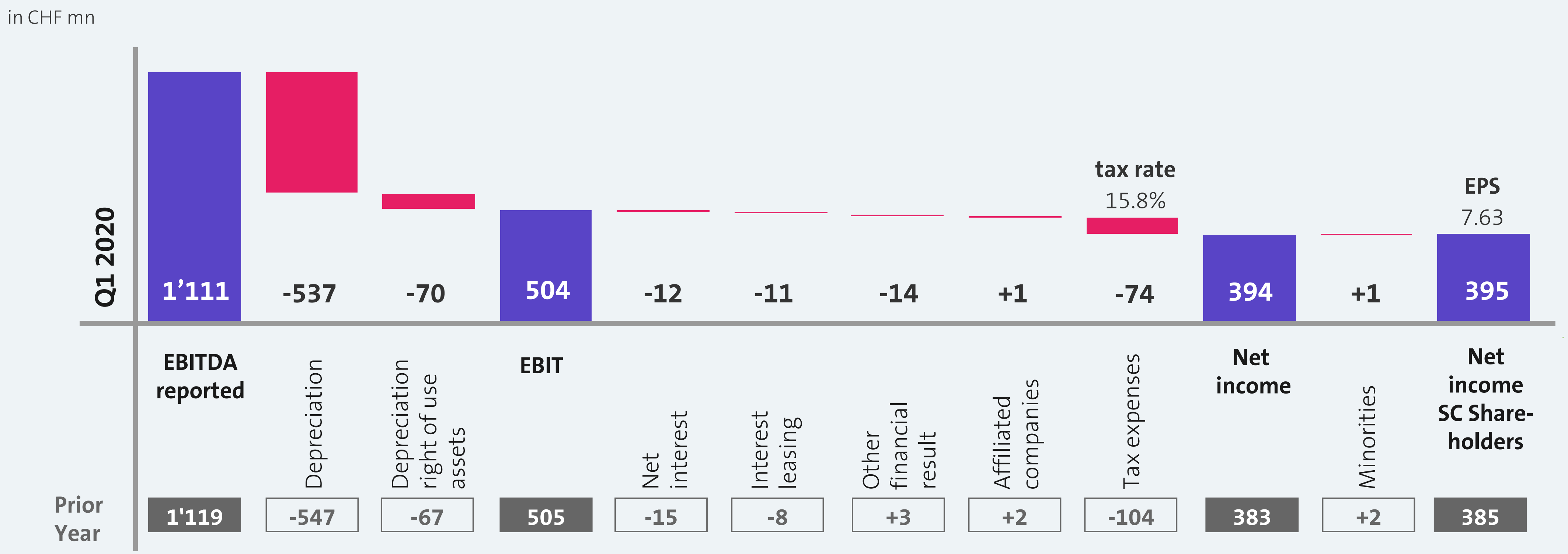


1. Lower OPEX partly compensate service revenue pressure
2. Price pressure in the Telco business partly compensated by improved profitability in the Solutions business
3. Increase is supported by lower cost for IT and support functions and higher wholesale revenues
4. Increase driven by revenue growth in all segments
5. Other segments report lower EBITDA primarily due to mandate loss of Billag (still affecting Q1)

1) Consists of currency impacts (CHF -10mn)

Net income

Net income up by +3% YOY driven by lower tax expense



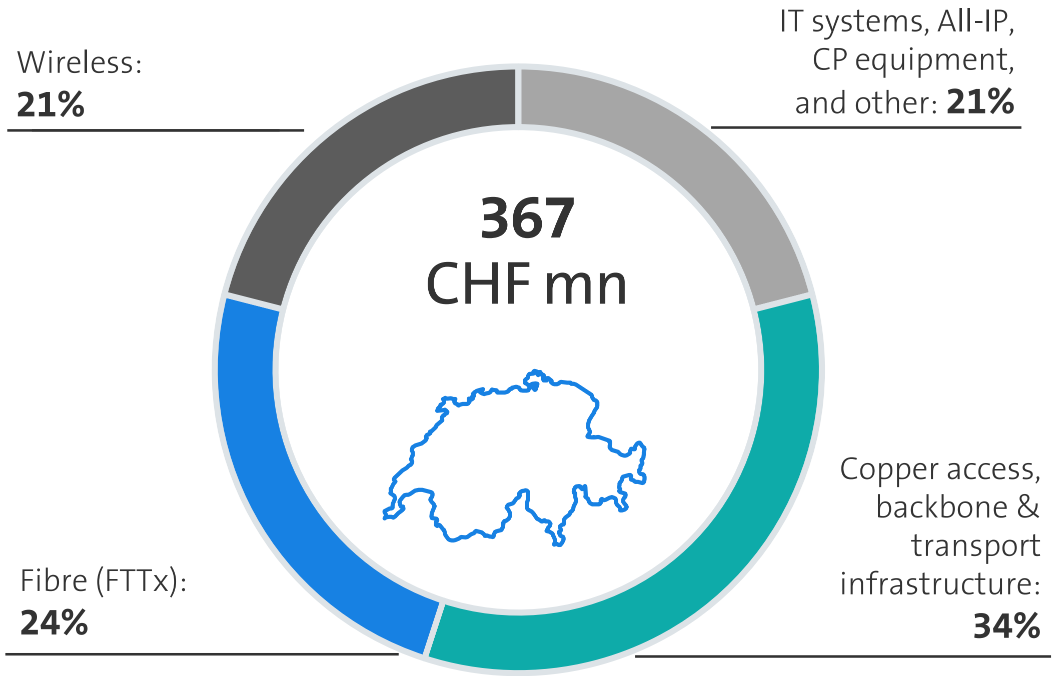
- Lower other financial result as prior year included a gain on sale of a subsidiary
- Lower tax expense as a result of tax rate adjustments in Switzerland

Capital expenditures

Network continuously improving for customer experience

Group CAPEX	CHF **516**mn (-0.4% YoY)
Swisscom Switzerland	CHF **367**mn (+4.0% YoY)
Fastweb*	CHF **148**mn (-8.1% YoY)
Other	CHF **1**mn (Q1 19: CHF 4mn)

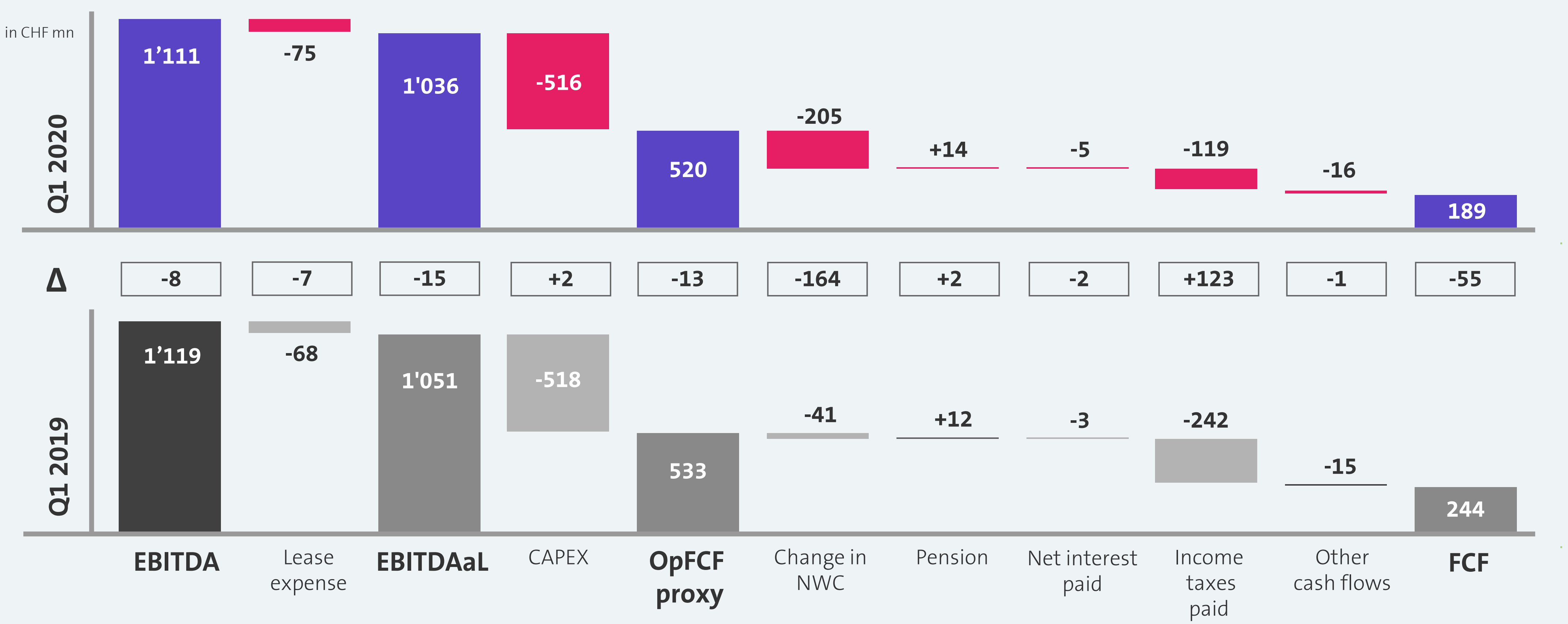
* in local currency in Q1 2019: EUR 143mn, in Q1 2020: EUR 138mn



- Continuous roll-out of wireline infrastructure and upgrading of mobile network in Switzerland, YOY higher due to friendly weather conditions in Q1
- Ongoing investments in network infrastructures keep Fastweb's CAPEX on a high level in local currency

Free cash flow

FCF down by 55mn YOY, the higher increase in NWC is partly compensated by different phasing in tax payments

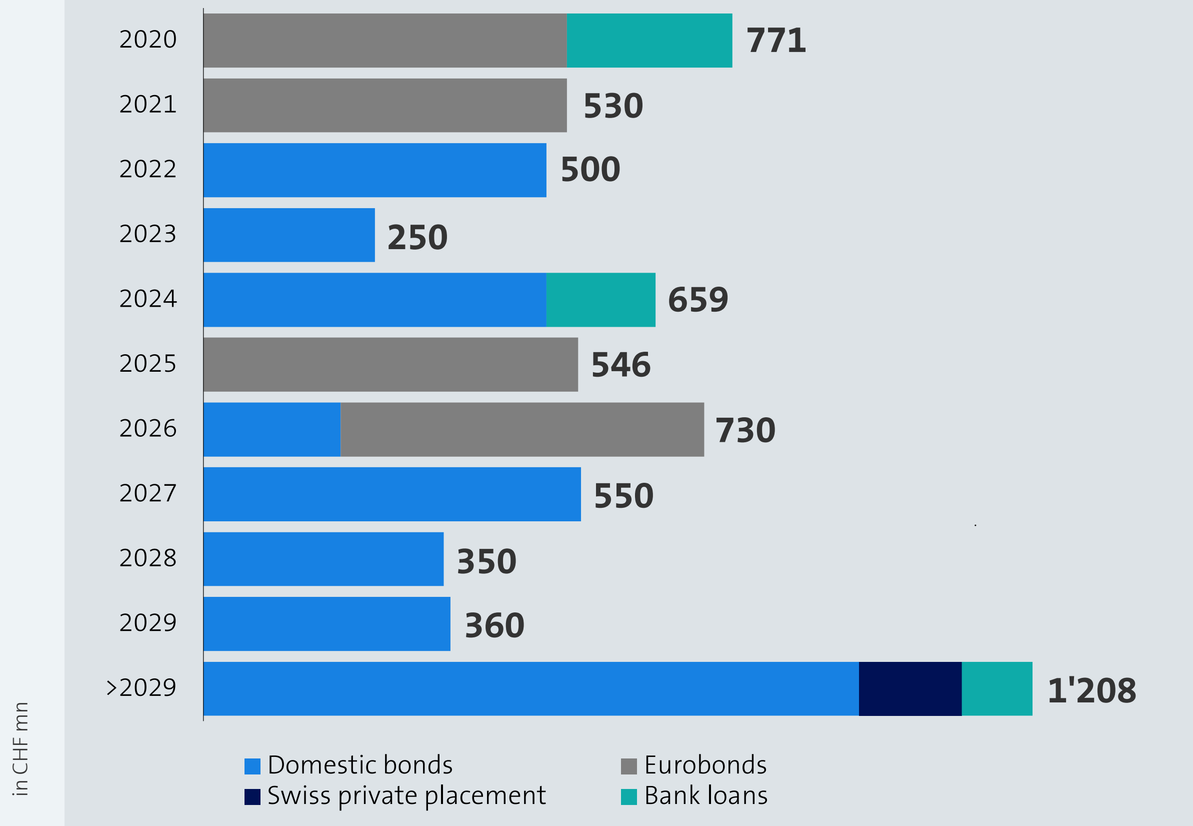


- OpFCF proxy YOY slightly lighter due to lower EBITDAaL (CHF -15mn)
- Higher net working capital compared to YE 2019 mainly as a result of prepayments and lower trade payables
- Tax payments CHF 123mn lower than previous year due to time-delayed payments in 2020

Well balanced maturity profile besides ample liquidity

Strong access to financial flexibility in 2020 despite refinancing requirements in 2020

Debt maturity profile as per Q1 2020*



- Debt mix: Fix **80%** vs floating **20%**
- ∅ interest rate of **0.98%**
- ∅ duration of **5.49 years**
- **CHF 2bn** committed credit lines still unused
- Swisscom with **CHF 1.5bn cash** at the end of Q1 2020
- Swisscom with **one of the strongest ratings in EU Telco landscape**
- **Committed to strong credit ratings**

S&P Global Ratings

A stable

Moody's

A2 stable

* excl. short-term money market borrowings

Guidance FY 2020 [1]

As communicated on 6 Feb 2020 and without consideration of any possible COVID-19 impacts [2]

in CHF bn	2019 reported	2020 outlook [5]
Revenue	**11.453**	**~ 11.1**
EBITDA [3]	**4.358**	**~ 4.3**
CAPEX [4]	**2.438**	**~ 2.3**

[1] Upon meeting its targets, Swisscom plans to propose again a dividend of CHF 22/share (payable in 2021)

[2] Possible COVID-19 financial impacts can not be quantified at this stage as (a) it depends on many different factors (such as scope and duration of epidemic, government measures to support the economy, customer behaviour in Switzerland and Italy, etc.) and (b) there is material uncertainty with regards to these factors

3 EBITDAaL 2020 outlook for Swisscom: CHF ~4.0bn
4 2019 figure includes cost for additional (5G) spectrum in Switzerland of CHF 196mn
5 For consolidation purposes, CHF/EUR of 1.07 has been used (vs. 1.11 for fiscal year 2019)

Questions & Answers

Appendix

Key financials

Reported and underlying revenue and EBITDA

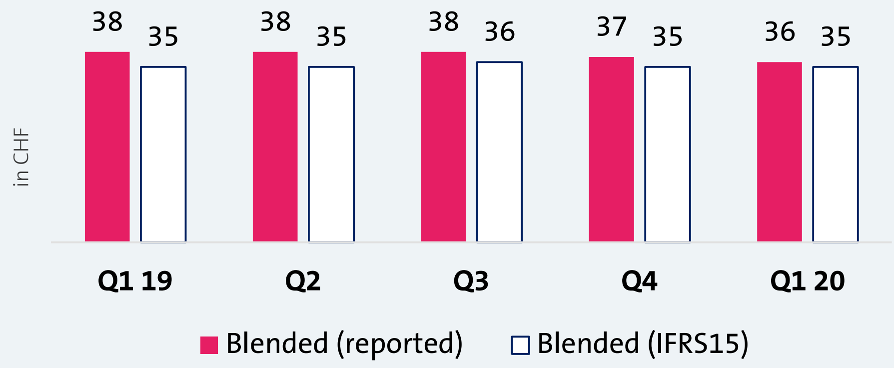
in CHF mn

	2019					2020					Change Q/Q, FY				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
Revenue, reported	**2'860**	**2'803**	**2'793**	**2'997**	**11'453**	**2'737**					**-123**				
Currency effect						33					+33				
Underlying change											**-90**				
EBITDA, reported	**1'119**	**1'121**	**1'120**	**998**	**4'358**	**1'111**					**-8**				
Adjustment effect IFRS16	5	5	5	-15	0						-5				
Restructuring				56	56										
Currency effect						10					+10				
Underlying change											**-3**				

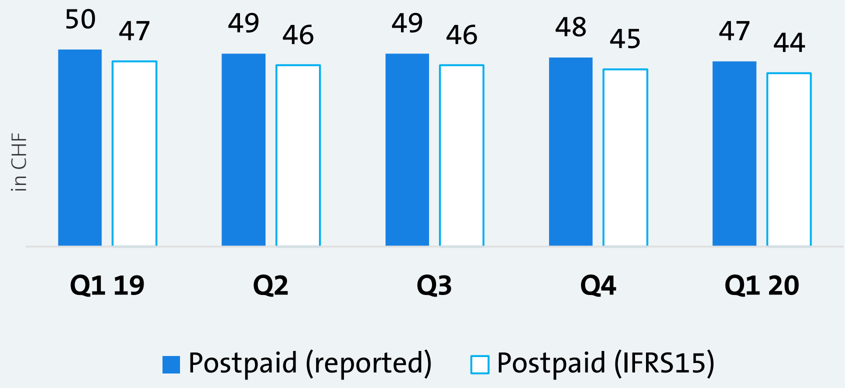
Swisscom Switzerland

Wireless ARPU and IFRS15 adjustments

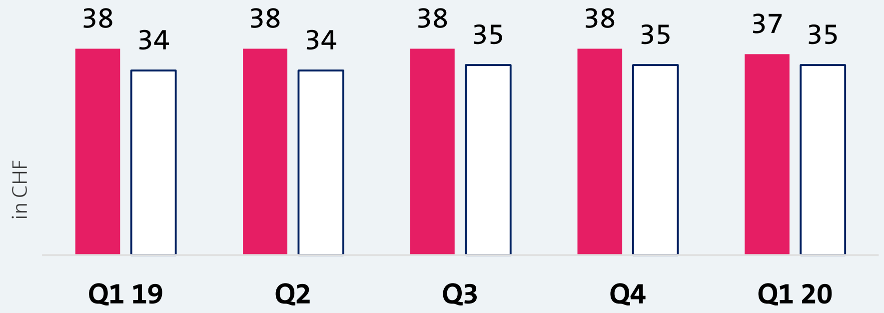
Swisscom Switzerland



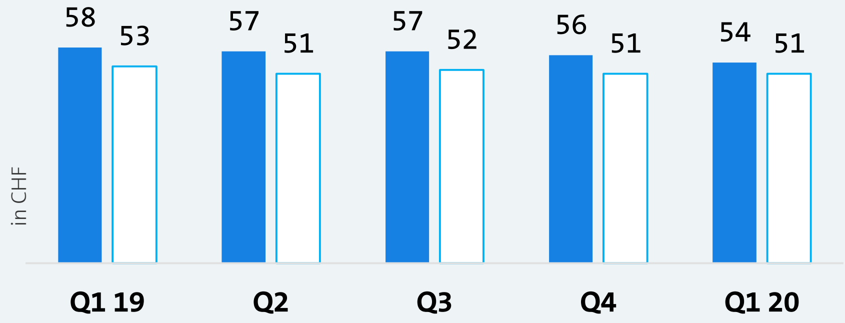
Swisscom Switzerland



Residential Customers



Residential Customers



Appendix

Residential Customers

Segment reporting as per 31.03.2020

Net revenue decreased driven by a lower service revenue.

Service revenue decreased (-4.4%) due to higher discount volumes (inOne), brand shift and device decoupling.

Contribution margin 2 decreased by 2.6%. Lower Service revenue was partly compensated by lower SAC/SRC and lower indirect cost (mostly workforce).

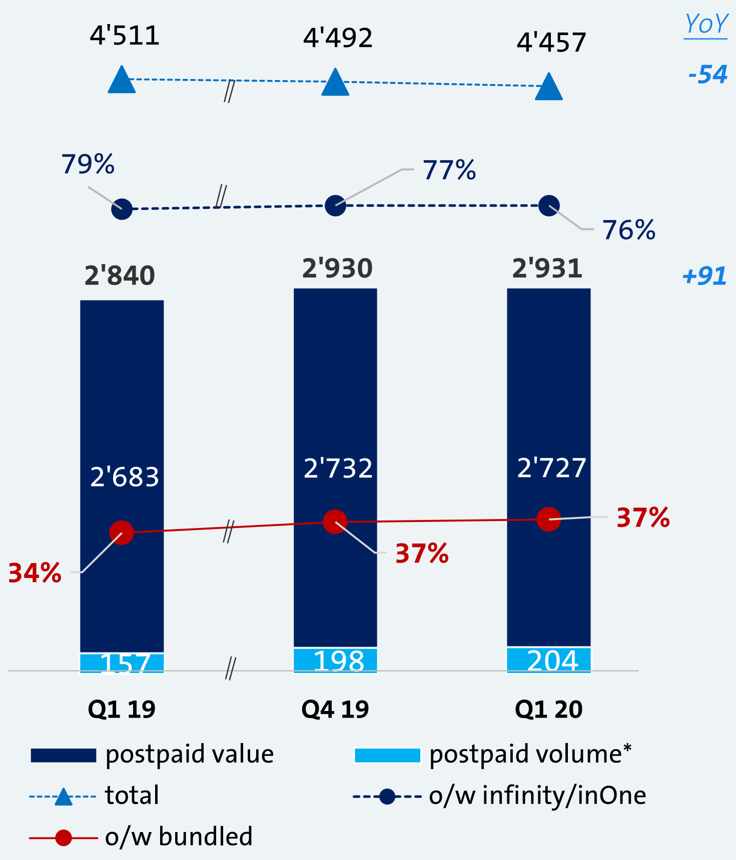
	31.03.2020	YoY
Net revenue in MCHF [1)]	**1'138**	**-4.4%**
Direct costs in MCHF	-249	-8.8%
Indirect costs in MCHF [2)]	-186	-4.6%
Contribution margin 2 in MCHF	**703**	**-2.6%**
Contribution margin 2 in %	*61.8%*	
Depreciation & amortisation in MCHF	-16	-36.0%
Lease expense in MCHF	-11	-8.3%
Segment result in MCHF	**676**	-1.2%
CAPEX in MCHF	-5	66.7%
FTE's	3'254	-5.2%
Broadband lines in '000 [3)]	1'754	0.6%
Voice lines in '000 [3)]	1'291	-4.8%
Wireless customers Prepaid in '000	1'526	-8.7%
Wireless customers Postpaid in '000 [3)]	2'931	3.2%
Blended wireless ARPU in CHF	37	-2.6%
TV subs in '000 [3)]	1'491	2.0%

1) incl. intersegment revenues
2) incl. capitalised costs and other income
3) sum of single play and bundles

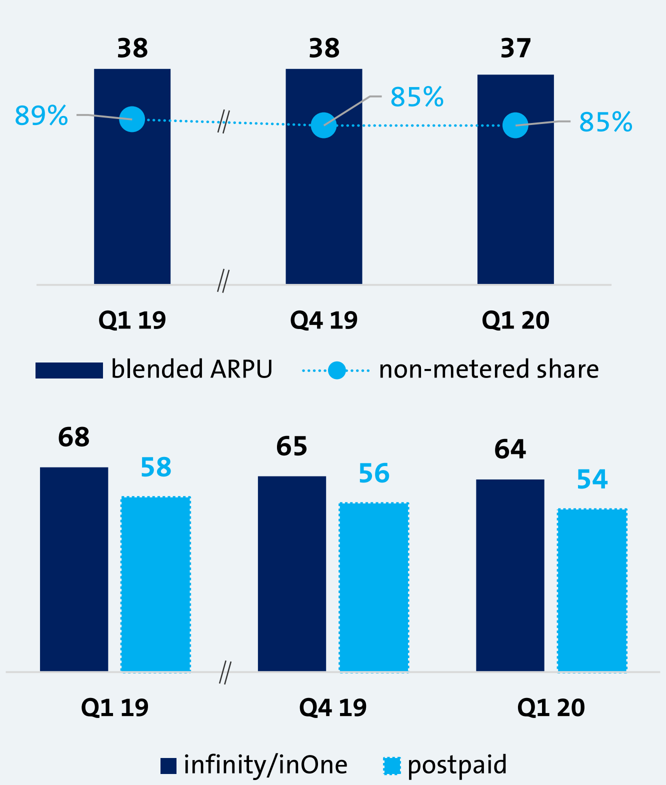
Residential Customers

Wireless performance

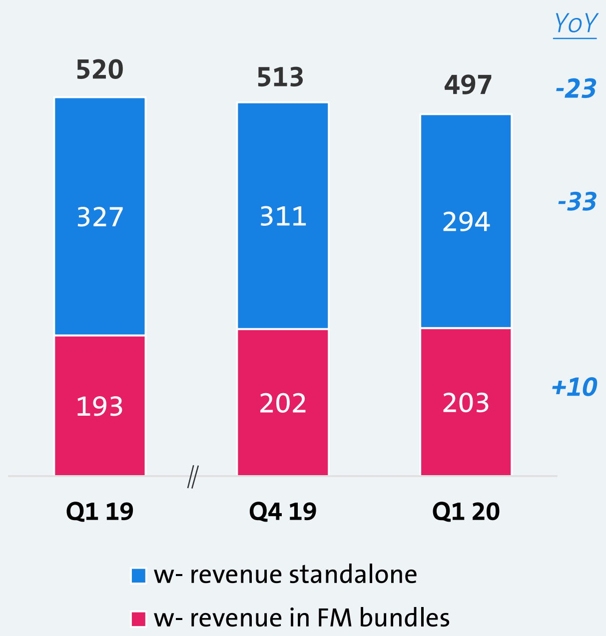
Subscriptions (in k)



ARPU (in CHF)



Service Revenue (in CHF mn)



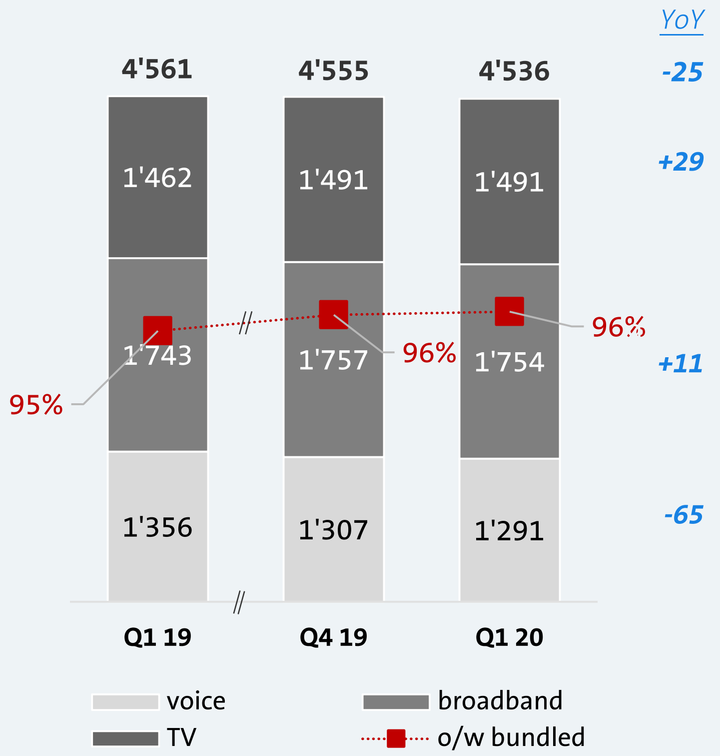
* consists of data and multi SIM cards

Appendix

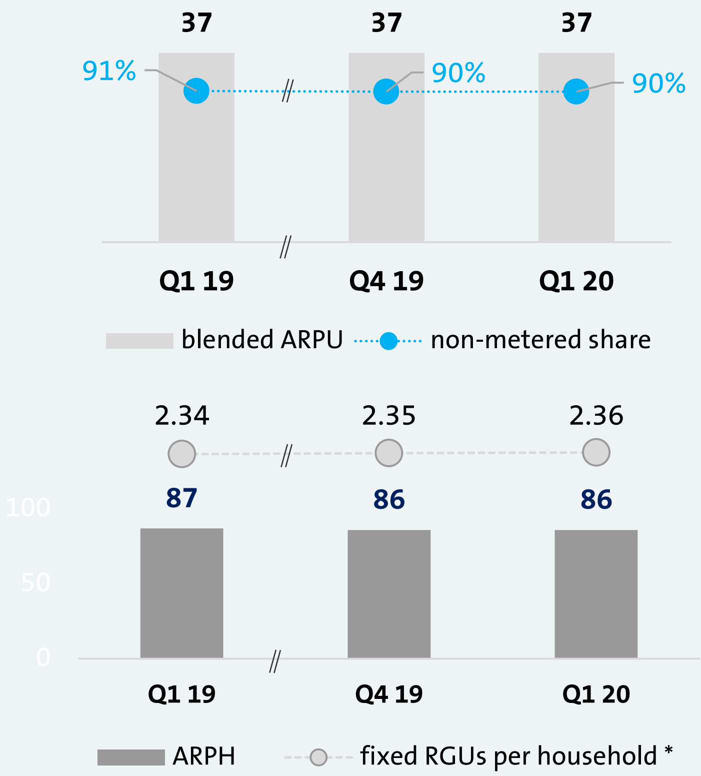
Residential Customers

Wireline performance

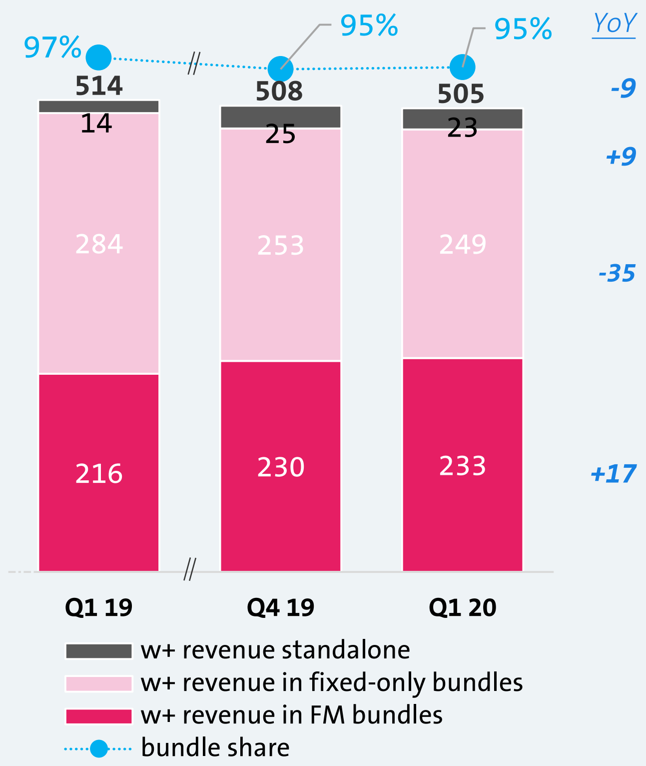
Subscriptions (in k)



ARPU and ARPH (in CHF)



Service Revenue (in CHF mn)

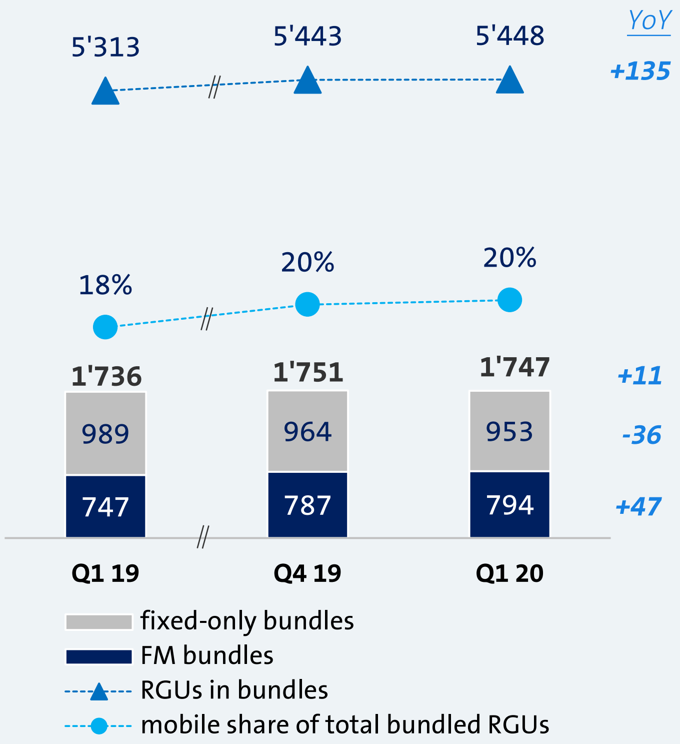


* HH = total broadband subscriptions + [total 1P voice subs – total 1P broadband subs]

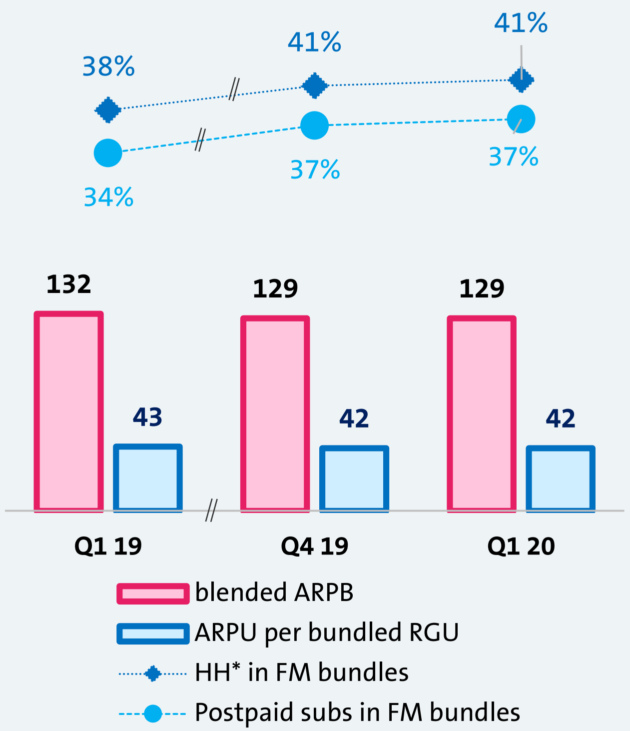
Residential Customers

Performance of fixed and FM bundles

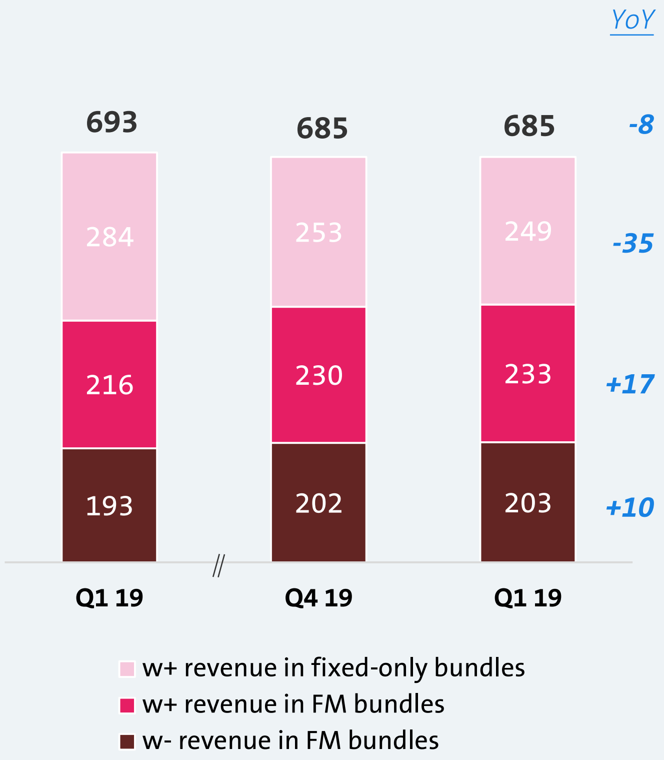
Subscriptions and Bundles (in k)



ARPB/U (in CHF) and FM penetration (in %)



Service Revenue (in CHF mn)



* HH = total broadband subscriptions + [total 1P voice subs – total 1P broadband subs]

Business Customers

Segment reporting as per 31.03.2020

Net revenue down -6.4%, decrease in service revenue (-8.4%) due to price erosion and lower volume.

On the other hand, solutions revenue went up 3.9% (cloud services, banking).

Hardware sales instead did not reach prior year volumes.

Contribution margin 2 decreased by 5.6%, decrease in the service revenue partly compensated be the higher contribution of the solutions business.

	31.03.2020	YoY
Net revenue in MCHF 1)	**779**	**-6.4%**
Direct costs in MCHF	-197	-14.7%
Indirect costs in MCHF 2)	-246	0.4%
Contribution margin 2 in MCHF	**336**	**-5.6%**
Contribution margin 2 in %	*43.1%*	
Depreciation & amortisation in MCHF	-20	-4.8%
Lease expense in MCHF	-8	14.3%
Segment result in MCHF	**308**	-6.1%
CAPEX in MCHF	-9	-18.2%
FTE's	4'978	-3.6%
Broadband lines in '000	299	-4.8%
Voice lines in '000	291	-23.6%
Wireless customers in '000	1'842	-1.3%
Blended wireless ARPU in CHF	35	-7.9%

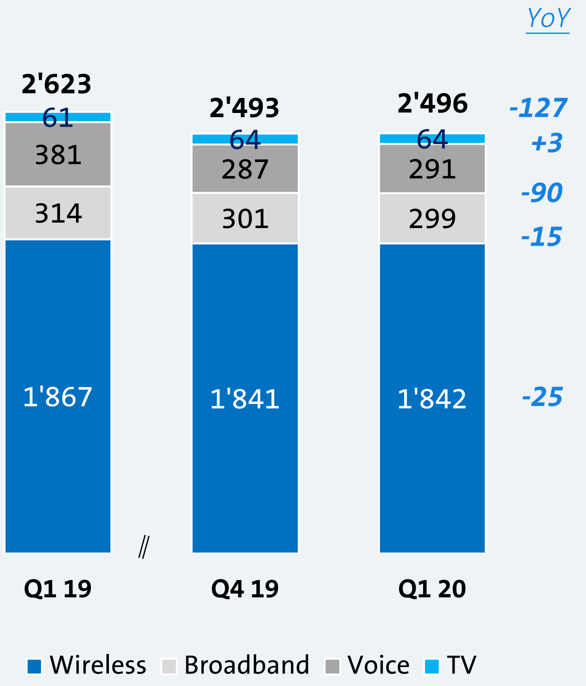
1) incl. intersegment revenues

2) incl. capitalised costs and other income

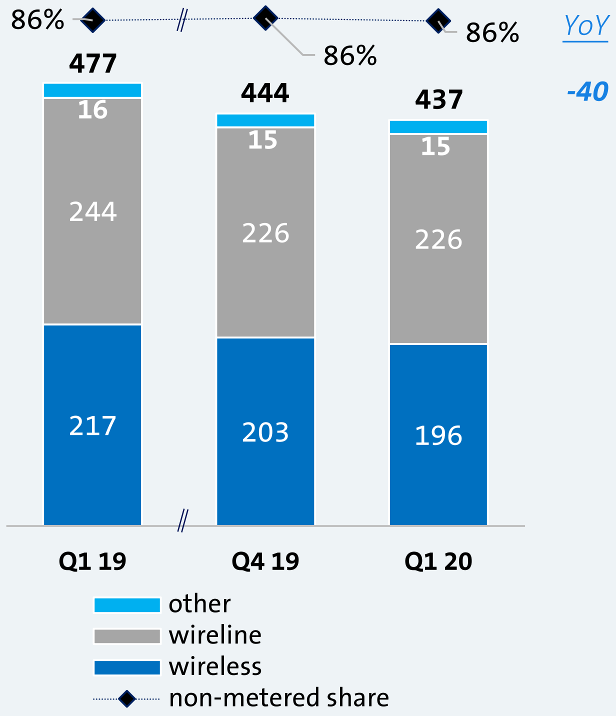
Business Customers

Subs and revenue performance

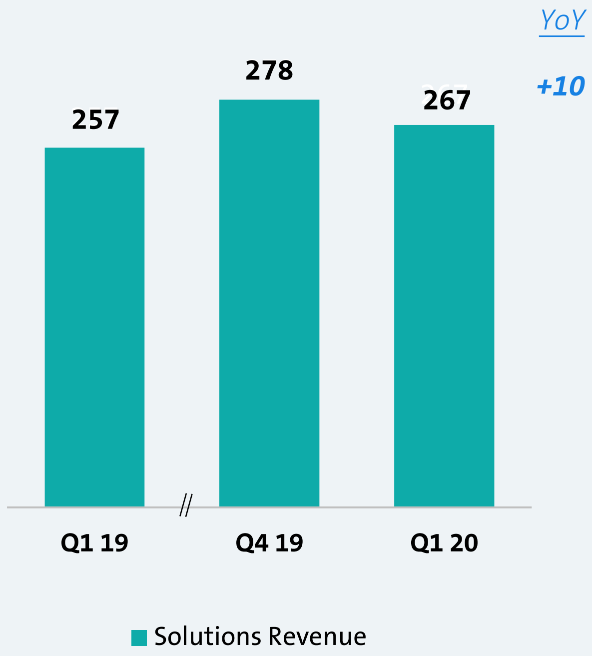
Subscriptions (in k)



Service Revenue (in CHF mn)



Solutions Revenue (in CHF mn)



* Consists of revenues from vertical businesses, digital solutions, cloud and network services and other solutions

Wholesale

Segment reporting as per 31.03.2020

Revenue from external customers up by 3.8%, driven by higher revenue from MVNO services as well as for connectivity services increased.

Contribution margin 2 increased driven by the revenue increase.

	31.03.2020	YoY
External revenue in MCHF	164	3.8%
Intersegment revenue in MCHF	61	-3.2%
Net revenue in MCHF	**225**	**1.8%**
Direct costs in MCHF	-89	2.3%
Indirect costs in MCHF [1)]	-4	-50.0%
Contribution margin 2 in MCHF	**132**	**4.8%**
Contribution margin 2 in %	*58.7%*	
Depreciation & amortisation in MCHF	-	
Lease expense in MCHF	-	
Segment result in MCHF	**132**	4.8%
CAPEX in MCHF	-	
FTE's	83	-1.2%
Full access lines in '000	66	-20.5%
BB (wholesale) lines in '000	525	6.7%

1) incl. capitalised costs and other income

IT, Network and Infrastructure

Segment reporting as per 31.03.2020

Contribution margin 2 improved by 10.2% driven by lower IT-cost and lower workforce expenses.

	31.03.2020	YoY
Net revenue in MCHF	**22**	**-4.3%**
Direct costs in MCHF	-3	0.0%
Workforce expenses in MCHF	-208	-2.3%
Maintenance in MCHF	-46	9.5%
IT expenses in MCHF	-33	-19.5%
Other OPEX in MCHF	-89	-16.0%
Indirect costs in MCHF	-376	-6.5%
Capitalised costs and other income in MCHF	110	2.8%
Contribution margin 2 in MCHF	**-247**	**-10.2%**
Depreciation & amortisation in MCHF	-341	1.8%
Lease expense in MCHF	-39	8.3%
Segment result in MCHF	**-627**	-2.9%
CAPEX in MCHF	-353	4.1%
FTE's	4'498	-3.8%

Fastweb

Segment reporting as per 31.03.2020

Consumer revenue up by 4.1% YoY driven by the increase in customer base.

Enterprise revenue up by 4.5% as revenues with the private sector and public administrations increased.

Wholesale revenue increased as well.

EBITDA up by 4.9% YoY driven by the revenue increase.

	31.03.2020	YoY
Consumer revenue in MEUR	280	4.1%
Enterprise revenue in MEUR	211	4.5%
Wholesale revenue in MEUR [1)]	52	20.9%
Net revenue in MEUR [1)]	**543**	**5.6%**
OPEX in MEUR [2)]	-373	6.0%
EBITDA in MEUR	**170**	**4.9%**
EBITDA margin in %	*31.3%*	
Depreciation& amortisation in MEUR	-144	3.6%
Lease expense in MEUR	-13	8.3%
Segment result in MEUR	**13**	18.2%
CAPEX in MEUR	-138	-3.5%
FTE's	2'515	2.3%
BB customers in '000	2'659	3.3%
Wireless customers in '000	1'779	23.5%
In consolidated Swisscom accounts		
EBITDA in MCHF	181	-0.5%
CAPEX in MCHF	-148	-8.1%

1) incl. revenues to Swisscom companies

2) incl. capitalised costs and other income

Other

Segment reporting as per 31.03.2020

External revenue down by 21% YoY, as the close-down of Billag has yet an impact in Q1.

Furthermore, revenue for external customers at Cablex was in prior year relatively high due to a customer project.

	31.03.2020	YoY
External revenue in MCHF	109	-21.0%
Net revenue in MCHF [1)]	**243**	**-8.3%**
OPEX in MCHF [2)]	-201	-6.5%
EBITDA in MCHF	**42**	**-16.0%**
EBITDA margin in %	*17.3%*	
Depreciation & amortisation in MCHF	-15	-16.7%
Lease expense in MCHF	-3	0.0%
Segment result in MCHF	**24**	-17.2%
CAPEX in MCHF	-7	-12.5%
FTE's	3'583	-3.0%

1) incl. intersegment revenues
2) incl. capitalised costs and other income

Our strategic framework and achievements[1] in corporate responsibility (CR) ...

... to transform people's mindset and embrace progress along the sustainability development goals (SDG)

More for **people**

- **1'330k people** supported to improve working conditions **within supply chain**
- **12.2% female** in management
- **5 days**/employee for **up-/reskilling**
- **575k people** trained in the **responsible use of digital media**

More for **environment**

- **100% renewable energy** since 2010
- **Energy efficiency increased by 50% since** 2010
- **70% CO_2 output saving** since 1990
- **Climate positive** (together with our customers) since 2017

More for **Switzerland**

- **CR requirements** being **accepted by 100% Swisscom suppliers**
- **Board of data ethics** in place
- UBB boost: **74% with >80 Mbps** or 47% with >200 Mbps
- **5k schools** with **free internet**

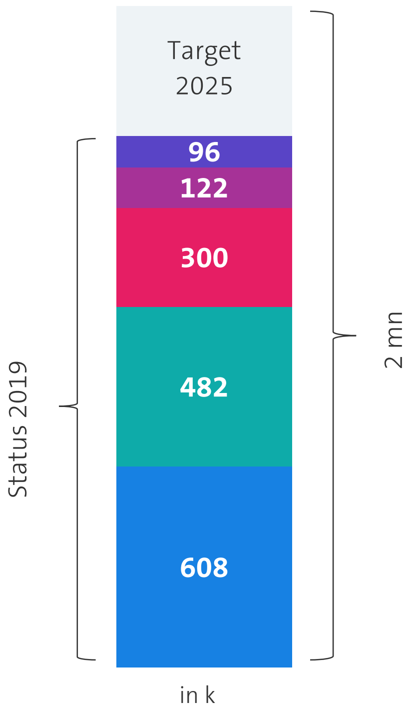
1 as per 31.12.2019

Sustainability ambitions 2025

Bringing progress with a keen sense of both responsibility and curiosity

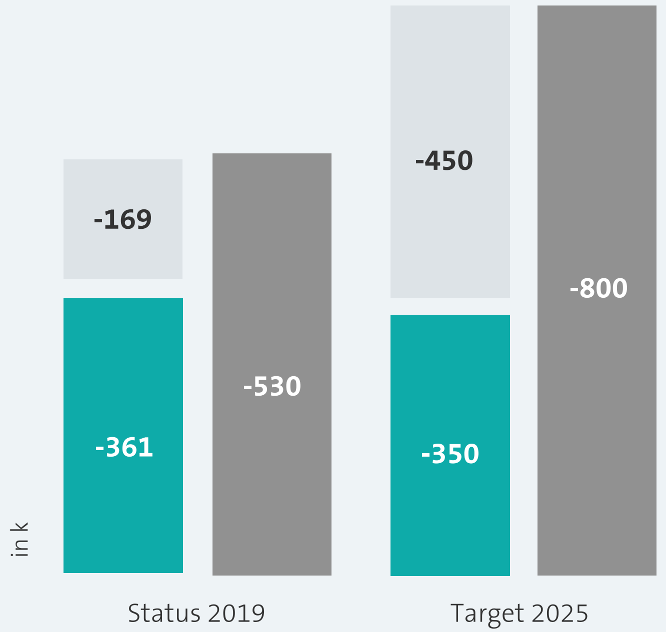
More for **people**

- Training **media use**
- Promoting **media skills**
- **Fair supply chain**
- **Digital shift**
- **Technical measures**



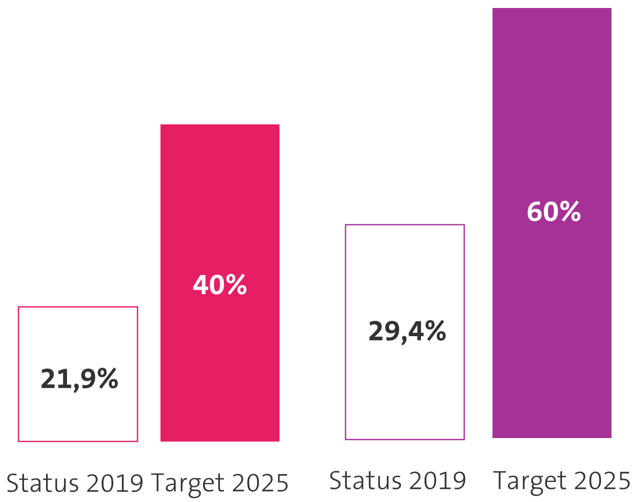
More for **environment**

- **Limit CO_2 emissions** from **operations** and in the **supply chain** by **2025** to **350k tonnes**
- **CO_2 reduction** through **customers** and **portfolio**



More for **Switzerland**

- **30%-40% coverage** of fixed-line apartments and shops with ultra-broadband between **300-500 Mbps** by modernizing existing network
- **50%-60% coverage** of apartments and shops with ultra-broadband of **10 Gbps** by **upgrading fibre optics (FTTH)**



Appendix

Awarded as one of the world's most sustainable companies

External recognition of Swisscom's ESG commitments and achievements

Global Compact

SBTi: Science-based Target initiative

RE100: Initiative 100% renewable energy*

VBE

EnAW: Energie-Agentur der Wirtschaft

* Since 2010 Swisscom has been using 100% of electricity from renewable sources

Member of several CR Ratings

FTSE4Good Index
Top 10 Developed Europe

EcoVadis 2017 CSR Rating
Gold Recognition Level

Dow Jones Sustainability Index

Carbon Disclosure Project
A-List Climate Change 2017

Appendix

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