



2015

Sustainability Report



Annual report publications

The Annual Report, Sustainability Report and Swisscom at a glance are part of Swisscom's 2015 Annual Report.

The three publications are available online at:

swisscom.ch/report2015

"Special moments" image concept

Life is a series of special moments that we hope never to forget. Perhaps this is why we like to let our loved ones experience these moments, too. Happiness shared is happiness doubled, after all.

Swisscom helps people to share their special moments via their smartphones or an app – as a personal message or text, a short film or photo.

We'd like to say a big thank you to Swisscom employees Elke Lanzoni, Andri Rüesch and Martin Fisch, as well as their families, who shared their own special moments with us on the publications' title pages.

Corporate Responsibility

Fulfilling
the expectations
of our stakeholder
groups in a respon-
sible manner.

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Introduction


See
[www.swisscom.ch/
climate-report2015](http://www.swisscom.ch/climate-report2015)

The Sustainability Report follows the Global Reporting Initiative (GRI) guidelines and forms part of Swisscom's reporting. It addresses sustainability as a Swisscom corporate responsibility and contains information on the topics that are relevant for Swisscom and its stakeholder groups. Swisscom also publishes a complete climate report in accordance with ISO 14064. Both reports are independently verified.

Stakeholders' letter

Dear Readers

People and the relationships that bring them together are at the heart of what Swisscom does. Be it as customers or colleagues, in business or in private, as a team or as individuals; but ultimately as a part of society – the relationship between Swisscom and Swiss society is more than a mere bond, it is reciprocal. If the people of Switzerland feel good, Swisscom feels good. This is precisely why Swisscom considers sustainability as a long-term investment in our future.

How can we achieve the targets we've set ourselves for the future? By thinking ahead when setting goals and acting boldly. In doing so, we want to support one million people in fulfilling their desire for an increasingly mobile working environment. This enables significant CO₂ savings and takes pressure off public traffic infrastructure. We also want to educate one million people on how to use media safely and responsibly, helping them avoid negative consequences before they arise. In an increasingly networked and digitised world, Swisscom always offers its customers the best – regardless of their location. This is because Swisscom wants people and businesses in Switzerland to be able to fully exploit the opportunities of the networked world.

That is exactly how we embrace sustainability: we do not compensate, we reduce and we avoid. Swisscom has grown over the past years and now has more customers, more staff and more revenue. In one area, though, we have recorded a decline – a decline we are proud of: we have reduced our emissions, and we have done so with only a slight increase in energy consumption. We have come to learn that everything is inextricably linked, and that building a stable relationship requires effort – every day.

Swisscom assumes responsibility for our environment, our society and our economy – both now and in the future. We have developed a sustainability strategy that complements our corporate strategy and is based on numerous discussions with customers, employees, investors, NGOs, politicians, experts, authorities and the Swiss Confederation. This strategy encompasses our commitment to the environment, society and the economy, and defines six goals that we intend to achieve in the areas of climate protection, work and life, improving media skills and networking, attractive employer, and fair supply chain by 2020. For example, we intend to use our ICT services to save twice as much CO₂ as we emit in the course of operations and along the entire supply chain. In addition to the environment and the economic objective of further connecting the whole of Switzerland, our main focus is on people. Under the “work and life” goal, we aim to provide support to a million customers both in terms of mobile working as well as in living a healthy lifestyle. As the leading provider in the area of data security, we want to provide a million customers with support in using media in a safe and responsible manner and thus help to develop Switzerland’s media skills. Through our services, we want to make a long-term contribution to creating a prosperous Switzerland and to treating people and the environment with a great deal of respect. “Sustainability” is therefore one of the core values of our mission statement. By this, we mean thinking holistically and in a networked manner, securing long-term business success, assuming responsibility and using resources sensibly. We identify strongly with the Swiss community, as people and their relationships are at the heart of everything we do.

Kind regards



A handwritten signature in black ink, appearing to read 'Stefan Nünlist'.

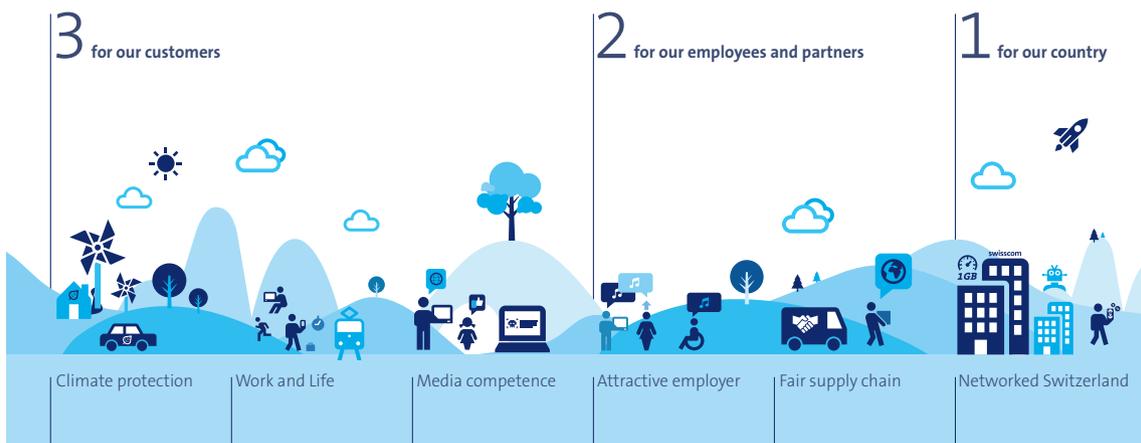
A handwritten signature in black ink, appearing to read 'Res Witschi'.

Stefan Nünlist
Head of Group Communications &
Responsibility

Res Witschi
Head of Corporate Responsibility

Sustainable environment

Swisscom attaches great importance to sustainability. Our main aim is to use resources efficiently, to think ahead and make provisions for future changes, and to guarantee that our communication is based on exchange and credibility. As a national infrastructure provider and a company committed to Switzerland, Swisscom holds a special position. Coupled with the expectations of the various stakeholder groups – especially customers, employees and the federal government in its role as principal shareholder and as legislator – this position places high demands on the company as regards sustainability. Sustainable management and long-term responsibility are among the core values to which Swisscom is committed. They are reflected in the corporate business strategy and mission statement, and are presented in more detail in the Corporate Responsibility (CR) strategy. During the year under review, Swisscom continued the integration of Corporate Responsibility in its Swiss and Italian activities, especially in economic and social terms.



Value chain and main aspects of Corporate Responsibility

Swisscom generates the bulk of its added value in Switzerland. In 2015, activities abroad accounted for 6% (prior year: 4%) of the Group's added value from operations. Swisscom's business is described in detail in the Management Commentary.

Both positive and negative effects on the environment, economy and society are created along the value and supply chains:

- > The provision of consumer and investment items and their transport to Switzerland have ecological effects on the consumption of energy and resources as well as on CO₂ emissions.
- > The provision of infrastructure and telecommunication services plays a role in ensuring that Switzerland remains competitive.
- > Using Swisscom services offers advantages to customers, but also entails certain technical and social challenges.
- > Creating and maintaining jobs in Switzerland and within the supply chains involves a social and economic aspect.

The effects on the environment, economy and society mentioned above are assessed according to their importance. Stakeholder groups are involved in the assessment, enabling strategic priorities to be set more efficiently.

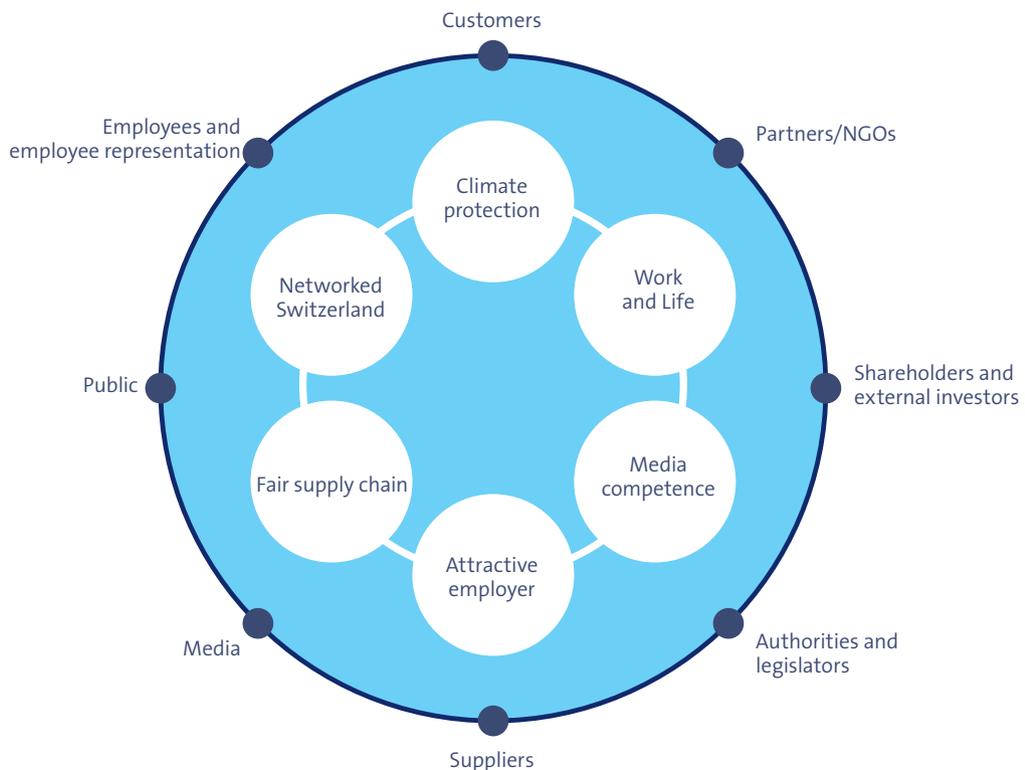
The added value statement and the distribution of added value are addressed in the Management Commentary of the Annual Report, in the "Financial review" section on page 64 ff.

Stakeholder involvement

Swisscom fosters dialogue with its most important stakeholder groups through various channels: via electronic media, over the phone, through surveys, information events, business meetings and conferences, as well as in customers' homes and in Swisscom Shops. In 2015 – as in previous years – Swisscom took note of the concerns of the various stakeholder groups, prioritising them and among other things incorporating them into its CR strategy. Stakeholders' expectations change over time. This had a significant influence on the further development of the CR strategy in 2015, which will remain in effect until 2020. Stakeholder management at Swisscom is decentralised in order to ensure proximity and ongoing contact with individual stakeholder groups. As part of the further development of the CR strategy and on behalf of the Group Executive Board, Swisscom continued the CR Executive Dialogue in 2015, which sees the members of the Group Executive Board discuss all six strategic Corporate Responsibility targets with the managers responsible for stakeholder groups. Two CR Executive Dialogues were held in 2015. They addressed, among other things, the CR strategy, the role of ICT in climate protection, media skills, flexible working models and sustainability in terms of ratings and financial assets. In addition, Swisscom conducted a survey of the population in 2015, which led to the new classifications for individual topics.

Dialogue with stakeholder groups and strategic priorities

Dialogue takes place with stakeholder groups depending on how close the relationship is and on the individual stakeholder group's interests. However, the size of the respective stakeholder group is the decisive factor in what kind of dialogue is possible.



Customers

Swisscom systematically consults residential customers on their needs and their level of satisfaction. In this way, customer relationship managers are able to determine their customers' needs by contacting them directly. Swisscom also conducts regular representative surveys on customer satisfaction. These include a question on the extent to which customers perceive Swisscom as a company that acts responsibly towards society and the environment.

Quarterly surveys are conducted among business customers, which include questions on sustainability. Swisscom also maintains regular contact with consumer organisations in all language regions of Switzerland and runs blogs as well as online discussion platforms. The overall findings show that customers expect good service, attractive pricing, market transparency, responsible marketing, comprehensive network coverage, network stability, low-radiation communication technologies and sustainable products and services.

Shareholders and external investors

Besides the Annual General Meeting, Swisscom regularly fosters dialogue with shareholders at analysts' presentations, road shows and in regular teleconferences. Over the years, it has also built up contacts with numerous external investors and rating agencies. Shareholders and external investors expect above all growth, profitability and innovation from Swisscom.

Authorities

Swisscom maintains close contact with various public authorities at different levels. A key issue in its dealings with this stakeholder group concerns network expansion. Mobile data applications are becoming increasingly popular with customers. But while mobile communications are clearly appreciated and widely used, the expansion of the infrastructure required to provide these services does not always meet with the same level of support.

Network expansion gives rise to tension because of the different interests at stake. Swisscom has been engaged in dialogue with municipal authorities and residents on network planning for many years, which in the case of construction projects gives the parties affected an opportunity to suggest suitable alternative locations. Swisscom also liaises regularly with public authorities in other areas and on other occasions: for example, it invites ICT heads of the cantonal education authorities to an annual two-day seminar on the subject of "Internet for Schools". As a stakeholder group, public authorities expect Swisscom to act decisively in the way it recognises its responsibility towards the public at large and towards young people in particular.

Legislators

Swisscom is required to deal with political and regulatory issues, maintaining a regular dialogue with authorities, parties and associations. Wherever Swisscom makes a constructive contribution to the legislative process, it always aims for full compliance in the application of the law.

Suppliers

Swisscom's procurement organisations regularly deal with suppliers and manage supplier relationships, analysing the results of evaluations, formulating target agreements and reviewing performance. Once a year, they invite their main suppliers to a Key Supplier Day. The focus of the event is on risk mitigation and responsibility in the supply chain. In the interests of maintaining dialogue with global suppliers, Swisscom also relies on international cooperation within the relevant sectors.

Media

Swisscom maintains close contact with the media, seven days a week. Its relationship with the media is informed by professional journalistic principles. In addition to the Media Office, representatives of management maintain a regular dialogue with journalists and make themselves available for interviews and more in-depth background discussions.

Employees and employee representation

In order to meet its mandate and live up to its customer promise, Swisscom relies on fully committed, responsibly minded employees who think and act proactively. It is our employees who transform Swisscom into a tangible experience for customers. Swisscom gains valuable information from the dialogue with customers. The information gathered at the customer interfaces flows back to the company and permits Swisscom to continually improve its products and services. Using a wide range of communication platforms and activities, including means of providing feedback, Swisscom promotes a corporate culture that encourages dialogue and cross-collaboration within

the company. Every two years, Swisscom conducts an employee survey, the results of which provide ideas for new projects and measures. Helping to shape Swisscom's future is one of the most important tasks of the Employee Representation Committee. Twice a year, Swisscom organises a round-table meeting with the employee representatives. Employee concerns mainly relate to social partnership, training and development, diversity, and health and safety at work. Swisscom engages in dialogue with teams from all organisational units on sustainability issues, under the motto "Hello Future". Through this dialogue, Swisscom keeps its employees up to date on its work in the area of sustainability and encourages them to implement sustainability measures in their daily work and life.

Partners and NGOs

Swisscom believes in the importance of sharing insights and information with partners within the framework of projects; for example, with WWF Climate Savers, myclimate, the Swiss Child Protection Foundation and organisations that address the specific needs of affected groups. Active partnerships and Swisscom's social and ecological commitment are especially relevant for the partners and NGO stakeholder group. The Swisscom website provides an overview of our stakeholder groups.

 See
[www.swisscom.ch/
cr-partnerships](http://www.swisscom.ch/cr-partnerships)

Public

We maintain contact with the public through trade fairs and events, directly via the Swisscom website or, as in 2015, through surveys of the public.

Material issues

Criteria of materiality

In order to assess the materiality of each sustainability issue, Swisscom has defined and applied the following qualitative criteria for the report in the year under review:

- > Importance of topics addressed by Swisscom's mission statement
- > Significance and relevance of topics for stakeholder groups
- > Effects on the company's financial position, results of operations and reputation

First classification of sustainability topics in the materiality matrix

The sustainability topics can be classified in a matrix based on their relevance to Swisscom's business strategy and the concerns of stakeholder groups. They are examined and dealt with internally according to level of importance and scope by those bodies that act as contact partners for the respective stakeholders. The issues are also discussed by other bodies such as division management or the Group Executive Board. If necessary, these bodies initiate the appropriate measures. The matrix topics and their classification were validated by representative shareholder groups in a survey conducted in October 2013. In the survey, government authorities, partners and NGOs such as the WWF and myclimate commented on ecological aspects, while the Swiss Association for Audiovisual Learning (SSAB) and the Federal Social Insurance Office (FSIO), which are jointly responsible for the National Programme for the Promotion of Media Skills, commented on social aspects. The survey concluded that Swisscom should increase its efforts in promoting products and services aimed at reducing customers' CO₂ emissions. Customers, after all, could make a substantial contribution towards combating climate change. These findings are also confirmed by the most recent study of the International Global e-Sustainability Initiative (GeSI smarter 2020) as well as Swisscom's evaluation. The reduction of customers' CO₂ emissions thus ranks as relevant in the matrix. Issues highlighted by the FSIO and SSAB surveys, such as the shortage of specialist staff and generation management, have also been incorporated in Swisscom's materiality matrix under diversity and personnel training and development. There is consensus as regards the rating accorded to the other issues.

Based on the findings, Swisscom has developed a CR strategy that will apply until 2020. In connection with this, the collaboration of different divisions within Swisscom resulted in two business activities being identified as material: healthcare and corresponding health-related offers, and offers for flexible working models and the promotion of a mobile working culture.

In a symbolic move towards increased stakeholder involvement, Swisscom reviewed its strategic “2:1 target” in collaboration with its long-term partner organisations WWF and myclimate. As part of the “2:1 target”, Swisscom aims to work together with its customers to save twice as much CO₂ as it emits throughout the entire company including the supply chain by 2020. Specifically, this dialogue with partner organisations helped set both the target amount and find a plausible calculation method. Swisscom incorporated many suggestions throughout the process which helped improve the calculation method and communication of the target. Swisscom placed specific review requests with both partner organisations in order to rectify any shortcomings. Thanks to the transparent approach – all assumptions and calculations were disclosed to partners – the “2:1 target” was successfully defined in more precise terms. This does not, however, bring Swisscom’s dialogue with its partners to an end. Swisscom wants to continue to consult myclimate and WWF for its annual interim reports in order to obtain a neutral opinion. The issues are arranged alphabetically within the boxes of the materiality matrix.

New classification levels

In 2015, Swisscom and an international market research institute conducted a survey of the Swiss public on current sustainability topics in the information and communications industry. The representative survey (991 people, 28% response rate) asked participants to rate predefined measures in terms of the following four criteria: importance, how well they are suited to Swisscom, credibility and their effects on social and environmental sustainability. The findings of this survey prompted a re-prioritisation of certain areas in the materiality matrix. The areas of “fair supply chain” and “attractive employer”, for instance, are now classed as very relevant for Swisscom and for the stakeholder groups, while “health-related offers” is now considered relevant for the stakeholder groups and as very relevant for Swisscom. Moreover, due to a lack of space, similar areas have been merged into new topic clusters. In addition to the survey, Swisscom also discussed predefined topics including mobile telecommunications, products, services and prices with specific stakeholder groups (municipalities, trade unions or customers).

Swisscom materiality matrix 2015

Materiality for stakeholders	very relevant	<ul style="list-style-type: none"> Basic service provision¹ Health and safety in the workplace² Low-radiation communications technologies³ Media protection for minors⁴ Memberships/partnerships⁵ Training of future staff/recruitment⁶ 	<ul style="list-style-type: none"> Attractive employer⁷ Business development (turnover and EBITDA)⁸ Capital expenditures⁹ CO₂ emissions and -savings, energy efficiency¹⁰ Corporate governance¹¹ / compliance¹² / legal and regulatory environment¹³ Customer satisfaction¹⁴ Data protection¹⁵ Fair supply chain¹⁶ Share performance and payout policy¹⁷ Work Smart offers¹⁸
	relevant	<ul style="list-style-type: none"> Corporate Volunteering¹⁹ Diversity²⁰ Environmental aspects in the company²¹ Social and cultural commitments²² 	<ul style="list-style-type: none"> Innovation and development²³ Offers in the healthcare sector²⁴ Promoting media skills²⁵ Staff development²⁶
		relevant	very relevant

Materiality for Swisscom

■ Management commentary : ⁸ page 46, ⁹ page 79, ¹³ page 33, ¹⁴ page 54, ¹⁷ page 86
■ Governance : ¹¹ page 98
■ Corporate responsibility Report : ¹ page 63, ² page 48, ³ page 38, ⁴ page 41, ⁵ www.swisscom.ch/cr-partnerships, ⁶ page 46, ⁷ page 45, ¹⁰ page 21, ¹² page 19, ¹⁵ page 40, ¹⁶ page 56, ¹⁸ page 35, ¹⁹ page 48, ²⁰ page 50, ²¹ page 30, ²² page 64, ²³ page 67, ²⁴ page 37, ²⁵ page 41, ²⁶ page 46

Mission statement

Our vision

The best in today's networked world – everywhere and anytime.

Our values

People and their relationships are at the heart of everything we do.
We succeed by working together.

- | | |
|-------------------------------|------------------|
| We are close to our customers | > Customer focus |
| We help shape the future | > Sustainability |
| We achieve great things | > Passion |
| We are open to new ideas | > Curiosity |
| We keep to our promises | > Reliability |

Our customer promise

Swisscom – the best companion in today's networked world.
Trustworthy, straightforward, inspiring.



See
[www.swisscom.ch/
guidingprinciples](http://www.swisscom.ch/guidingprinciples)

Corporate Responsibility strategy

Swisscom takes responsibility seriously – now and in the future. To this end, it relies on the Corporate Responsibility strategy (CR strategy) with its six strategic priorities. Swisscom pushed ahead in 2015 with aligning its CR and corporate business strategies.

Strategic priorities and objectives

Swisscom's corporate responsibility activities focus on issues that have high relevance for stakeholder groups and at the same time are closely linked to the company's core business. Swisscom's vision is of a modern, forward-looking Switzerland: a country of great opportunities, including in the field of sustainability. Specifically, Swisscom focuses on six areas as strategic priorities. For each of these it has set a long-term target for 2020. The first three strategic priorities involve measures aimed at supporting Swisscom's customers in living a more sustainable life. Two of these priorities are geared towards its employees and partners. The final priority describes an economic target for Switzerland as a whole.

The CR strategy is described in detail in this Sustainability Report. Swisscom's corporate strategy is laid out in the section "Strategy, organisation and environment", pages 24–33, of the Management Commentary of the Annual Report.



Energy efficiency and climate protection

Together with its customers, Swisscom campaigns for climate protection in Switzerland.

Together with its customers, Swisscom is aiming to save twice as much CO₂ as it emits through its operations, including the supply chain by 2020. This goal has been summarised as the "2:1 target" and, in a first step, focuses on reducing customers' CO₂ emissions. Green ICT enables companies to massively reduce energy consumption and CO₂ emissions. Video conferencing and home office solutions generate savings in travel time and costs, while cloud-based ICT solutions enable corporate customers to run 90% more efficient IT operations (compared with operating a proprietary server). Buildings, vehicles and networks can be managed in an energy-efficient manner thanks to ICT solutions. Swisscom also provides residential customers with numerous ways to reduce their carbon footprint, from online billing to a recycling service for mobile phones.

In addition, the "2:1 target" also comprises Swisscom's commitment to reducing its own CO₂ emissions from operations and the supply chain. Swisscom is one of the ten biggest purchasers of energy in Switzerland and is continuously improving its energy efficiency. It meets its full electricity requirements from renewable domestic energy sources and is one of the biggest purchasers of wind and solar power in Switzerland.

Swisscom also requires its suppliers to reduce their carbon footprint.

Examples from Swisscom's list of targets:

Together with its customers, Swisscom is aiming to save twice as much CO₂ as it emits through its operations including the supply chain by 2020.

By 2020, Swisscom plans to boost energy efficiency by another 35% compared to 1 January 2016.



Work and Life

Swisscom is committed to promoting a Switzerland that offers room for living.

By 2020, Swisscom aims to be supporting one million customers with its offerings in the healthcare sector, such as the Swisscom health platform and corresponding fitness sensors, electronic patient dossiers and offerings from its subsidiary Datasport. Swisscom also wants to offer one million customers by 2020 the opportunity to use mobile working models. To this end, Swisscom has included Work Smart services in its portfolio and supports mobile working methods through activities such as the Home Office Day.

Example from Swisscom's list of targets:

By 2020, Swisscom wants to be supporting one million people in using mobile working models.



Media skills and security

Swisscom is committed to promoting a Switzerland in which browsing the Internet is not dangerous.

Swisscom aims to be the market leader in data security by 2020, helping one million people to use the media safely and responsibly. To date, Swisscom has provided free Internet access to schools and introduced first-time users to the digital world through media training courses. In doing so, Swisscom aims to protect young people in the use of online media by means of technical solutions and offerings that promote media skills.

Example from Swisscom's list of targets:

Swisscom aims to be helping one million people to use media safely and responsibly by 2020.



Attractive employer

Swisscom is committed to promoting a Switzerland in which everyone is able to excel themselves.

Swisscom wants to be one of the most attractive employers in Switzerland by 2020. It offers employees opportunities for personal development and promotes work-life balance. Fair terms and conditions of employment are as important to Swisscom as an active social partnership and an above-average commitment to vocational training. We are very proud of our trainees, who number in excess of 900. Employees also have the chance to get involved in social and community projects, for example, by participating in the Corporate Volunteering Programme.

Examples from Swisscom's list of targets:

Swisscom is committed to retaining its leading position in the ICT sector ranking.

Swisscom wants to keep its staff absence rate constant or reduce it over the prior year.



Fair supply chain

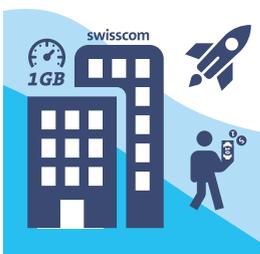
Swisscom is committed to promoting a Switzerland that fosters fairness throughout the world.

In the interests of a fair supply chain, Swisscom is committed to improving employment conditions for more than two million people by 2020. To this end, Swisscom has forged international partnerships that will ensure the implementation of relevant measures in close collaboration with suppliers. The company also ensures that working conditions at its suppliers are reviewed for improvements every year as part of the audit process.

Examples from Swisscom's list of targets:

Swisscom wants to increase the number of audits conducted at its suppliers.

The company aims to increase the number of employees at its suppliers whose working conditions have been improved.



Networked Switzerland

Swisscom is thus committed to promoting a Switzerland that is competitive.

By 2020, Swisscom wants to extend ultra-fast broadband coverage to 85% of all homes and offices and bring mobile ultra-fast broadband to 99% of the population. As a result, Swisscom is indirectly contributing around CHF 30 billion to the country's GDP and helping to create and maintain some 100,000 jobs.

Example from Swisscom's list of targets:

Swisscom wants to guarantee ultra-fast fixed and mobile broadband coverage throughout Switzerland.

The most important indicators for the achievement of Swisscom's CR targets

Priority of the CR Strategy	Targets in the year under review Future targets	Status/Measures The target is considered to have been achieved if it comes within a tolerance of 5%, or not achieved or exceeded if it is outside the tolerance
Image target / cross-portfolio activities		
Main target: Swisscom's sustainability image GfK = Gesellschaft für Konsumforschung ("Swiss Institute for Business Cycle Research") GfK is one of the world's largest market-research companies. KPI: Rank in the GfK sustainability index	2015: Top 15 2020: Top 10	2015 target achieved (rank 16) 2016 measures: <ul style="list-style-type: none"> > Introduction of the sustainability label "Together we can increase sustainability" > Projects such as energy-efficient TV-Boxes, the Partner Energy Challenge, the rollout of Fairphone and the PR initiative for Offtime/media skills
Expansion of portfolio of sustainable services (G4-EN27) Services with added ecological or social value KPI: Number of services with a sustainability label	2015: 22 2016: Increase in number of services	2015 target achieved (22) It was decided in 2015 that sustainability would be a feature of the Swisscom product portfolio, in addition to ecological aspects and social added value (media skills, work-life balance). These products are given a label. 2016 measures: <ul style="list-style-type: none"> > Evaluation or redesign of suitable services > Agreement of specific targets as regards the number of services with the corresponding line
Mobile telephone return (G4-EN28) Re-use/recycling of mobile phones that are no longer used KPI: Response rate (percentage of sold mobile phones returned for recycling)	2015: 12% 2016: 12%	2015 target not achieved (7.1%) 2016 measures: <ul style="list-style-type: none"> > Increase in return rate over 2015 by means of the "Mobile Bonus" buy-back programme for residential customers and introduction of the "Mobile Bonus" programme for business customers together with other measures
Reduction in paper consumption (G4-EN27) KPI: Percentage of residential customers using online billing	2015: 30% 2016: 30%	2015 target not achieved (25.3%) 2016 measures: <ul style="list-style-type: none"> > Further promotion of online billing > Direct mailing for suitable customer segments > Partnership with WWF Switzerland for paperless bills
Training for employees at touch points (shop/call center/sales) (GRI-EN26) Training in Corporate Responsibility (CR) and communication relating to environment and social accountability KPI: Training sessions	2015: Touch point training 2016: Touch point training	2015 target achieved Touch point training on the protection of minors in the media carried out 2016 measures: <ul style="list-style-type: none"> > Touch point training on the sustainability benefits offered by Swisscom products
Energy efficiency and climate protection		
Main target: (G4-EN18) Increase in the ratio between customers' CO₂ savings and Swisscom's own CO₂ emissions ("2:1 target") KPI: Ratio of the CO ₂ savings achieved by customers to the Green ICT portfolio and Swisscom's own CO ₂ emissions (excluding Fastweb)	Guidance for 2016: 1.2 2020: 2	2013 baseline value: 0.72 2015 value: 0.81 Emissions and savings are recorded in accordance with the ISO 14064 standard, verified externally and disclosed in detail in a climate report 2016 measures: <ul style="list-style-type: none"> > Further reduction in own emissions from operations including supply chain
Energy efficiency (G4-EN5) Continual increase in energy efficiency KPI: Increase in energy efficiency EF $EE = \frac{TEC + \sum AES}{TEC}$ > TEC = Total energy consumption > AES = Accumulated energy savings Source: FOEN Directive	2015: +25% in comparison with 1 January 2010 Further target: +35% from 1 January 2016 to 31 December 2020	Target for 2010–2015 exceeded (+29.6%) 2016 measures: Implementation of other cost-cutting and efficiency measures (target = 20 GWh) including: <ul style="list-style-type: none"> > Decommissioning and technology improvements > Increased efficiency in data centers

Priority of the CR Strategy	Targets in the year under review Future targets	Status/Measures The target is considered to have been achieved if it comes within a tolerance of 5%, or not achieved or exceeded if it is outside the tolerance
Energy efficiency and climate protection (continued)		
Reduction in direct CO₂ emissions (G4-EN19) Focus on direct emissions from fossil fuels (Scope 1) KPI: CO ₂ emissions from fuel consumption	2015: –12% in comparison with 1 January 2010 No further target Included in the 2:1 target	2010–2015 target exceeded (-23.5%) > Increased demand for office space and rise in the number of kilometres driven partially offset by reduction measures; relative energy indicators improved markedly, however 2016 measures: > Implementation of further efficiency measures
Optimisation of CO₂ emissions of vehicle fleet (G4-EN30) Focus on direct emissions from fossil fuels (Scope 1) KPI: Average CO ₂ emissions per car in g CO ₂ /km according to manufacturer data	2015: 110 g CO₂/km 2016: 107 g CO₂/km	2015 target achieved (113 g CO₂/km) 2016 measures: > Further implementation of the procurement roadmap
CO₂ emissions (G4-EN15-17) CO ₂ emissions in operations and in the supply chain (excluding Fastweb, energy offset). KPI: CO ₂ emissions in tonnes	Guidance for 2016: 360,000 2020: 326,000	2013 baseline value: 396,000 tonnes of CO₂ 2015 value: 449,000 tonnes of CO₂ 2016 measures: > Implementation of further efficiency measures > improvements jointly implemented with suppliers
CO₂ savings by customers thanks to Green ICT services (G4-EN19) Sum total of savings achieved by customers through the use of sustainable Swisscom products KPI: CO ₂ savings in tonnes	Guidance for 2016: 400,000 2020: 650,000	2013 baseline value: 286,000 tonnes of CO₂ 2015 value: 363,000 tonnes of CO₂ 2016 measures: > Promotion of existing sustainable services > Expansion of portfolio of sustainable services
Work and Life		
Main target: Utilisation of mobile working models The number of people that are able to work on the move in Switzerland (according to a survey) multiplied by the average share of the fixed network and mobile broadband market (AR 15 pg. 41/42) KPI: Number of customers	Guidance for 2016: 857,000 2020: 1 million	2014 baseline value: 750,000 customers 2015 value: 830,000 customers 2016 measures: > Survey to be carried out again > Active participation in the Work Smart Initiative
Main target: Utilisation of health offerings The offerings include the health platform, Evita services and sporting events KPI: Number of customers	2020: 1 million	2014 baseline value: 874,000 customers 2015 value: 1,004,095 customers 2016 measures: > Personal and occupational health management based on apps and sensors > Creation of new partner offerings based on Evita > Integration of further providers within Evita
Media skills and security		
Main target: Promoting media skills Measurement by reference to the number of courses, Media Smart visitors, reader publications and child protection offerings KPI: Number of persons (cumulative)	Guidance for 2016: 573,000 customers 2020: 1 million	2013 baseline value: 253,000 customers 2015 value: 410,493 customers 2016 measures: > Further development of the course programme > New issue of enter (15th issue) > CR campaign for the purpose of positioning ourselves in the companion role
Participation in media skills courses (G4-SO1) Media skills courses for parents, teachers, pupils (middle and upper school) and Swisscom Academy KPI: Number of participants	2015: 37,500 7,000: parents/teachers 15,500: pupils 15,500: Academy 2016: 7,500: parents/teachers 24,000: pupils 12,000: Academy	2015 target achieved (39,189) 5,856 + 21,201 + 12,132 2016 measures: > Expansion of offering by means of an online platform > Further marketing of the offering > Step up communication activities
Promoting media skills: visitors to the Media Smart platform (G4-SO1) KPI: Number of visitors per month	2015: 10,000 2016: 10,000	2015 target not achieved (4,689) 2016 measures: > The consistent focus on SEO measures (search engine optimisation) is bearing fruit, as the number of visitors increased dramatically over the last few months.

Priority of the CR Strategy	Targets in the year under review Future targets	Status/Measures The target is considered to have been achieved if it comes within a tolerance of 5%, or not achieved or exceeded if it is outside the tolerance
Attractive employer		
Main target: Establishing the company's position as one of the most popular employers in Switzerland The position is measured by reference to the "Universe" ranking by students and professionals KPI: Rank	2020: Rank Students: 2 Professionals: 2	2014 baseline value: Students (5); Professionals (2) 2015 value: 4 & 3 http://universumglobal.com/rankings/company/swisscom/ 2016 measures: > Step up communication activities
Diversity (G4-LA12) Increased diversity among staff, as measured by gender, age and inclusion KPI: Share of women in management positions (gender) and employees whose performance is impaired due to health problems (inclusion) in total employee numbers NB management positions – Group Executive Board and all management levels	2016: Diversity Index: Top 3 Medium term: Gender: 20% Inclusion: 1%	Diversity Index 2014: 3 rd place (carried out every two years) 2010 baseline value for share of women: 9.9% 2015 value: 11.1% 2014 baseline value for inclusion: 0.64% 2015 value: 0.76% 2016 measures: > Promotion/awareness-raising for "men and part-time working" > Promotion/awareness-raising for job-sharing in management positions in particular > Inclusion of people with autism in IT testing
Occupational health management OHM (G4-LA6) Keep staff absence rate constant or reduce it over the prior year KPI: Absences in days/target days (weighted by FTE) x 100 Target days are based on standard working hours.	2015: Remain at 2.8% or lower 2016: Remain at 2.8% or lower	2014 baseline value: 2.8% 2015 target achieved (2.9%) 2016 measures: > Transverse projects: OHM@CTP, non-worked-related accident campaign > Pilot projects: MBSR, attentiveness coach, digital detox, learning lunches, healthy rooms, optimising the ProPräsenz process > New offerings: ergonomics ambassadors, OHM module for managers, health checks for management staff
Corporate volunteering (GRI-SO1) KPI: Number of volunteer days	2015: 1,400 days 2016: 1,300 days	2015 target not achieved (1,206 days) The decline can be attributed to the Swisscom Games and the smaller number of volunteer days on offer. 2016 measures: > Continuation of the programme in line with the number of volunteer days in 2015
Fair supply chain		
Main target: Review of working conditions of employees working for our suppliers (JAC Initiative) Number of audits/number of employees at the audited factories KPI: Number of employees working at suppliers	Guidance for 2015: 1,085,000 2020: 2 million	2013 baseline value: 400,000 2015 value: 600,000 2016 measures: > Continuation of audits by JAC community, acceptance of EICC audits
Review of suppliers (G4-EN/HR/LA) KPI: a) Number of suppliers that have been audited b) Number of suppliers with self-assessment (validated externally)	2015: a) 64 through JAC + 6 b) 120 2016: a) 65 b) 140	Target for 2015 a) 61 JAC audits; of which 4 led by Swisscom b) exceeded (128) 2016 measures: > Intensification of joint activities as part of JAC (audits, qualitative + quantitative), targeted "on-boarding" self-assessment
Review of strategically important suppliers in terms of transparency of greenhouse gas emissions (G4-EN32) KPI: Number of key suppliers that disclose their environmental data via CDP CDP = Carbon Disclosure Project	2015: 45 (cumulative) 2016: 53 (cumulative)	2015 target exceeded (48) 2016 measures: > Campaigns to encourage participation in the CDP
Networked Switzerland		
Main target: Coverage of Switzerland with fixed ultra-fast broadband as a requirement for ind. BIP of CHF 30 billion (G4-EC7) KPI: Coverage of households and businesses Ultra-fast broadband = bandwidth (BB) >100 Mbps Base: 3.6 mio. households and 0.7 mio. businesses (BfS 2014)	2020: 85%	2013 baseline value: 16% 2015 value: 56.7% (> 50 Mbps); 22.3% (>100 Mbps) 2016 measures: > Roll-out of FTtx (x = home, street or curb) > Increase in bandwidth
Main target: Coverage of Switzerland with mobile ultra-fast broadband as a requirement for ind. BIP of CHF 30 billion (G4-EC7) KPI: Coverage of population Ultra-fast broadband = bandwidth up to 150 Mbps	2016: 99%	2012 baseline value: 3% 2014 value: 94% 2015 value: 98% 2016 measures: > Roll-out of LTE

Corporate Responsibility – governance and implementation

Incorporation in the strategy

The Board of Directors of Swisscom is committed to pursuing a strategy geared towards sustainability. It addresses the relevant economic, environmental and social issues in plenary sessions. The implementation of the strategy is delegated to the CEO of Swisscom Ltd. In turn, the CEO can transfer powers and responsibilities to subordinate units and is supported in operational management by the members of the Group Executive Board.

The Group Communications & Responsibility division (GCR) is responsible for the implementation of the CR strategy.

See
[www.swisscom.ch/
basicprinciples](http://www.swisscom.ch/basicprinciples)

Responsibility of the Board of Directors

The Board of Directors approves the long-term CR strategy. It acknowledged this governance report and the long-term CR targets for 2020 and approved the strategic priorities. It also acknowledges the targets for the following year in December. The Board of Directors is informed in quarterly reports on the implementation status of the CR strategy and the achievement of targets. It also decides whether the scope of the CR strategy should be expanded – for example to include domestic and foreign subsidiaries.

Responsibility of the Group Executive Board

The Group Executive Board convenes once a year to discuss the further development of the CR strategy and four times a year to discuss its implementation. It receives a status report semi-annually and in November it reviews the past year and approves the goals for the coming year.

The Group Executive Board has the following controlling instruments at its disposal:

- > Weekly reports prepared by Group Communications & Responsibility, with information on measures and the project status
- > Quarterly reports, with information on the key performance indicators based on the priorities of the CR strategy
- > Quarterly reports drawn up by Risk Management

Group Executive Board members have been named as internal sponsors for the priorities of the CR strategy. They are responsible for progress and the achievement targets within their respective priority areas. The areas of responsibility are aligned to the core tasks of the respective Group Executive Board members and defined as follows:

- > **Overall management:** Head of Group Communications & Responsibility
- > **Energy efficiency and climate protection:** Head of IT Networking & Infrastructure and Head of Group Business Steering (CFO) of Swisscom Ltd
- > **Work and life:** Head of Products & Marketing and Head of Enterprise Customers
- > **Media skills:** Head of Products & Marketing
- > **Attractive employer:** Head of Group Human Resources
- > **Fair supply chain:** Head of Group Business Steering (CFO)
- > **Networked Switzerland:** Head of IT, Network & Infrastructure

These areas of responsibility ensure that the priority areas are binding and firmly embedded in the company.

Role of Group Communications & Responsibility

The Group Communications & Responsibility division or, more specifically, the Corporate Responsibility (CR) team attached to this division is responsible for coordinating the implementation of the CR strategy and leveraging synergies across all divisions. The CR team's specific tasks include:

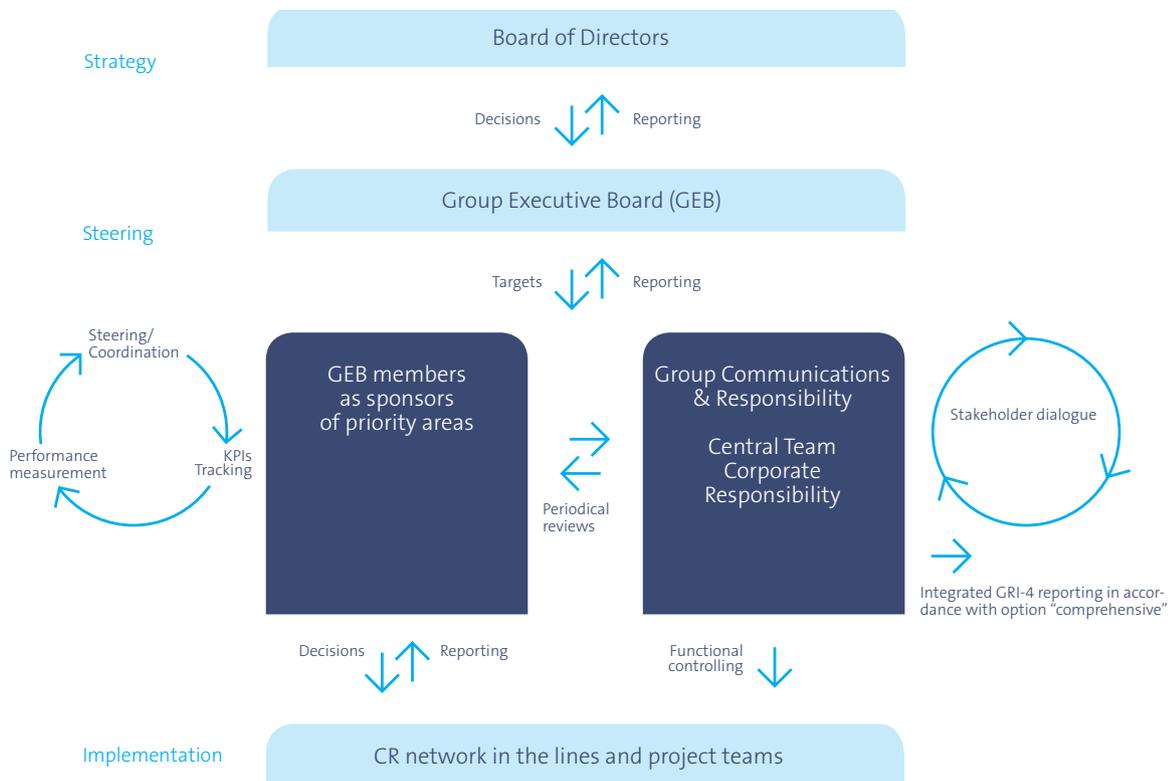
- > Drawing up the CR strategy (goals/priorities) in conjunction with line and support units
- > Supporting the sponsors from the Group Executive Board
- > Coordinating the implementation of the strategy and the initiation of measures
- > Formulating the requirements for the implementation of the CR strategy
- > Engaging in dialogue with stakeholder groups
- > Engaging in dialogue with strategic partners (including NGOs)
- > Reporting to internal and external stakeholder groups
- > Liaising with the Group Business Steering division for the purpose of sustainability reporting and drawing up the Annual Report

Line units and the Corporate Responsibility network

Depending on the strategic priority in question, CR measures are implemented either by project teams or line units. Additional management members are also designated in each division and these persons are responsible for engaging with the measures at an operational level in close collaboration with the CR team. An event is held at least once a year for all of the members of the CR network for the purpose of exchanging information and exploring new issues.

Members of the Group Executive Board and their responsibilities

The diagram below illustrates the role of members of the Group Executive Board and the Management Board in providing support and advice to the line units.



Management approaches

Precautionary principle

Swisscom operates in a sustainable manner and uses established management systems and approaches to reduce environmental, business and social risks. Group targets and directives ensure that Corporate Responsibility requirements are taken into account in operations and projects. The investment guideline requires Swisscom to assess the environmental and social impacts of significant investments. For example, Swisscom uses a CR checklist to ensure economic, environmental and social criteria are taken into account in projects relating to network infrastructure, services and products. In addition, guidelines govern the recycling and disposal of network infrastructure, which was previously carried out on an ad hoc basis.

Requirements based on environmental criteria exist for renovations and newly constructed businesses. Swisscom's Swiss subsidiaries and its Italian subsidiary Fastweb use instruments tailored to their needs. Preventive measures are taken as part of the company's operational risk and safety management system. With regard to the electromagnetic fields in telecommunications technology – particularly mobile phone use – Swisscom has a certified quality assurance system (QAS) in place. This system is designed to ensure compliance with the limits set down in the Ordinance on Protection from Non-Ionising Radiation (ONIR limits).

Another important element of Swisscom's precautionary principle is staff training and the raising of awareness among employees, involving for instance a separate programme addressing sustainability issues at Swisscom.

Management approaches and material issues

Swisscom has management approaches for the issues contained in the materiality matrix. Among others, the following requirements apply for the topics in the top-right quadrant of the matrix:

- > Collective employment agreement covering the representation of employees, the relationship with unions and other matters
- > Group Directive on the financial management of the Group
- > "Mobile work" guideline, which sets out the rules governing mobile working, and "management guideline"
- > Environmental management system in accordance with ISO 14001 and associated directives and guidelines on the issues of energy and CO₂ (guideline on Swisscom greenhouse gas inventory in accordance with ISO 14064)
- > Group Directive on security including data protection
- > Compliance policy with the associated compliance management system (described in more detail below) and directives on the issues of law and anti-corruption
- > Guideline on investment
- > Purchasing policy

Compliance management

Swisscom's wide range of business activities, coupled with the complexity of the applicable regulations, call for an effective compliance management system (CMS). Swisscom's CMS is based on the following underlying elements:

- > **Culture:** An effective CMS is founded on a culture of compliance. The Code of Conduct sets down the minimum expectations of the Board of Directors and CEO of Swisscom Ltd, which are communicated throughout the Group in the course of management work and day-to-day collaboration.
- > **Objectives:** The Board of Directors has defined Compliance goals. All organisational measures and activities are aligned with these goals.
- > **Risks:** Swisscom identifies compliance risks arising from its business activities and from regulatory and legislative changes. It assesses these risks and manages them using suitable measures.
- > **Organisation:** The Board of Directors has defined the minimum tasks of Compliance. The Group Executive Board and the management boards of the subsidiaries have defined further tasks and responsibilities and provide the resources required for an effective CMS.

- > **Communication:** Employees are informed of their tasks, competences and responsibilities. Regular reports are sent to the Board of Directors and the Group Executive Board of Swisscom Ltd, as well as the management boards and boards of directors of the subsidiaries and other internal units.
- > **Monitoring and improvements:** Swisscom monitors the CMS and eliminates any weaknesses on an ongoing basis.

During the financial year, Swisscom reviewed the business activities of its largest Group company Swisscom (Switzerland) Ltd for corruption risks. While the review prompted recommendations to eliminate weaknesses in a few individual processes, no cases of corruption were identified. Swisscom conducted in-depth reviews with regard to data protection and confidentiality, again primarily of Swisscom (Switzerland) Ltd. It also approved a comprehensive package of measures for the continuous improvement of the CMS. As its cross-border activities are intensifying, Swisscom optimised the CMS in the area of global trade.

Responsible marketing

Swisscom's marketing is aligned to its mission statement and the principles of the Swiss Commission for Fair Advertising (Schweizerische Lauterkeitskommission). These principles govern all of the relevant aspects of fairness and integrity in communication. The Brand Strategy & Management team, which is integrated in Group Communications & Responsibility, is responsible for informing Swisscom's various marketing units about any developments in these principles. Ensuring that the principles are adhered to is the responsibility of the communicating units, as they are in a position to recognise any breaches of compliance early on and to take preventive action.

Swisscom does not differentiate its customers by age or gender, but rather makes sure to enable each customer to get to grips with an ever more networked and digitised world on an individual level. This approach ensures that Swisscom can support its customers without discrimination and according to each customer's personal level of knowledge.

There were no infringements against fair trading in marketing and communications in the year under review.

 See
www.faire-werbung.ch

Practices in relation to copyright laws

Copyright is governed by the Collective Employment Agreement. Employees assign any copyright and associated protective rights (in particular rights to software) and all shared rights to Swisscom, if these rights were created while working for Swisscom. This applies specifically to all achievements made by the employee either alone or in collaboration with others while employed by Swisscom. In the event that Swisscom has no interest in the rights transferred to it, the employee's right to make use of them may be returned by contract.

Further management approaches based on the six GRI categories (economic, environmental, labour practices, human rights, society and product responsibility)

There are Group directives governing the various GRI sustainability topics. Specific technical regulations and guidelines also exist, for example on the cooling of telephone exchanges and data centres and the decommissioning of transmitter stations. These regulations are cited in the following chapters.

Swisscom's responsibility towards the public

As a responsible “corporate citizen”, Swisscom actively participated in discussions on the following issues during the reporting year:

- > Sustainable conduct in the ICT sector
- > ICT in the education system
- > Improvements in customer service (e.g., relating to consumer protection)
- > Nationwide mobile and broadband infrastructure in Switzerland
- > Improvement of customer information systems (e.g., information on mobile phone services for customers outside of Switzerland)
- > Contribution of ICT to energy reform

During the year under review, as in the previous financial year, Swisscom submitted statements as part of consultations at federal level, for example at a hearing of the National Council's Committee for Transportation and Telecommunications (CTT) in relation to the Federal Council's Telecommunications Report, i.e. a potential revision of the Telecommunications Act, or on the Ordinance on Telecommunication Services as a universal service. The Federal Law on the Monitoring of Postal and Telecommunications Traffic is also currently being amended. Swisscom formulated an independent statement of its own on the proposed amendments in the current consultation process and was also involved in formulating the statement of the industry association Association Suisse des Télécommunications (asut). Both statements can be viewed on the websites of the authorities in question.

Swisscom's statements are based on the principle of self-regulation and competition in an open marketplace. Numerous attractive new customer offers and large investments made in the reporting year underscore this principle.

Swisscom supports a solution-oriented approach, in the interest of the common good and in the interest of the company. The positions Swisscom takes are based on clear facts. Swisscom maintains transparent and trusting relationships with politicians, public authorities and the community. The company participates in public hearings and events and plays its part in the political process by issuing written statements. Based on the relevant ethical codes (the Code of Lisbon and the Code of Professional Conduct of the Swiss Public Affairs Society), Swisscom rejects unlawful or ethically questionable practices aimed at exerting influence on opinion leaders. Moreover, Swisscom is a non-denominational, politically neutral organisation and does not support any political parties financially.

Energy efficiency and climate protection

In keeping with the Swiss Confederation's 2050 energy strategy, Swisscom is aiming, by the end of 2020, to increase its energy efficiency by a further 35% compared with 1 January 2016. Together with its customers, Swisscom is also aiming to save twice as much CO₂ as it emits throughout the entire company including the supply chain by 2020, and promotes the use and production of renewable energies.



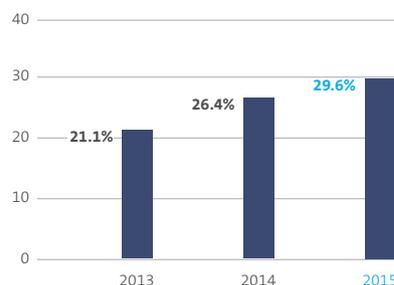
Environment, objectives and management approach

The energy turnaround and climate change are key issues for Swisscom and its stakeholder groups. The Swiss Confederation's 2050 energy strategy intends to phase out existing nuclear power plants and promote renewable energies. It calls for the consistent use of opportunities to increase energy efficiency and to transition to renewable energies. Swisscom places a special focus on increasing its own energy efficiency and on climate protection. At the end of 2015, Swisscom exceeded the target it set in 2010 – to increase its energy efficiency by 25% by 2015 – by increasing its energy efficiency by 29.6%. Over the same period, Swisscom exceeded its goal of reducing its CO₂ emissions by 12% by achieving a reduction of 23.5%. Overall, Swisscom has reduced its direct CO₂ emissions by 62.3% as at the end of 2015 compared to the reference year 1990. The company has determined its energy requirements until 2020 and plans to increase energy efficiency by a further 35% from 2016 to the end of 2020. To this end, Swisscom has renewed its target agreement with the Energy Agency for Industry (EnAW). Together with the other government-associated enterprises that are pursuing the Swiss Confederation's 2050 energy strategy, Swisscom is also a member of the working group "The Confederation: exemplary in energy" ("Vorbildfunktion des Bundes im Energiebereich" – VBE). Swisscom aims to work together with its customers to save twice as much CO₂ as it emits throughout the entire company including the supply chain by 2020. This undertaking has been summarised as the "2:1 target". The ratio between savings and emissions at the end of 2015 was around 0.81.

Increase in the ratio of CO₂ savings on CO₂ emissions



Energy efficiency increase in Switzerland since 1 January 2010 in %



The environmental and purchasing policies provide a framework for Swisscom to use its resources sustainably. Management norms, standards and internal policies allow the planned saving and efficiency measures to be systematically implemented. Swisscom subsidiaries with operations that are of significant environmental importance are ISO-14001-certified. These are Swisscom (Switzerland) Ltd, Swisscom Broadcast Ltd and cablex Ltd, which are certified to ISO 9001, too. The Italian subsidiary Fastweb S.p.A. is also ISO-14001-certified. The management systems and processes certified to ISO 14001 cover more than 96.2% of the Swisscom Group (including Fastweb) by headcount.

Energy efficiency: energy consumption and savings

Energy consumption as the main environmental impact factor

The greatest impact Swisscom has on the environment is caused through its energy consumption and the related CO₂ emissions. Swisscom is striving to boost energy efficiency and rely more on renewable energies in order to minimise the environmental impact of its business activities. In addition to the network infrastructure described in the Management Commentary, Swisscom operates a substantial real estate portfolio itself. This comprises offices, commercial buildings, local exchanges and data centres. Swisscom does not operate any warehouses or distribution centres, but does maintain a fleet of company and commercial vehicles.

Energy management at Swisscom

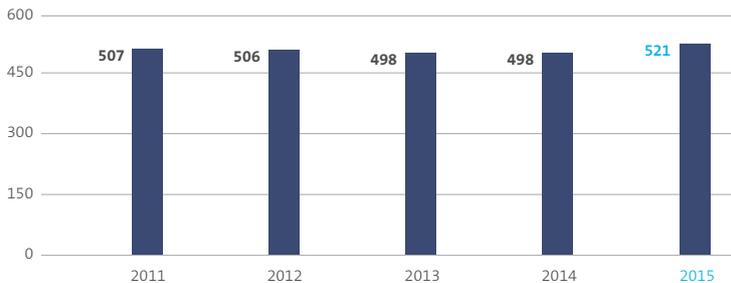
In simplified terms, the Swisscom energy management programme comprises the following processes:

- > Determining energy requirements over a specific period of time
- > Determining and approving energy efficiency targets and measures
- > Determining the energy mix, particularly the electricity mix
- > Implementing measures to boost energy efficiency
- > Generating electricity
- > Using waste heat
- > Monitoring and reporting
- > Developing and marketing sustainable ICT products and services

Consumption of electricity from renewable sources and green electricity

Swisscom's energy consumption in Switzerland amounted to 434 GWh in 2015 (prior year: 408 GWh). This represents an increase of 6.3%. The company was able to balance out a portion of the additional energy consumption attributable to further network expansion through the implementation of efficiency measures. For the electricity mix used for the network infrastructure and for consumption in businesses managed by Swisscom, compensation with certification of origin has been paid since 2010 for the share of nuclear power, electricity of unknown origin and electricity from fossil fuels. Swisscom is thus increasing the sustainability of its electricity mix. In 2015, as in previous years, it once again used 100% renewable energy, a claim which was verified by the SGS. The company purchased 18.5 GWh (prior year: 7.5 GWh) of "naturemade star" energy from solar power (14.5 GWh) and wind power (4 GWh). This makes Swisscom one of Switzerland's largest purchasers of wind and solar power.

Energy use Swisscom in GWh



Efficiency measures for the electricity consumption of networks

Swisscom continued the "Mistral" energy-saving project in 2015 for the cooling of its telephone exchanges. At the end of 2015, Mistral was being used to cool 821 (prior year: 761) telecom systems in local exchanges, which represents an increase of 7.9%. Swisscom has thus successfully completed the project, saving 47.5 million kWh a year. Mistral is a cooling technology that relies solely on fresh air, all year round. It replaces conventional energy-intensive cooling systems equipped with compressors and contributes to a massive improvement in energy efficiency. Mistral also eliminates the need for harmful refrigerants. The follow-up project, Mistral Future, has already been launched. Its aim is to double the energy efficiency already achieved in the cooling of telephone exchanges by adjusting air volumes and deploying new technologies. In the year under review, Swisscom Switzerland cooled an additional 121 mobile base stations using fresh air. The consolidation of fixed-network platforms saved a further 4.2 million kWh in 2015. Swisscom activated a new function for its GSM mobile networks that reduces transmitting power and thus electrical energy consumption at times of low network traffic. On average, this reduces the GSM network's energy consumption by 2.4%.

Efficiency measures for electricity consumption in data centres

With a power usage effectiveness (PUE) value soon to reach 1.2, the data centre in Berne Wankdorf is particularly energy efficient. The PUE value represents the ratio of total power consumed by the data centre to the power consumed by the IT systems running there. Measured against this PUE value, the energy consumption of the Berne Wankdorf data centre is 60% lower than that of conventionally built data centres. Instead of conventional cooling units that eat up electricity, Swisscom uses a new type of freecooling process that utilises rainwater and works on the basis of evaporative cooling on hot summer days. The method won the Swiss Federal Office of Energy's 2015 Watt d'Or award, which recognises outstanding achievements and particularly innovative projects in the area of energy and efficiency. Swisscom's second and likewise energy-efficient data centre in Zollikofen (Berne) achieved an annual average PUE value of 1.3.

In the Olten-Neuhard Swisscom operation building, the new energy-efficient cooling systems should reduce its PUE value to 1.4. The total average PUE value of all Swisscom's data centres is approximately 1.53. The company increasingly uses shared servers in its data centres. This server virtualisation requires less IT infrastructure and has already enabled additional savings of 7.1 million kWh in 2015.

Efficiency measures for electricity consumption in buildings

Facility Management carries out the “Pioneer @ Swisscom Energiechecks” programme throughout the entire company. This programme of energy checks contributed to optimising the operating conditions of 64 buildings in 2015, which helped Swisscom save 478 MWh of energy (prior year: 463 MWh). Swisscom is committed to modernising existing, inefficient lighting. This not only reduces the company’s energy consumption, but also improves the quality of the lighting. Swisscom has therefore optimised the lighting in two large office buildings and, for instance, replaced all the lights in the cafeteria in the K niz business park with LEDs. These measures alone generated annual energy savings of 15 MWh.

Efficiency measures when using fossil fuels to generate heat and reduce CO₂ emissions

Swisscom measures the consumption of heating oil, natural gas and district heating on a monthly basis in its 61 biggest buildings, which together make up over half of the total floorspace. These figures are extrapolated to calculate the overall annual consumption.

During the reporting year, Swisscom consumed 170.5 terajoules (47.3 GWh) of fuel to heat its buildings (prior year: 47.8 GWh). The company’s fossil fuel-based heating mix comprises 64% heating oil, 14% natural gas and 22% district heating. Over the past six years, Swisscom has reduced the heat coefficient per m² in its buildings by 29%. While this resulted in a reduction in CO₂ emissions, the actual savings this brings are ultimately impossible to calculate due to the fact that the energy mix changes each year.

Swisscom intends to further reduce the amount of energy it uses to heat its buildings. In pursuit of this objective, it systematically continued to implement measures throughout the year under review to reduce the energy consumption and CO₂ emissions involved in heating buildings. A detailed energy monitoring system has provided a more in-depth data set for the energy analysis and uncovered instances of disproportionately high energy consumption.

In addition, Swisscom has renovated and modernised several heating systems across Switzerland in 2015. Ahead of these renovations, Swisscom examined alternatives to heating using fossil fuels. In four locations, Swisscom will completely eliminate the use of heating oil from the heating period 2015/2016 onwards.

Swisscom also implemented 21 eco-relevant building projects in 2015. As evidenced by an internal environmental scorecard, this lets the company save 284 MWh of energy and reduce its CO₂ emissions by 138 tonnes.

Last but not least, the energy checks helped reduce CO₂ emissions by 74 tonnes (prior year: 78).

These renovations and modernisations allow Swisscom to save 854 MWh and prevent 212 tonnes of CO₂ emissions every year.

Efficiency measures in fuel consumption, mobility and CO₂ reduction

The ability to provide first-class customer service and expand the network infrastructure depends on the seamless mobility of staff. In 2015, the vehicles in Swisscom’s fleet covered a total of 59.5 million kilometres in the service of customers (i.e. not including private trips), which corresponds to a fuel consumption of 145.3 terajoules (39.3 GWh), 3.7% down year-on-year.

Thanks to a progressive deployment strategy, the average CO₂ emissions per vehicle are to be reduced from 150 g CO₂ for each kilometre travelled (2010) to 110 g CO₂/km by the end of 2016. In accordance with the New European Driving Cycle (NEDC), CO₂ emissions from vehicles in the Swisscom fleet according to the manufacturer’s instructions averaged 113 g CO₂/km as of the end of 2015, with 97% of the fleet classified in energy efficiency categories A and B. Swisscom also operates a fleet of 396 (+18.7%) hybrid vehicles, 60 (-9.1%) vehicles powered by natural gas, 15 (+33.3%) electrically driven vehicles and 33 (-11.4%) e-bikes. All electrical vehicles are recharged in Swisscom buildings and garages using electricity generated from renewable energy sources. In 2015, Swisscom employees used 127,521 (+5.2%) rail tickets for business travel and were issued 14,880 (+7.5%) half-fare cards and 3,504 (+4.8%) GA travel cards.

Efficiency gains through sustainable ICT services at Swisscom

Swisscom not only encourages its customers to use sustainable ICT, but also uses the solutions itself:

- > **Virtual conferences:** 18 Swisscom sites are equipped with the Telepresence virtual videoconferencing solution, including Fastweb in Italy.
- > **Work Smart:** Many Swisscom employees are able to work with other colleagues via videoconferencing and desktop sharing, enabling them to complete some of their work from home or on the go. Collaboration platforms also offer a simple way of accessing knowledge. The launch of the Work Smart initiative has further embedded new working methods within the company, and Swisscom shares its experience with other companies. A management guideline provides managers with useful tips on how to manage new working methods.

Generating electricity

Swisscom has been generating its own electricity since 2005 and sees this as an important contribution towards a sustainable energy policy. Swisscom builds solar installations wherever these make economic sense.

In 2015, Swisscom commissioned eight more solar installations:

- > **on transmitter stations:** Cardada: 29 kWp; Monte Ceneri: 90 kWp; Pizzo Matro: 110 kWp (canton of Ticino); Savièse: 47 kWp (canton of Valais).
- > **on telephone exchanges and buildings:** Porrentruy: 55 kWp (canton of Jura); Erstfeld: 27 kWp (canton of Uri); Bière: 20 kWp; Bursinel: 20.5 kWp (canton of Vaud).

The total output of all of Swisscom's solar facilities is 1,281 kWp (+44% compared with the prior year's 891 kWp), which means the company has exceeded its internal target of achieving an installed output of 1 MWp of solar energy by the end of 2015. Swisscom intends to continue its electricity generation programme in the coming years. The option of installing a solar facility is now taken into consideration for each renovation of a building, an approach with which Swisscom hopes to increase the installed output of its solar installations by 10% annually by 2020.

Overall impact of the efficiency measures

Swisscom's energy consumption (electricity, heating fuels and vehicle fuel) in Switzerland amounted to 521 GWh in 2015 (prior year: 498 GWh). Without the efficiency measures implemented since 1 January 2010, Swisscom would currently consume an additional 149 GWh of energy per annum.

Utilising waste heat

Swisscom has signed two agreements in Zurich to supply waste heat from its operation building in Zurich-Binz. This led to 5.95 GWh of thermal energy being supplied to the neighbouring areas as district heating in 2015 (prior year: 5.7 GWh). This measure saved 595,000 litres of heating oil (prior year: 570,000 litres) and avoided the CO₂ emissions that would have been generated. Waste heat from the new data centre in Berne Wankdorf is also fed into the city of Berne's district heating system and directly heats neighbouring homes and offices. This reduces the CO₂ emissions of these homes, offices and retail units. Swisscom's operation building in Zurich-Herdern now meets the heating requirements of the entire building itself thanks to a new heat pump that utilises the waste heat from its operations rooms. This enables Swisscom to save around 900 tonnes of CO₂ a year, which corresponds to 8% of the total CO₂ emissions attributable to Swisscom's heating needs. Any remaining waste heat from the building is fed into the public heating network.

Energy savings for customers thanks to improved devices

Life-cycle assessments produced by Swisscom in recent years have identified the following three aspects as the main environmental impact factors for networks and devices:

- > **Energy consumed** by devices through customer use
- > **Energy consumed** producing the devices
- > **Energy consumed** by network elements

The energy consumed by customer devices can be extrapolated to 269,000 MWh based on the devices, the energy consumption of each device and the typical usage profiles. As regards energy consumption, Swisscom on the one hand makes its customers aware of the many different opportunities for saving energy and on the other hand offers concrete solutions:

- > **Saving energy is so easy:** On the initiative of the Swiss Federal Office of Energy (SFOE), Swisscom and two other providers decided to launch a joint information campaign, which was continued in 2015. The aim of the campaign is to optimise the energy consumption of devices such as modems, routers and TV set-top boxes by encouraging customers to use the correct settings. Swisscom is supporting the campaign by informing its customers and explaining energy-optimised settings on its website.
- > **Swisscom TV 2.0:** Swisscom TV 2.0 no longer stores recordings on the set-top box itself, but in the cloud. As a result the box does not need a hard disk, which means that it consumes around 36 kWh or 40% less energy than its predecessor model. Swisscom has also provided Swisscom TV 2.0 customers with detailed information on the most energy-efficient settings for the set-top box for day-to-day use and when they are on holiday. In 2015, the number of Swisscom TV 2.0 customers rose to 810,000, surpassing the number of customers recorded by the predecessor offer. Despite this customer growth, the level of energy consumed by customers has declined.
- > **Internet box: In 2015, Swisscom** completed its Internet box range, adding Internet-Box standard and Internet-Box light to the existing Internet-Box plus offering. The new Internet boxes also offer opportunities to save energy. A time switch allows users to set times during which the Wi-Fi, the central storage function or the telephony (DECT) will be switched off. Moreover, thanks to the Internet box, fewer devices are used in the home network, which significantly reduces electricity consumption. This is because the boxes replace the multiple devices that used to be required to connect computers, TVs and HD fixed-line telephony.
- > **Low Power Gateway research project:** Almost every home in Switzerland has a router that connects it to the Internet and telephone network. A Swisscom project has now shown that a new generation of energy-saving routers with an output of less than two watts could provide the same service while using far less power. Swisscom therefore endeavours to further improve the energy efficiency of its own routers and is investing in research and development in this area. At present, the company is focusing on the development of energy-saving low-power routers that use only a fraction of the energy used by today's routers. As the newly deployed technology looks promising in a laboratory setting, Swisscom is currently planning to conduct a pilot trial in collaboration with the Swiss Federal Office of Energy. After this trial, Swisscom will decide whether the innovation will be included in its product line, and if so, from when.
- > **Ecomode plus:** Cordless phones with Ecomode plus emit minimal levels of radiation. Almost all of the cordless phones sold by Swisscom are now models with Ecomode plus.

See
[www.swisscom.ch/
save-energy](http://www.swisscom.ch/save-energy)

See
[www.swisscom.ch/
save-energy](http://www.swisscom.ch/save-energy)

Mistral project
Cooling telephone exchanges using fresh air
Mistral achieves energy savings equivalent to the consumption of 9,500 offices and apartments or

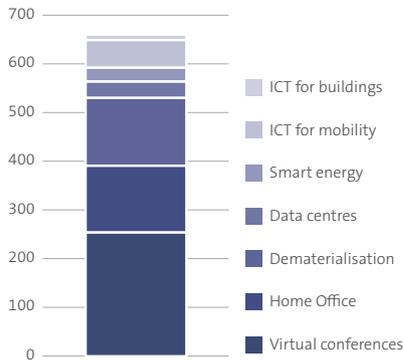
47.5 GWh p.a.

Electricity requirements covered by renewable energy
Swisscom buys certificates every year and offsets the amount of non-renewable electricity used at a level of

100 %

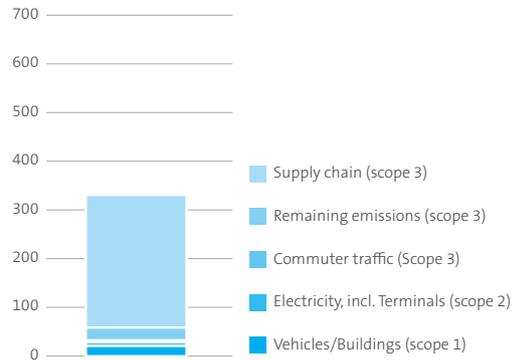
The climate protection target for 2020: 2 to 1

Savings by the customers 2020 in kt CO₂



Status 2014: 323 kt CO₂, eq.
Status 2015: 363 kt CO₂, eq.

Emissions Swisscom 2020 in kt CO₂



Status 2014: 419 kt CO₂, eq.
Status 2015: 449 kt CO₂, eq.

CO₂ savings by customers thanks to sustainable ICT services

The ICT sector has a key role to play in reducing CO₂ emissions. A study conducted by the Global e-Sustainability Initiative found that the ICT sector has the potential to reduce CO₂ emissions worldwide by some 16%. This potential reduction is around seven times the amount of CO₂ emissions produced by the sector itself.

Swisscom invests a lot of effort in structuring its offerings in a more resource-friendly and energy-efficient manner, and offers products and services that support customers in reducing their CO₂ emissions, in saving energy and in improving the work-life balance of their employees.

ICT solutions contribute to reducing CO₂ emissions in day-to-day work. For example, virtual conferences allow companies to cut down on business travel, and communications solutions allow employees to work from their home office. Furthermore, the further optimisation of vehicle fleets, the use of energy-efficient services from data centres and the intelligent control of office buildings, equipment and power networks can all make a useful contribution toward reducing CO₂ emissions. Private households reduce CO₂ emissions when they replace physical media such as CDs, DVDs and magazines with digital products. E-shopping eliminates the need to make trips to brick-and-mortar stores and reduces the energy required to maintain the sales outlets.

See
www.swisscom.ch/greenict

CO₂ savings achieved thanks to sustainable ICT services
Thanks to sustainable ICT services, Swisscom customers reduced their consumption of CO₂ in 2015 by

363,000 t

Energy savings achieved thanks to sustainable ICT services
In 2015, Swisscom customers also reduced their electricity consumption by a combined

81 GWh

Sustainable ICT services for business customers

Sustainable ICT services from Swisscom help business customers in their efforts to reduce their energy consumption and CO₂ emissions. Swisscom has set itself the target of boosting revenues from these services by 10% on an annual basis in the following areas of activity:

- > **ICT solutions for buildings:** Optimisation of energy consumption
- > **ICT solutions for mobility:** Reduction of business travel
- > **Data centre services:** Outsourcing and virtualising servers in efficient data centres to optimise energy consumption
- > **Dematerialisation:** Reducing the use of paper through solutions for paper-saving printing and working without paper
- > **Home office:** Home office and mobile working solutions to reduce business travel
- > **Virtual conferences:** Solutions for efficient workplaces in order to reduce business travel


See
[www.swisscom.ch/
together](http://www.swisscom.ch/together)


See
[www.swisscom.ch/
sustainablesolutions](http://www.swisscom.ch/sustainablesolutions)

In 2015, Swisscom introduced the “Together we can increase sustainability” label for sustainable ICT services.

The label designates sustainable products and services that help companies save energy and resources or improve the work-life balance and satisfaction of their employees. A list of the relevant products can be found on the Internet.

Sustainable ICT services for residential customers

The residential customer segment of Swisscom Switzerland launched a programme during the year under review to further develop its range of Green ICT services for residential customers. In doing so, Swisscom aims to optimise its services from an ecological point of view (e.g., in terms of radiation and energy efficiency) and provide its residential customers with transparent information. During the year under review, this programme could boast the following successes:

- > **Dematerialisation thanks to online billing:** Online bills are an attractive and environmentally friendly alternative to paper bills. The share of customers who opted to receive their bill online rose from 20.8% in 2014 to 25.3% as of the end of 2015. In its communications with customers, Swisscom alludes to the fact that online billing not only benefits the environment, but also saves the customer time and money. The company also carries out campaigns together with the WWF to try to impress the advantages of paperless billing onto its customers. Finally, it optimised its remaining paper billing through the introduction of a simple billing process, among other measures, which enabled it to save around 33 million sheets of paper.
- > **Data centre services:** The Docsafe data centre service allows residential customers to securely store all their documents in their own personal cloud on Swiss servers. The documents can then be managed, accessed from anywhere in the world and shared in encrypted format via computer, tablet or mobile phone.
- > **Smart energy:** The subsidiary Swisscom Energy Solutions Ltd has launched the tiko service, which allows residential customers to control their heat pumps, electric heating systems and boilers remotely and immediately alerts them in the event of any problems. tiko also compares the energy efficiency of heating systems in homes and businesses, and is free of charge for residential customers of Swisscom. This service aims to recover balancing energy within the Swiss energy market that can be used to offset fluctuations in demand by creating the largest possible pool of heat pumps and electric heating systems. This pool will allow significantly more renewable energy from energy sources such as wind and sun to be incorporated in the power supply and, in doing so, stabilise the power network.

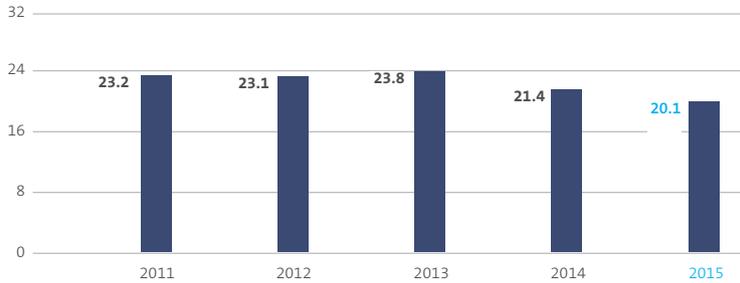

See
[www.swisscom.ch/
billonline](http://www.swisscom.ch/billonline)


See
www.tiko.ch

Swisscom's CO₂ emissions

Swisscom maintains a greenhouse gas inventory and publishes its emissions according to recognised standards (ISO 14064). In accordance with the Greenhouse Gas Protocol, the company classifies its CO₂ emissions as Scope 1 (direct emissions resulting from burning fossil fuels for heating and mobility or from refrigerants), Scope 2 (indirect emissions caused by purchased energies) and Scope 3 (all other indirect CO₂ emissions resulting, for example, throughout the supply chain).

Direct CO₂ emissions Swisscom in thousand tonnes



Carbon footprint based on Scope 1, 2 and 3 of the Greenhouse Gas Protocol (GHG)

- Scope 1 emissions:** Direct consumption of fossil fuels accounted for 17% of Swisscom's total direct energy consumption in 2015 (prior year: 16.6%). Scope 1 CO₂ emissions from fossil fuels have fallen by 5.9% since 1 January 2010 to 20,115 tonnes of CO_{2eq} in 2015, without adjustment for the number of heating days. Vehicle fuel accounted for 53% of this, and heating fuel for 47%. In addition, emissions from refrigerants included under Scope 1 were 503 tonnes (prior year: 271 tonnes). Swisscom does not include emissions from SF₆ losses in electrical transformers and stations, as these systems are not controlled by Swisscom.
- Scope 2 emissions:** Swisscom now presents its Scope 2 emissions before and after offsetting. The CO₂ emissions from electrical energy consumption before offsetting amounted to 9,271 tons of CO_{2 eq} in 2015 (location-based approach) and 0 tons of CO_{2 eq} after offsetting with market instruments (certificates, market-based approach). Under Scope 2, Swisscom therefore did not emit any CO₂ as a result of electricity consumption in 2015, but had a share of 765 tonnes of CO₂ from district heating.
- Scope 3 emissions:** Swisscom determined its greenhouse gas emissions in accordance with all Scope 3 categories (1, 2 and 4 supply chains; 3 provision of energy; 5 waste generated in operations; 6 business travel; 7 employee commuting; 8 leased sales outlets; 9 transport to customers; 11 use of the products; 12 decommissioning of the handsets; 15 investments), excluding the following categories: Processing of sold products (cat. 10), downstream leased assets (cat. 13) and franchises (cat. 14). These categories were not relevant, as in 2015 Swisscom did not manufacture any products, did not operate any distribution centres (downstream leased assets) and did not operate any franchises. Swisscom's Scope 3 CO₂ emissions amounted to 437,516 tonnes (prior year: 449,589 tonnes).

Number of products that have been provided with the sustainable ICT label
The Swisscom portfolio contains

22 products

Mobile phone recycling Swisscom Mobile Aid
Number of devices returned in 2015

84,3 thousand

See
www.cdproject.net/
en-us

See
www.swisscom.ch/
GRI-EN-2015

Swisscom publishes a climate report and has the report and the related greenhouse gas inventory externally verified. This report is structured in accordance with the ISO 14064 standard. This report not only provides information on CO₂ emissions, but also on the effects of the reduction measures implemented. It also calculates the CO₂ emissions that can be avoided by companies and residential customers – if they use these myclimate-certified sustainable ICT services. Finally, the climate report includes a balance sheet of CO₂ emissions and savings among customers. The ratio of savings among customers to emissions at the end of 2015 is 0.81, which is slightly better than that of the previous year (0.77).

Swisscom is also involved each year in the Carbon Disclosure Project (CDP). The information gathered through the CDP regarding emissions and Swisscom’s commitment to climate protection can be viewed on the CDP platform. Swisscom continued to be listed in the Carbon Disclosure Leadership Index (CDLI) in 2015. Its score was 98A.

Other environmental aspects in the company

Paper

Swisscom distinguishes between the use of short-life and long-life materials, and is committed to reducing the environmental impact of short-life materials, in particular paper. Swisscom uses recycled paper with the “Blue Angel” environmental label. Swisscom also used this high-quality recycled paper for the new simple billing during the year under review. For advertising or print media, Swisscom only uses paper with the FSC seal (Forest Stewardship Council). The company significantly reduced paper consumption by switching to bimonthly customer invoicing, simple billing and paperless online billing. For printouts at its offices, Swisscom introduced “follow-me printing”, which helped to reduce paper consumption. Swisscom also used 34 g/m² paper with the “Blue Angel” environmental label for telephone directories. Paper consumption for telephone directories is on the decline as significantly fewer directories are being printed.

In tonnes	Quality	2013	2014	2015
Domain				
Office (copiers, printers)	Blue Angel ¹	143	130	137
Print media	FSC Seal	3,498	3,225	2,333 ³
Bills and envelopes	FSC Seal	456	424	232
Phone directories	Blue Angel	662 ²	2,945	2,699
Total paper consumption		4,759	7,449	5,401 ³

¹ 75% in 2014, 100% previous years

² Telephones directories outside perimeter Swisscom (shift to LTV and takeover of LTV by Swisscom in 2014)

³ Packaging in the amount of 635 tons included

Efforts to reduce direct CO₂ emissions between 1990 and 2015 using the following measures:

- > Building renovations
- > Low-consumption vehicles
- > Mobility management

62.3 %

Cables, optical fibres and wooden poles

Network construction necessitates the use of long-life materials such as cables and optical fibres. In 2015, Swisscom used the following materials in its fixed network: optical fibres, copper pairs and eco-friendly polyethylene piping. Copper is increasingly being replaced by optical fibre or only used in certain situations. The amount of copper used can vary from year to year, as the table shows. Swisscom also installed wooden telephone poles which are treated with copper and chromium-containing preservatives. In 2015, it introduced a new process for inspecting the poles. Under this process, only deficient poles are replaced during renovations, which explains the reduction in the number of poles in 2015. Three partner companies guarantee these telephone poles are disposed of in an environmentally friendly way at the end of their useful life.

in km, tonnes or number	Unit	2013	2014	2015
Material				
Glass fibre	km	1,140,509	1,377,471	1,364,004
Copper pairs	km	110,458	104,032	81,191
Plastic pipes PE	km	745	810	734
Copper ¹	Tons	987	992	924
Plastic pipes PE ¹	Tons	716	774	725
Telephone poles (wood)	Number of items	6,659	8,789	7,502

¹ converted from plastic pipes, respectively copper pairs.

Water

Swisscom projects its water consumption on the basis of an average measurement conducted in its largest buildings in 2014 and multiplies this measurement by the number of FTEs. The average measurement results in a consumption of 40 litres per FTEs and day (compared to 115 litres in 1995). In the sanitation area, levels have decreased accordingly (see table of environmental performance indicators, page 34). Swisscom is increasingly focused on reducing its water consumption. It took a pioneering role by installing flow limiters in its existing buildings. The new Sion business park is fitted with innovative valves that reduce the daily consumption of water compared to traditional valves by 90%.

The only business process in which water is used is cooling. Water as an environmental indicator thus carries little weight for Swisscom. In order to cool the return air in its data centres, Swisscom uses dry cooling. It only uses hybrid or adiabatic (i.e. through evaporation) systems to cool return air in exceptional cases. In accordance with an internal directive, preference must be given to rain water or, if permitted, river/lake water in such cases. In the case of the new data centre in Berne Wankdorf, the proportion of rain water used for cooling return air must be higher than 80%, and operation of the return air coolers using water may not exceed 15% of the total annual operating time.

Water used for cooling therefore accounts for significantly less than Swisscom's total water consumption.

Cooling systems and cooling agents

Swisscom is in the process of replacing all compression cooling systems that use cooling agents at its telephone exchanges with the advanced Mistral cooling system. Mistral cools telecommunications equipment throughout the entire year using only fresh air and does not require any cooling agents whatsoever. Around 85% of Swisscom's telephone exchanges have already been retrofitted with Mistral. Swisscom is also increasingly cooling its transmitter and mobile base stations without the use of compression cooling systems. Compression cooling systems with cooling agents are only in operation in data centres, with Swisscom checking regularly that they are free of leaks. Cooling agent emissions in the year under review were determined on the basis of a refill volume of 202 kg (prior year: 88 kg). It has a global warming potential (GWP) of 503 tonnes CO₂ equivalent (prior year: 221) and no ozone-depleting potential (ODP, 0 kg R-11 equivalent). Swisscom requires the use of natural cooling agents for the conversion or development of data centre cooling systems. If no other option is available, Swisscom uses cooling agents with a very low global warming potential.

For the first time in Switzerland, Swisscom used a heat pump with the HFO-1234ze working fluid at its operation building in Zurich-Herdern. This working fluid has a very low greenhouse gas potential (GWP = 6).

Batteries and emergency power systems

Swisscom services must also be available in the event of power outages. In order to facilitate this, the company has installed batteries and emergency power systems at telecommunications buildings and data centres. Swisscom regularly reviews the prescribed security measures in the battery rooms to prevent any possible danger to the environment through the use of batteries. At the end of their useful life, Swisscom has the batteries disposed of and recycled in an environmentally friendly manner. The emergency power systems are only used during power outages and for a few hours during annual test runs. The necessary fuel consumption is included in the overall figure of the fuel consumption of Swisscom.

Packaging

Swisscom continues to send TV set-top boxes as parcel post. This measure and the smaller size of the boxes have reduced shipping volumes by 52% and shipping weight by 16%. The sophisticated packaging design dispenses entirely with foam inserts without affecting the protective function of the packaging itself.

Waste

Swisscom minimises the volume of waste it produces by carefully selecting materials and extending the useful life of products. A contract is in place with the Swiss Waste Exchange for the disposal and recycling of waste. Special waste is disposed of by authorised companies in accordance with legal requirements. Waste is sorted into 23 different types, which fall under the four main categories of recycling, household and operational waste disposed of in waste incineration plants, and special waste. In order to recycle old materials from the network infrastructure, Swisscom introduced a uniform process in 2015 and issued a corresponding directive, which strengthens transparency along the entire disposal chain. Leftover cables and building materials are sorted on site and disposed of directly. The volume of household waste is calculated by multiplying the number of full-time equivalent employees at Swisscom in Switzerland by the average annual Swiss consumption of 80 kg per FTE.

In tonnes	2013	2014	2015	2015 in %
Waste categories				
Recycling	1,625	1,863	1,645	32.1
Domestic waste disposal in incineration plants	1,356	1,443	1,505	29.4
Operational waste disposal in incineration plants	235	404	1,944	38.0
Special waste	10	17	23	0.4
Total waste	3,226	3,727	5,117	100.0

Recycling

Swisscom also uses recycled materials: the individual locations use recycled paper and the head office uses rain water and district heating from the nearby purification plant. Swisscom also reuses routers where possible.

Soil and biodiversity

The base and transmitter stations ensure that the whole of Switzerland can use telecommunications, radio and TV services. In some cases, these stations are located outside populated areas.

- > Swisscom Broadcast Ltd transmitter stations: Six stations are on the edge of protected areas of national significance (moor landscapes, water and migratory bird reserves, Ramsar and Emerald sites), and two (0.4%) are in these protected areas.
- > Swisscom Ltd base stations: 63 mobile radio base stations (1%) are in protected areas, two of them in the Swiss National Park.

Only a few square metres of space have to be sealed for the construction of a mobile network base or transmitter station. Swisscom makes every effort to integrate the installations into the landscape optimally. Specifically, the search for a suitable location requires an inspection of the site and is conducted using an inventory of sensitive locations and buildings (if there any). Apart from the potential visual impact, there have been no negative effects detected from the installations. All base and transmitter stations were approved by the relevant authorities. When Swisscom dismantles decommissioned transmitter stations, it rehabilitates the ground in accordance with internal guidelines issued by Swisscom Broadcast Ltd. In 2015, Swisscom dismantled one station and rehabilitated the ground.

Swisscom supports a number of partners who work to protect the soil and biodiversity. This support takes the form of financial assistance as well as assistance through the personal efforts of Swisscom employees on site during Nature Days. These Nature Days are part of the corporate volunteering programme “Give & Grow”. In 2015, Swisscom employees clocked up a total of 940 volunteer days for nature and landscape conservation. Swisscom also provides technical services to support the Swiss National Park.

Other air emissions

Besides CO₂ emissions, burning fossil fuels for heating and transport also produces NO_x and SO₂. These emissions are calculated using the relevant conversion factors and depend on the amount of vehicle fuel and heating fuel consumed. Swisscom is reducing NO_x- and SO₂ emissions by continually optimising heating boilers and drive motors. The emissions are listed in the table of environmental performance indicators, on page 34.

Environmental performance indicators in Switzerland

	Unit	2013	2014	2015
Land/buildings				
Net floor space (NFS)	million of m ²	0.92	0.92	0.92
Paper consumption				
Total paper consumption	Tonnes	4,759	7,449	5,401
Water/sewage				
Water consumption ¹	m ³	475,701	183,537	183,654
Energy, electricity				
Electrical energy consumption ²	Terajoule	1,435	1,470	1,563
	GWh	399	408	434
Energy, heating³				
Heating oil	Terajoule	155.2	122.7	109.4
Natural gas	Terajoule	25.2	26.4	24.4
District heating	Terajoule	27.3	22.9	36.7
Heating, total	Terajoule	207.7	172.0	170.5
Energy, fuel⁴				
Petrol	Terajoule	22.2	16.4	15.9
Diesel fuel	Terajoule	126.4	129.8	125.0
Natural gas	Terajoule	1.0	2.9	2.6
Total fuel	Terajoule	149.1	149.1	143.5
Vehicles	Number	3,628	3,377	3,693
Kilometers driven	million of km	62.3	62.7	59.5
Average carbon dioxide CO ₂ emission ⁵	g per km	123.0	117.0	113.0
Energy, total				
Energy consumption	Terajoule	1,791	1,791	1,877
	GWh	498	498	521
Air emissions				
Carbon dioxide CO ₂ -eq from the consumption of fossil energies ⁶	Tonnes	23,835	21,380	20,115
Nitrous gases NO _x ⁷	Tonnes	22.0	21.1	19.6
Sulphur dioxide SO ₂ ⁸	Tonnes	5.2	4.1	3.7
Waste				
Total amount of waste	Tonnes	3,226	3,727	5,117

¹ The water consumption is extrapolated on the basis of the average rate of 115 litre per FTE per day, resp. 40 from 2014 on.

² Energy conversion: 1 terajoule (TJ) = 0.278 gigawatt hours (GWh).

³ The heating energy consumption is based on a forecast of monthly measures of the consumption of 61 buildings (with a total floor space of over 45%).

⁴ The fuel consumption was adjusted from private use. The km driven, energy consumption and the air emissions were adjusted accordingly.

⁵ Average emissions per kilometre refer to manufacturer's indications.

⁶ CO₂ emissions from consumption of fossil energies, without district heating and refrigerant fluid. Swisscom published a complete climate report according to ISO 14064.

⁷ From Mobitool (www.mobitool.ch), car traffic, national 5-200 km, direct use, load 1.25, fuel consumption 6.23 litres per 100 km (2013), 6.01 (2014), 6.00 (2015)

⁸ According to publications "Pollutant Emissions from Road Transport, 1990 to 2035, FOEN, update 2010, annex 6, p. 91, 2010" and "Worksheet emissions factors combustion", FOEN, 2005 (in german).

Work and life

Swisscom supports customers in their efforts to achieve a sustainable way of living and working. This includes offers for mobile working and a health platform. Swisscom is thus committed to promoting a Switzerland that offers room for living.



Environment, objectives and management approach

Another goal Swisscom has is to offer one million customers the opportunity to use mobile working models by 2020. The company also hopes to gain one million new customers for its services in the healthcare sector. As part of its management approach, Swisscom has internal departments and policies in place to review and establish criteria for services and platforms in the healthcare sector and for mobile working.

See
[www.swisscom.ch/
responsibility](http://www.swisscom.ch/responsibility)

Work Smart offers

Work Smart

Swisscom has a vision for internal cooperation: All Swisscom employees work together directly, easily and without barriers – as part of a team or with colleagues and external partners. This collaboration will take place not only in the office, but also via mobile phone and online – from anywhere or whenever the employee so desires, and with the device that best meets his or her needs. Therefore, the Swisscom solutions should not only enable employees to work flexibly and in any location, but should also ensure a productive exchange of knowledge and information. In this way, the solutions boost the productivity of employees and provide them with the opportunity to choose the most suitable place to work, for example, at a home office in order to complete tasks requiring a high level of concentration. Finally, employees are able to use travel and waiting times more productively as part of flexible working.

Flexible working also increases individual job satisfaction and improves personal well-being through a strong work-life balance, taking into consideration employment law and the conditions for collective employment agreements, in order to prevent any potential negative effects. Appointments with a doctor or mechanic are easier to reconcile with work compared to rigid working models. Finally, flexible working makes it easier to participate in volunteer work in associations or daytime leisure activities like outdoor sports, as employees can catch up on work in the evening. And as part of an expansion of flexible time management, Swisscom also offers employees the option of purchasing additional holiday time. This model allows employees to purchase up to ten additional days of holiday leave, thus increasing their individual flexibility.

Great potential through mobile working and acyclic commuting

Swisscom is taking an in-depth look at the advantages of mobile working and the associated cultural shift taking place at companies, for example with the study WorkAnywhere or FlexWork. During the year under review, Swisscom took part in a study on commuter traffic during peak hours and published guidelines for managers.

On an individual level, about 54% of Swiss employees have the opportunity to participate in mobile working. Around 1.35 million people in Switzerland are currently engaged in mobile working “very frequently” (11% of around 4 million workers), “frequently” (12%) or at least “occasionally” (11%). Of this number, about 54% use Swisscom broadband connections, i.e. some 830,000 people. In Switzerland, a total of around 42 million work days are completed at a home office.

The following services support mobile working:

- > **Conferencing services:** the traditional teleconferencing services. These can now be supplemented with functions such as screen sharing for group presentations.
- > **Managed Communications & Collaboration:** the communications solution that is integrated into the personal workspace. It allows for web and videoconferencing, screen sharing and the joint editing of documents, and also includes chat functions and information on the presence status.
- > **Vidia:** a higher-resolution videoconferencing solution that can be used with every available screen.
- > **Remote Access:** remote access to the company’s network. This service enables employees to work with company documents and data regardless of their location or the time.

 See
[www.work-smart-initiative.ch/
publikationen](http://www.work-smart-initiative.ch/publikationen)

Swisscom is a Work Smart Initiative partner

The Work Smart Initiative facilitates new ways of working and supports cultural change. To this end, it promotes flexible work irrespective of location and access to knowledge that knows no boundaries. This helps balance work and family life, integrate part-time workers in the work process and use resources and infrastructure more intelligently. Swisscom is an active player in the Work Smart Initiative, sharing its experiences, and it hopes to contribute to a sustainable Switzerland with its knowledge. This is because it is not only customers and employees who benefit, with more flexibility and quality of life, but also companies, which gain greater productivity.

 See
www.work-smart-initiative.ch

Providing information to and raising the awareness of customers and the wider population

In 2015, Swisscom expanded its partnership with WWF Switzerland. It is now the main sponsor of the WWF “Ratgeber” (advisor) app and the WWF Footprint Calculator. With the advisor app, the WWF and Swisscom are heading in a new direction as “partners for the environment”. A separate section within the app illustrates Swisscom’s commitment to the environment and society and is evidence of Swisscom’s aim of promoting a sustainable lifestyle. The app was updated in the year under review and has been made even more customer friendly. The Footprint Calculator is a simple method of calculating your personal ecological footprint and provides users with personalised tips on how to live more sustainably in daily life.

 See
www.wwf.ch

Offers in the healthcare sector

Digital health for a healthy Switzerland

Swisscom is networking the Swiss healthcare sector by means of secure solutions for the digital exchange of information. For this purpose, Swisscom is pursuing three main strategies: Firstly, it helps service providers such as doctors and hospitals to increase efficiency through digitised medical and administrative processes and secure data communication. Secondly, Swisscom is contributing to a sustainable healthcare system. It promotes the standardisation of the exchange of medical data and the expansion of the eHealth infrastructure for a healthy and future-oriented Switzerland. Thirdly, Swisscom is offering its customers new technological opportunities for health-conscious living.

Lower healthcare costs thanks to digitisation

Healthcare costs continue to spiral in Switzerland at a seemingly unstoppable rate. According to the Swiss Federal Statistical Office, 11.5% of GDP is spent on healthcare. One reason behind the high cost of healthcare is the lack of extensive digitisation in the healthcare sector. Experts estimate that around 250 million paper documents are sent every year in the Swiss healthcare sector, especially as faxes and letters are still the standard mode of communication. Herein lies major savings potential. Swisscom commissioned a consulting firm to investigate the potential savings by studying general practitioners and two hospitals. As the study showed, savings can be made in the referral process from the general practitioner or specialist to the hospital and in the subsequent discharge reports. According to the consulting firm, digitising all these processes would reduce processing costs by around 90%. In Switzerland, this would correspond to over CHF 100 million, while increasing the quality of healthcare at the same time.

An ambitious goal

Swisscom set the following group goal in the area of Corporate Responsibility: by 2020, Swisscom aims to be supporting one million customers through offers and services in the healthcare sector. The 2015 annual report will provide quantitative data on this and highlight where the most-significant progress has been made in the past financial year. Currently, some 2,000 doctors, 200 hospitals and 16 Spitex firms use Swisscom services as customers. In addition, several thousand private individuals use Evita, the digital health dossier from Swisscom. Swisscom's platform for occupational health management already operates in over 60 companies.

Swisscom expanded its customer base in the healthcare sector in 2015. After several important projects were started in various hospitals and cantons, Swisscom Health AG secured the largest eHealth contract in Switzerland from the Canton of Zurich. It thus made an important step toward its goal in establishing networks of service providers, such as hospitals, retirement homes and physicians in order to achieve a leading market position.

Health Centre

The Swisscom Health Centre is part of Swisscom's social responsibility. It serves as a platform dedicated to the personal health of Swisscom employees and offers applications for personal health management and prevention. Swisscom offers the Health Centre to other companies who wish to actively promote the health and well-being of their employees.

Online platform for operational health management

The Swisscom online platform for occupational health management (OHM) is available to companies of any size, allowing them to promote health and well-being within the company. Employees take a comprehensive health test with an integrated coaching call and thus look after their health completely anonymously. Personal data is saved in the Evita dossier and the users also benefit from special offers.

Evita – the online health record facility from Swisscom

The online health dossier from Swisscom provides access to doctor and hospital health data as well as to patients' own records. All personal medical data and documents of the patient are stored

securely in one place and can be accessed online at any time. Swisscom develops solutions to enable patients, service providers and cost bearers to exchange administrative and medical data digitally. The Evita online health dossier and the curaX networking solution make this exchange possible and reduce costs as well as saving time and resources. In addition, internal and external processes make the exchange of information and data storage efficient and secure.

Promoting health among the population Sporting events

Those who want to lead a healthy life must exercise on a regular basis and participate actively in popular and mass sporting events. Swisscom subsidiary Datasport makes a significant contribution to ensuring that many of these events run smoothly. Each year, Datasport organises over 300 events in the fields of running, walking, cycling, mountain biking, in-line skating, triathlon/duathlon, cross-country skiing and Alpine skiing. As a one-stop provider, it is responsible for data management, notification procedures, collection, time recording results services, speaker and information systems and information dissemination. In addition, Swisscom sells wearable accessories for fitness activities via its shops. Corresponding pilot projects were started in 2015.

Low-radiation communications technologies

Advice and information on wireless technologies and the environment

Six trained Swisscom employees provide advice to people who are involved in the construction and operation of mobile networks. They also advise stakeholder groups seeking general information on wireless technologies, the environment and health. During the reporting year, Swisscom held more than 530 discussions with key stakeholder groups on the subjects of mobile communications and the environment. These discussions are generally motivated by local projects.

Research and development in the area of electromagnetic fields

The operation of wireless networks entails a great deal of responsibility for Swisscom. Swisscom follows scientific progress in the area of electromagnetic fields and works with internal and external specialists. It analyses research findings and supports relevant scientific work.

For example, Swisscom works with and financially supports the Swiss Research Foundation for Electricity and Mobile Communication (FSM) based at the Federal Institute of Technology in Zurich. The FSM continually monitors and interprets the latest research published on the effect of electromagnetic fields on organisms and the measurement of emissions.

Based on current knowledge, scientists consider the current limits for electromagnetic fields as safe. Additional information is available in the WHO Fact Sheets No. 193 and No. 304.

 See
[www.swisscom.ch/
radiation](http://www.swisscom.ch/radiation)

Certification of the quality assurance system for compliance with ONIR limits

Swisscom is required to operate a quality assurance system (QAS) for its mobile base stations to ensure that the installations that are in operation comply with the statutory limits at all times. In 2005, Swisscom decided to have this quality assurance system certified to the ISO 15504 standard. An assessment and monitoring audit of the QAS was carried out by an external auditor mandated by Société Générale de Surveillance (SGS) in November 2015. Swisscom passed the audit, scoring a capability level of 4 (good) out of a maximum of 5, which means that the Swisscom processes relevant for the QAS are “targeted and measurable”.

The legal obligation to limit emissions from mobile communication installations in Switzerland is set out in the Ordinance relating to Protection against Non-Ionising Radiation (ONIR), the aim of which is to protect people against harmful or undesirable non-ionising radiation. The ordinance applies to the operation of fixed installations that emit electrical and magnetic fields with frequencies between 0 Hz and 300 GHz. The ONIR limits are ten times lower than those in the most other countries. In 2015, Swisscom met all federal legal requirements with respect to the ONIR. The responsible cantonal specialist offices may conduct random and independent checks for compliance with the limits pursuant to the ONIR at any time. Eight cantons availed themselves of this

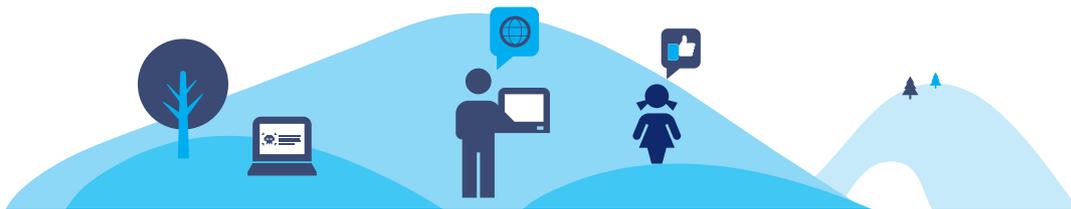
opportunity during the year under review. The checks revealed that the inspected installations met the legal requirements.

Duty to provide information on products offered at points of sale

Prices on all products on display and offered by Swisscom are clearly disclosed as prescribed by the Federal Ordinance on the Disclosure of Prices. This declaration is supplemented by relevant technical information on the products. Customers and other interested parties can also find information on the levels of radiation emitted by mobile handsets (SAR values) at Swisscom points of sale and on the website. Swisscom is under no legal obligation to provide this information. Instead, Swisscom provides this information to satisfy the customer need of knowing the level of radiation when selecting a device. As at December 2015, all mobile telephones offered by Swisscom comply with the limit of 2 W/kg pursuant to the recommendation made by the WHO; 75% are under 0.8 W/kg (prior year: 75%), and 41% are even below 0.6 W/kg (prior year: 45%, status of december).

Media skills and security

Swisscom enables and shapes Switzerland's information society which everyone in Switzerland should be a part of. Its infrastructure and services allow people to communicate and interact in both the public and private spheres at any time. Swisscom is committed to promoting the responsible use of media.



Environment, objectives and management approach

Everyone in Switzerland should have access to the opportunities offered by digital media. The company strives to ensure reliable network access in every location in Switzerland. In this context, Swisscom places a special focus on the promotion of media skills, not only in the company's efforts in the area of youth media protection, but also through various initiatives which aim to bridge the "digital divide".

Swisscom will continue to pursue this aim in 2016, championing a healthy information society that adds value in line with the federal government's strategy. Swisscom is thus confident that Switzerland as a business location, the Swiss education system and the entire population will continue to benefit from a progressive ICT landscape.

Data protection

The customer data that Swisscom works with is subject to the Swiss Data Protection Act and Telecommunications Act. The protection of privacy, compliance with data protection laws and the observance of telecommunications secrecy are key tasks and concerns for Swisscom. The Data Protection Declaration explains how Swisscom handles personal data. Swisscom adheres strictly to the law in all matters relating to data protection. It collects, stores and processes only such data as is required for the following purposes: the provision of services, the handling and maintenance of the customer relationship, i.e. ensuring high service quality, the security of the company and its infrastructure, and billing. Customers also consent to Swisscom processing their data for marketing purposes and to their data being processed for the same purposes within the Swisscom Group. Customers have the option of stating what types of advertising material they do or do not wish to receive ("opt-out"). Swisscom has set itself the goal of providing all employees who have access to customer data as part of their job with thorough instruction on compliance within their work. In addition, it raises awareness among its employees through data protection training and equips them to implement the requirements of data protection rigorously.

Swisscom has also implemented technical measures designed to further improve data protection. It has reviewed and specified all access rights to critical customer data. It has also set up a system to determine whether access to critical customer data is legitimate. Swisscom will in future continue to do everything in its power to protect its customers' data by optimising its technology,

organisation, processes and employee training. Swisscom is aware of its responsibility for data protection. In bringing in new technologies and in meeting new needs, Swisscom will continue to exercise the required sensitivity and assume its social responsibility as a companion in the networked world.

Media protection for minors and promoting media skills

Media protection for minors and guidelines on media content

Digital media present both opportunities and risks for children and young people – although the latter are often ignored. Swisscom is determined not to leave parents to shoulder the responsibility of handling these risks alone. Instead, it supports parents and teachers by providing a wide range of information, resources and offers.

Privacy plays a particularly important role in youth media protection. Children and young people who disclose private or even intimate information on social networks are often unaware of the repercussions this may have. Swisscom thus uses brochures and courses to explain to subscribers and participants the importance of fundamental measures to protect privacy.

Swisscom supports the High Principles on Child Protection of the European Telecommunications Network Operators' Association (ETNO).

Under the terms of the Swiss Federal Penal Code, it is forbidden for providers to offer content of a pornographic nature to persons under the age of 16. Swisscom is rigorous in its interpretation of the regulations of the Ordinance on Telecommunications Services regarding the blocking of value-added services. For example, it does not offer any adult content on its information portal or in its video-on-demand offering.

Since 2008, the Industry Initiative of the Swiss Association of Telecommunications (asut) for Improved Youth Media Protection and the Promotion of Media Skills in Society has recommended a list of youth media protection measures in addition to the legal requirements which Swisscom has pledged to comply with. For example, Swisscom provides filtering software for the Internet, meets its obligation to actively provide customers with information, shows a willingness to engage in dialogue with organisations committed to youth media protection and has appointed a youth media protection officer.

However, an evaluation of the industry initiative through the programme “Youth and Media”, which was carried out by the Federal Social Insurance Office (FSIO), found deficiencies in its implementation and enforcement. Swisscom is grateful for the critical feedback and has taken direct measures to improve the areas where deficiencies were identified. For example, it launched a major training initiative to further improve the preparation sales staff receive as regards addressing the special needs of concerned parents. In 2016, Swisscom, together with co-signers Sunrise, SALT and upc cablecom, will present a new sector initiative. Swisscom also welcomes efforts by asut to provide an even broader basis for the sector initiative and thus increase its relevance even further.

Swisscom goes beyond the legal requirements for youth media protection:

- > Strict interpretation of safeguards when it comes to the indebtedness of customers who are minors
- > No adult content whatsoever is included in the video-on-demand offerings on Swisscom TV or on the information portal
- > Additional channel blocking via PIN on Swisscom TV
- > Providing youth media protection with the “Replay” TV function
- > Providing FSK age-rating recommendations for all video-on-demand films
- > Exceptionally stringent requirements apply to third-party providers of value-added services

The Telecommunication Services Ordinance requires telecommunication service providers to disclose information on the existence and use of a blocking set at least once a year. A blocking set prevents access to chargeable value-added services on specific lines. Swisscom sends its customers a bill enclosure every year to inform them about this free service. The blocking set is automatically activated for young subscribers under the age of 16 and can only be deactivated with the consent of their parent or legal guardian.


See
www.asut.ch
www.bluewin.ch


See
www.bluewin.ch

Promoting media skills

The measures Swisscom has taken in the area of youth media protection minimise many of the risks that arise when children and young people use media. However, Swisscom considers the promotion of media skills among children and young people to be the best method of reducing the risks over the long term. It has therefore worked for a number of years to help children and young people use digital media sensibly and in moderation:

- > **Media courses for parents, teaching staff and pupils:** The courses are held on parents' evenings and as part of further training sessions for teachers. The aim of the courses is to raise the participants' awareness of the risks and to make recommendations on the use of media at home and in school. In total, Swisscom held more than 1,000 media skills events with over 25,000 participants throughout Switzerland in 2015. This makes Swisscom one of the largest providers of media courses in Switzerland.
- > **The JAMES Study:** The JAMES Study investigates the way in which media is used by young people aged between 12 and 19. In 2014, Swisscom, in cooperation with the Zurich University of Applied Sciences (ZHAW), conducted the third nationwide "JAMES Study". The findings from the JAMES Study allow conclusions and measures to be formulated in the fields of science and politics based on reliable, scientific data. With this study, Swisscom is bridging a gap in research that has existed for a long time, particularly as surveys into media usage among young people were not consistently carried out before 2010. A new round of data collection is planned for 2016.

National programme for the promotion of media skills

In summer 2010, the Swiss Federal Council set up the "Youth and Media" programme, aimed at improving the media skills of children and young people. The Federal Social Insurance Office (FSIO) was responsible for implementing the programme, which was completed at the end of 2015. Swisscom was the principal partner of the programme for five years. Swisscom continues to firmly believe that co-operation between the public and private sectors is particularly important in the field of youth media protection.

Media courses for parents, teaching staff and pupils

Swisscom has been expanding its course offerings to promote media skills on a continuous basis since 2012. In addition to the information events for parents and teaching staff, its offering also includes a modular course for secondary school pupils (year 7 to year 9) and a flexible module for primary school pupils (year 4 to year 6). Teachers can choose from a range of modules dealing with general media usage behaviour, legal issues on the Internet, social networks, safe surfing and the issue of cyberbullying. Swisscom appoints a dedicated course instructor for the participating classes. The offering continued to be popular in 2015 as well.

See
[www.swisscom.ch/
james](http://www.swisscom.ch/james)

Promoting media skills

Swisscom promotes the responsible use of new media.
Interest in the courses offered by Swisscom since 2008

334,189 participants in
academy and media courses

Swisscom Academy

The Swisscom Academy has been teaching people how to use mobile devices and the Internet since 2005. Courses are offered on a daily basis at the training centres in Berne, Basel, Lausanne, Lucerne, Geneva and Zurich. The academy also has a mobile presence at additional locations every year. In 2015, over 12,000 people attended courses on how to use modern communications media. Since the launch of the Swisscom Academy, some 334,189 people have attended Swisscom's training courses. The courses are aimed at the general population in Switzerland and are open to customers and non-customers alike. Through the courses, Swisscom is playing an important role in reducing the digital generation gap.

Media smart

For more than two years, the media smart platform has offered parents detailed and practical tips for dealing with digital media in everyday life, told using stories from daily family life. Twelve families have already shared their personal experiences with privacy, cyberbullying, game addiction and being media savvy with an ever increasing number of visitors. Each month, the visits to the media smart page are automatically recorded and statistically processed.

 See
[www.swisscom.ch/
medienstark](http://www.swisscom.ch/medienstark)

“Internet for Schools” initiative

Digital media are becoming ever more important in Swiss schools. Swisscom has been making a substantial contribution to the Swiss education system since 2002; initially as part of the government's “Internet for Schools” initiative (2002–2007) and since 2008 through its own “Internet for Schools” initiative and in consultation with the relevant public bodies. The “Internet for Schools” initiative is a response to the increased needs of schools and cantons, which is why the range of services is constantly being expanded. Thanks to its commitment, all primary and secondary schools in Switzerland already benefit from a broadband Internet connection. For some years, the initiative has also been helping nursery schools being integrated into primary schools as part of the intercantonal HARMOS concordat to take their first steps into the digital world. Swisscom thus aims to work together with schools, cantons and federal offices to create an efficient and sustainable architecture for the future ICT landscape of the Swiss education system.

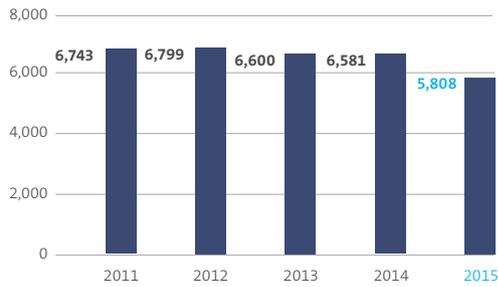
The number of schools benefiting from the “Internet for Schools” initiative declined slightly in 2015 (5,808 schools), as the consolidation of schools in many municipalities continued in the reporting year – owing in particular to the wave of mergers of municipalities in Switzerland. However, the need by schools for broadband Internet increased sharply and participating schools benefitted more and more often from the digitisation opportunities in the classroom during the year under review. The number of pupils and teachers involved in the initiative remained unchanged.

As the cost of a secure, high-performance infrastructure has grown continuously in recent years, by agreement with the cantons, schools are now contributing to the costs of security solutions such as firewalls and content filters on a user-pays basis. For example, the costs per school for security services for a copper-based connection amount to CHF 780 per year, although Internet access is free.

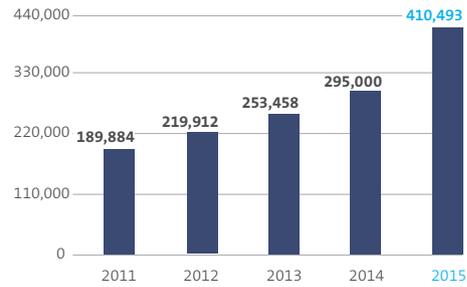
Schools are now running ICT infrastructures on an increasingly more professional scale. This raises the question of what a school or canton should do itself and what could be outsourced. This is why Swisscom has developed an information portfolio specifically for schools that offers information on the needs schools typically have and that is geared towards meeting the cantons' requirements. Swisscom knows there is a limit to schools' finances and offers schools heavily discounted pricing models as it wants to continue its efforts to promote education.

 See
www.swisscom.ch/sai

Internet for Schools Number of schools



Courses promoting media skills Number of participants



Swisscom has added various educational institutions to the network over the past few years, enabling it to recognise the needs of schools early on during the ICT integration process. Swisscom cultivates its network through dialogue and events, in particular with the following institutions:

- > Education server educa and the Swiss education server educanet
- > Swiss Conference of Cantonal Ministers of Education (EDK)
- > Conference held by the Swiss Office for Information Technology in Education (SFIB)
- > Federal Office of Communications (OFCOM)
- > Swiss Foundation for Audiovisual Teaching Media (SSAB)
- > Swiss Association of Teachers (LCH)
- > Union of French-speaking Teachers (SER)
- > Intercantonal Conference of Public Education (CIIP)
- > Worlddidac Association
- > Various teacher training colleges and universities

Attractive employer

People and their relationships are at the heart of everything we do at Swisscom. Working with its staff is what makes Swisscom successful.



Swisscom operates in a dynamic and demanding market environment shaped by rapid technological development and changing customer requirements. Demographic and social trends are also influencing human resources. Swisscom is therefore committed to forward-looking human resources management, fostering a performance and development culture and creating a working environment that motivates its employees to realise their potential in line with the company's guiding principles. In an increasingly digital society, Swisscom employees' specialist knowledge, flexibility and willingness to change play a vital role in the implementation of Swisscom's corporate strategy. Innovation, operational excellence and customer focus are the keys for remaining competitive over the long term and maintaining the trust of customers in Swisscom and its employees. Swisscom consistently focuses on meeting customer requirements. This calls for employees who can develop clear targets and work in mixed, cross-divisional teams to put them into practice, while never losing sight of our customer promise to provide them with optimal experiences as we help them find their way in the digital world.

Environment, objectives and management approach

Swisscom's Group Human Resources division is responsible for implementing a uniform HR and social policy throughout the company and formulates and promulgates Group-wide standards, guidelines and principles. In collaboration with line management and the Compensation & Benefits, Development, Employment Relations and Recruiting & Employability competence centres, the HR departments of each individual division implement the guidelines and support the line in all personnel-related matters, from hiring to employee departures. The Group Human Resources division supports the Group Executive Board and Board of Directors on HR policy matters, such as terms and conditions of employment, salary system and diversity. It conducts management development, succession planning and employee development in collaboration with the operating units as part of strategic personnel planning.

Group Human Resources is also responsible for professional and vocational training throughout the Group, and as such, makes a key contribution to Switzerland as a business location. In its dealings with the social partners and employee associations, Group Human Resources advocates the interests of the Group as a whole.

In order to help shape future challenges, Group Human Resources plans its resource requirements from a quantitative and qualitative point of view, defines the framework and key priorities for employees' professional development and establishes a management culture characterised by trust, appreciation and a healthy focus on performance, as well as the strengthening of the four key skills "entrepreneur", "networker", "trainer" and "self-management". In doing so, Group Human Resources plays a significant role in the execution of the company's business strategy.

The notes to the "Employees" section relate to pages 55–60 of the Annual Report.

Staff development

Swisscom's market environment is constantly changing. The company invests in targeted professional training for its employees and managers in order to maintain and improve their employability and the company's competitiveness in the long term. Employees are supported in their development by a wide range of on- and off-the-job development options as well as internal programmes and training courses. The various training options have been brought together under the Group-wide Learning Centre, where they can be accessed by all employees via their own dedicated learning space. Nearly half of all internal learning and training courses take the form of e-learning programmes which can be carried out at any time and at any location. The courses cover technical, management and project management topics. As part of talent management, around 10% of the top performers from the target groups have completed a corresponding internal programme. On-the-job training options, including job moves and stages, are becoming increasingly important. Swisscom already fills 75% of advertised management vacancies internally. It also welcomes opportunities for employees to attend external further training courses, providing financial support and granting time off for such studies. In the year under review, every Swisscom employee spent 3.9 days on training and development in Switzerland.

Swisscom management sees staff development as a crucial element of its management responsibility. Regular dialogue between employees and management is used as an orientation tool to heighten the general commitment to personal training and development in a networked world. It also makes it easier to agree on and implement medium-term development measures. To assess and promote employee performance and development, Swisscom will continue to develop its Performance Management System in line with requirements. Performance appraisals are carried out according to fair principles and cover a wide range of criteria based on binding agreements on objectives. The ongoing dialogue between employees and management about the agreed objectives ensures they are met over the course of the year. Broad support for the performance and development evaluations is provided within the framework of twice-yearly calibration rounds among groups of managers, at which performance is systematically assessed and further development steps are initiated. These rounds are also used to draw up succession plans for key functions and to place talents in specially designed talent programmes and offer promising employees challenging positions beyond their individual departments so as to promote their development.

The Leadership Academy offers managers in both personnel and technical leadership roles the opportunity to get to grips with the key skills of management in a changing environment. Offerings tailored to individuals and platforms aimed at further improving management skills in a particular group or a specific context build up the competences of Swisscom's managers in a systematic and sustained way.

Employee training in general and in the area of corporate responsibility

Swisscom regularly provides its employees with training on relevant topics, including security, compliance and corporate responsibility. For example, Swisscom raises awareness of ecological and social issues among new hires at its Welcome Days. As part of "Hello Future" dialogues, 17 apprentices joined some 250 employee teams (prior year: 150) in learning about Swisscom's sustainability goals during the year under review. As part of this campaign, the teams were encouraged to develop and implement their own contribution to sustainability.

Corporate Volunteering

Corporate volunteering is the term used to describe voluntary work carried out by employees for charitable causes. Swisscom encourages this commitment by allowing its employees to do this during paid working hours and offering them the chance to help out with various volunteering projects in the fields of nature (Nature Days), social responsibility (Social Days) and economy (Economy Days). Swisscom employees can dedicate up to two days of their working time to voluntary work each year. A total of 1,206 volunteer days were clocked up in 2015.

Staff recruitment

Recruiting new staff

Swisscom seeks individuals who are motivated and passionate about helping customers and who want to help shape the future of the networked world. At all company locations in Switzerland, Swisscom endeavours to give priority to people from the surrounding regions. This is why the percentage of local employees in all areas and at all hierarchical levels is exceptionally high.

Student interns and trainees

In order to attract talented and highly motivated graduates, Swisscom cultivates close contact with universities and schools of applied sciences. Attending recruitment fairs and engaging in more advanced forms of cooperation, such as guest lectures and workshops, is very important to Swisscom. Many students gain initial professional experience at Swisscom during their studies either by working as interns or during the practical part of their Bachelor's or Master's course. In the last twelve months, 177 students began internships at Swisscom, and a similar number of students were coached through the practical part of their Bachelor's or Master's courses by Swisscom employees. Once they have successfully completed their studies, graduates can embark on the first step of the career ladder at Swisscom through internships, the trainee programme or a junior position. About 43.4% of the trainees and interns are women (72 women).

Vocational training

254 young people began their apprenticeships with Swisscom in August 2015, of which 97 were in ICT jobs in mediamatics and IT. Swisscom is thus Switzerland's largest trainer of ICT professionals. At the end of 2015, there were more than 903 apprentices working at Swisscom, with 820 in technical and commercial apprenticeships as well as an additional 83 apprentices at its subsidiary caleb. With special offerings for girls, Swisscom helps to introduce girls in secondary school to ICT as a professional field. Thus, 102 girls took part in the Digital Days for Girls in Berne, Zurich and Lausanne. In order to promote language diversity, Swisscom encourages apprentices to join projects in other language regions. The Swisscom training model is geared towards independence and personal responsibility and aims to promote and develop the personality of every apprentice. Apprentices take an active role in devising their training so that it fits their individual priorities, and they apply within the company for different practical placements and learn from experienced employees during such placements.

Inclusion and integration services

Swisscom actively supports employees whose work performance may be impacted by health issues. The aim is to retain them as employees and to offer them continued meaningful employment. At the end of 2015, 0.76% (148 employees) of Swisscom's workforce were involved in such programmes, which represents an increase of 0.1% (18 employees) compared to 2014. To further support and strengthen these inclusion measures, a number of FTE positions have been made available since the autumn of 2014. Swisscom's aim is to create and fill Workability jobs and integration positions for at least 1% of the workforce.

Staff recruitment outside of Switzerland

As a Swiss company, Swisscom is committed to the Swiss employment market. In order to meet customer needs and remain competitive, Swisscom is prepared to work together with both domestic and international recruitment partners, on the condition that they satisfy Swisscom's requirements as regards local labour legislation and sustainability. Swisscom does not directly recruit staff from outside of Switzerland.

Health and safety in the workplace

Employee health

Having employees who are healthy and motivated over the long term is important to Swisscom. In line with its strategy, Swisscom therefore makes targeted investments in Occupational Health Management (OHM) initiatives and programmes. Swisscom completely revised its OHM strategy in 2015. In future, Swisscom will limit itself to clear focus areas, with physical safety being the top priority.

In order to increase the range of its measures, OHM appoints internal employees as ambassadors. These ambassadors work in different locations as contacts for employees on behalf of Occupational Health Management.

In the view of Occupational Health Management, cross-divisional cooperation with other departments and programmes, such as the Leadership Academy, Move! and Corporate Responsibility, plays a key role here.

The absence rate has fallen from 3.4% in 2009 to 2.9% in 2015. The rate of 2.9% during the year under review was slightly above the prior year. The increase is due to the flu outbreak in the first quarter as well as a slight rise in non-work-related accidents. The goal in 2016 is to once again reach 2.8% and, if possible, reduce the absence rate even further. Because of the slightly higher number of non-work-related accidents, Swisscom began a three-year non-work-related accident campaign in cooperation with SUVA. This campaign has a number of different elements, including the sale of protectors and helmets for various sports as well as several learning lunches on topics including hiking, head protection and proper walking technique. The individual offers were launched in 2015 as part of a pilot trial. They will be expanded and added to in 2016. Further details and performance indicators can be found in the table “Employees in figures”.

Swisscom continues to focus its occupational health management activities on prevention in order to promote and maintain employee health. In 2015, Swisscom tested MBSR offers (mindfulness-based stress reduction offers) in the form of courses and online courses as well as a bio-feedback method. There are also plans to introduce an online course on methods for dealing with stress as a pilot trial in 2016. Swisscom introduced new health checks for top management and intends to expand these offers.

In 2015, Swisscom launched an advisory centre (Care Gate) for questions relating to health and social issues as well as employability. Swisscom employees and managers can receive professional and confidential advice via telephone, email, videoconference and chat.

Swisscom actively supports the Compasso organisation as a member and sponsor. Compasso focuses on providing employers with information on how to deal with people with health problems. It is widely supported and is sponsored by the Swiss Employers' Association.

Health and workplace safety

As set out in the collective employment agreement (CEA), Swisscom respects and protects its employees. Under the overarching term “safety”, which includes occupational health and safety, Swisscom maintains a process-oriented management system. Safety is a part of the occupational health management system which ranges from a strategy for handling health risks at the workplace to the promotion of health and safety during non-working hours. Swisscom implements the statutory regulations consistently, thus protecting the health and integrity of its internal staff as well as external employees hired by its contractual partners.

The management system is based on Guideline 6508 issued by the Federal Coordination Commission for Occupational Safety (FCOS). There is a specific operational group solution for Swisscom, the focus of which is on work areas with a higher potential for risk. The “Safety at Swisscom” operational group was created and submitted to FCOS; this group is expected to receive official approval in 2016.

Swisscom fully implements codetermination rights. In doing so, the CEA grants the employee representative committees a right to be informed in terms of ergonomics (design of workstations and working environment), health protection and health care. The employee representative committees and social partners also have a right of consultation with regard to the prevention of work-related accidents and occupational illnesses and safety. Various Swisscom committees coordinate and organise training courses, initiatives and measures aimed at promoting safety and health protection in the workplace.

The risk of work-related accidents has declined over the past ten years. In the tertiary sector “trade and services”, the frequency of accidents has remained relatively stable and currently stands at 50 per 1,000

See
Sustainability Report
pages 53–55

full-time employees. By comparison, Swisscom has a rate of 16 accidents per 1,000 full-time employees, which underlines that Swisscom manages its occupational safety in a serious and conscientious manner. Around 60% of the work-related accidents at Swisscom occur at cablex, which is involved in the areas of network construction, radio networks and in-house installation. However, in comparison with other companies in the electrical network construction/electrical installations sector, cablex' accident frequency falls within the average range.

Number respectively as indicated	2013			2014			2015		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Sickness and accidents GRI (S+A)									
Average Number of FTE	12,095	4,356	16,451	12,595	4,570	17,165	13,010	4,666	17,676
Regular working days	3,054,809	1,107,753	4,162,562	3,183,404	1,162,790	4,346,194	3,314,564	1,193,573	4,508,137
Days lost due to sickness (w/o work-related sickness)	59,829	41,291	101,120	59,918	42,568	102,486	65,081	45,451	110,532
Days lost due to work-related sickness	8	–	8	28	–	28	57	–	57
Days lost due to work-related accidents	1,890	425	2,314	3,012	242	3,254	2,143	298	2,441
Days lost due to non-work-related accidents	11,573	5,009	16,582	11,347	4,142	15,489	11,212	5,125	16,337
Days lost total (S+A)	73,299	46,724	120,024	74,305	46,951	121,256	78,493	50,874	129,637
Number of cases of sickness	15,549	9,677	25,226	14,951	9,419	24,370	16,815	10,101	26,916
Work-related accidents	251	55	306	243	44	287	252	62	314
Number of non-work-related accidents	1,822	618	2,440	1,879	623	2,502	1,941	683	2,624
Total cases	17,622	10,350	27,972	17,073	10,086	27,159	19,008	10,846	29,854
Share of days lost due to sickness (w/o work-related sickness)	1.96%	3.73%	2.44%	1.88%	3.66%	2.36%	1.97%	3.81%	2.46%
Share of days lost due to work-related sickness	0.0002%	–	0.00020%	0.0009%	–	0.0007%	0.0020%	–	0.0010%
Number of work-related accidents	0.06%	0.04%	0.06%	0.09%	0.02%	0.08%	0.06%	0.03%	0.05%
Share of days lost due to non-work-related accidents	0.38%	0.45%	0.40%	0.36%	0.36%	0.36%	0.34%	0.43%	0.36%
Share of days lost total (S+A) in %	2.40%	4.22%	2.89%	2.33%	4.04%	2.80%	2.37%	4.27%	2.88%
Work-related deaths	–	–	–	1 ¹	–	1 ¹	–	–	–
Net presence in FTE	123,338	43,503	166,841	129,002	45,680	174,682	132,514	46,434	178,948
Total productive hours performed	20,749,395	7,372,945	28,123,072	21,708,650	7,742,911	29,452,423	22,475,000	7,911,034	30,386,034
Productive time per FTE in hours	1,716	1,693	1,710	1,724	1,695	1,716	1,728	1,696	1,719

¹ Car accident on the way to work

Move! and the Swisscom Games

Move! is a programme that promotes activities in the areas of health, sport and culture, such as football, skiing, climbing, aikido, tai chi and yoga as well as elocution, writing and stress management lessons. Employees can become Move! coaches or take part in an activity. Activities are conducted during the employees' free time. Move! broadens horizons and brings employees from different areas of the company together. In 2015, 150 Move! coaches offered and supervised 300 activities.

Swisscom Games – Share the Spirit!

From January to June 2015, a total of ten Swisscom Games events were held throughout Switzerland, including nine regional events and the closing event with its established programme in Tenero. Employees were able to sign up for a team or an individual activity in the fields of Competition, Movement or Culture, or attend as a volunteer or fan. A total of around 7,000 employees took part in the Swisscom Games.

The Swisscom Games are a biennial event. They are a key networking opportunity for employees and an important part of the corporate culture. The next Swisscom Games will take place in 2017.

Diversity

Living and promoting diversity

Diversity champions an open working environment, in which employees are treated with respect and everyone is free to develop and reach their full potential. Diversity also means that teams combine a broad range of knowledge and experience. Swisscom sees diversity as something it must commit to internally within the company, as well as externally with its customers and partners. In the interest of diversity management, Swisscom is also committed to utilising the broad range of knowledge and experience of all its employees for the benefit of the company.

Various models to promote a work and life

Swisscom considers a balanced gender ratio to be fundamentally important for the brand and for ensuring the success of the company. Consistent with its commitment to diversity, Swisscom has set itself the medium-term goal of increasing the percentage of women in management to 20%. This percentage fell in 2015. Swisscom is also increasingly championing the use of solutions that support the compatibility of family and career, thereby enabling a healthy work-life balance and addressing employees' growing need for flexibility and the right to make their own decisions.

The solutions promoted by Swisscom include flexible and mobile working models and flexible working hours, which the majority of employees take advantage of. In addition, Swisscom offers annual working hours, a long-term working-time account, part-time working for women and men, as well as job sharing. Swisscom is a sponsor of the Work Smart initiative. As a family-friendly employer, Swisscom pays child and education allowances that are higher than those laid down by federal law and that are also in most cases higher than those laid down by cantonal law. Swisscom also supports external childcare facilities through financial contributions and by providing access to free counselling services through the familienservice® family service as well as childcare during the school holidays. Paternity and adoption leave are also granted. Swisscom also developed two new models to improve the way in which different aspects of employee's lives can be balanced: Work&Care, aimed at employees who care for relatives in their homes for a certain period of time, and the option of buying additional holidays.

81.8% of Swisscom's workforce are Swiss nationals. The remaining 18.2% are made up of employees from 90 different countries, including 5.8% from Germany, 3.7% from Italy, 2.1% from France and 1.0% from Spain. Swisscom employs people from a total of 91 nations.

With respect to the opportunities offered and the potential accorded to the individual, Swisscom does not differentiate between employees with physical or mental impairments and those who are not impaired. Swisscom builds on the individual strengths and skills that each employee possesses.

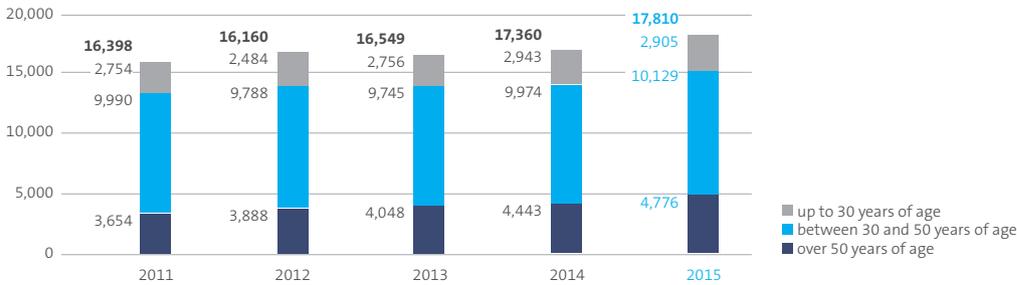
Generation management

The average age of our company is constantly rising. Swisscom is using generation management to address this demographic trend in good time and find innovative ways of allowing older employees to continue in active employment. As part of this effort, Swisscom has launched so-called “BestAge” projects. These projects address the needs of older employees – and customers – and are implemented in call centres and shops. For example, older customers are served and advised by older employees. Swisscom has also established in-house consulting, where older senior managers advise line management, provide coaching and allow others to benefit from their experience through their involvement in projects. Older employees are also used in network construction as quality assurance specialists.

In the interests of employability management, Swisscom also supports employees in developing an awareness of and seizing opportunities to develop their skills and expertise. The company supports intergenerational communication primarily by promoting collaboration in teams and projects, and via management programmes focussing specifically on intergenerational dialogue.

Swisscom has been a member of the Swiss Demographics Forum since 2011. Currently comprising seven finance and service companies, the Swiss Demographics Forum is a platform that collects information and draws up basic principles in order to establish sustainable demographic management. Its members have developed a variety of practical solutions that could be put to good use by the participating companies.

Age structure of employees in full-time equivalent



Diversity@Swisscom
Swisscom employs people from

91 nations

Equal pay

Swisscom takes great care to ensure equal pay for men and women. The company's salary system is structured in such a way as to award equal pay for equivalent duties, responsibilities and performance. To this end, the individual functions are assigned to job levels according to their requirements and a salary band is assigned to the job in line with the market salary. The salary band stipulates the remuneration range for equivalent duties and responsibility. Pay is determined within this range based on the individual employee's performance. As part of its salary review, Swisscom grants employees who have performed better and are lower within the respective salary band an above-average pay rise. In this way, any wage disparities are evened out on an ongoing basis. When conducting the salary review, Swisscom also checks whether there are any pay inequalities between men and women within individual organisational units and corrects them in a targeted manner. Swisscom also uses the federal government's equal pay tool (Logib) to conduct periodic reviews of its salary structure, in order to ascertain whether disparities exist between men's and women's pay. Previous reviews (most recently in 2015) have revealed only minor pay discrepancies, well under the tolerance threshold of 5%.

 See
www.lohngleichheitsdialog.ch

The protection of human rights within the Swisscom Group

The protection of human rights is an integral part of Swisscom's corporate culture. There is no or only very little risk of human rights being breached within the Swisscom Group. Swisscom employs more than 18,977 FTEs in Switzerland and 2,401 FTEs in Italy, with no human rights risks having been identified at these locations. A further 259 FTEs work outside of Switzerland and Italy – predominantly in the EU or OECD countries – and here, too, there is no or only very little risk. Swisscom no longer employs any staff in the “risk countries” listed by the rating agencies (e.g. Romania, Malaysia and South Africa). Moreover, Swisscom employees working outside of Switzerland and Italy only render services, i.e. they are not employed in production. Swisscom therefore considers there to be no need for an internal Group management system for risks concerning human rights infringements.

 See
Sustainability Report
page 57

Swisscom is aware that there are risks of human rights being breached by its suppliers and has therefore set up a risk management system for suppliers.

Swisscom also applies a purchasing policy based on the SA 8000 standard, which places clear demands on its suppliers as regards the protection of human rights.

Employee satisfaction

Swisscom conducts a survey of its staff every two years. The last survey was held in 2014, with 83% of the employees in Switzerland taking part. The results again revealed an above-average level of job satisfaction and a high level of employee commitment at Swisscom. The employees rated all of the areas under review significantly higher on average than in the 2012 survey, and some of the scores were above average compared to other companies in the sector. The next employee survey is scheduled for 2016.

Pension fund: comPlan

At the end of 2015, around 19,500 Swisscom employees and some 7,100 pensioners were insured under comPlan. In 2015, comPlan posted a negative net return on assets of 0.6% (prior year: 4.9%). On 31 December 2015, the market value of fund assets amounted to CHF 9.4 billion (prior year: CHF 9.0 billion). In accordance with Swiss accounting standards for pension funds, the funding ratio is around 108% (prior year: 111%).

Fringe benefits

All Swisscom employees enjoy fringe benefits in the form of a personal allowance on Swisscom services, including telephony, Internet and Swisscom TV services, and a Swiss Federal Railways (SBB) half-fare travel card. These fringe benefits are offered irrespective of function or whether the employee works full time or part time. Apprentices also receive an allowance. Swisscom also sup-

ports external childcare facilities through financial contributions and by providing access to free counselling services through the familienservice® family service. To assist working parents during the school holidays, Swisscom offers holiday childcare weeks at selected locations throughout Switzerland. It also pays the employer's pension fund contribution for unpaid leave for a maximum of three months.

Supplementary regulations governing management staff

Members of management have the opportunity to take partly paid leave (sabbatical) of up to three months, depending on their length of service in management. Swisscom pays their salary for 30 working days. The employment contract remains valid, and managers are guaranteed to be able to return to their current function.

Members of management are also exempted from the obligation to pay a contribution to the collective insurances for illness and accident as well as management staff risk insurance in the event of death.

Employees in figures

The following table shows the various key personnel figures for the years 2013 to 2015 in accordance with the GRI requirements, version 4, broken down by gender. The figures relate to the staff employed in Switzerland (excluding the entities acquired in 2015; see scope of the report). Shareholdings outside of Switzerland were not taken into consideration.

Change in headcount

The number of employees in Switzerland rose to 18,977 FTEs in 2015 (+3.9% compared with 2014) and comprises 26% women and 74% men, a 0.7% decrease in the proportion of women.

The proportion of women in middle management decreased slightly in 2015 (20 FTEs), while the proportion of women in top management also fell slightly. The percentage of women at all management levels is 11.1% (measured in terms of headcount).

The age pyramid by gender remained similar year-on-year in 2015.

Number respectively as indicated	2013			2014			2015		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
GRI-Manpower FTE in Switzerland									
Personnel hiring (temporary employee)	1,230	440	1,670	1,163	402	1,565	1,122	398	1,520
Personnel hiring FTE (Full Time Equivalents)	1,169	395	1,564	1,083	357	1,440	1,027	344	1,371
Fixed-term contracts of employment	47	26	73	38	32	70	24	23	47
Permanent contracts of employment	12,127	4,349	16,476	12,689	4,601	17,290	13,150	4,613	17,763
Average workforce according to the GRI scope	–	–	16,816	–	–	18,035	–	–	18,817
Employees in FTE according to GRI scope per end of decembre	–	–	17,362	–	–	18,272	–	–	18,977
Thereof employees included in the following analysis (= workforce)	12,173	4,376	16,549	12,727	4,633	17,360	13,174	4,636	17,810
Gender proportion in total workforce	73.6%	26.4%	100.0%	73.3%	26.7%	100.0%	74.0%	26.0%	100.0%
Employees with full-time employment	11,332	2,982	14,314	11,772	3,128	14,900	12,137	3,084	15,221
Employees with part-time employment	841	1,394	2,235	955	1,505	2,460	1,037	1,552	2,589
Rate full time employees of total workforce	93.1%	68.1%	86.5%	92.5%	67.5%	85.8%	92.1%	66.5%	85.5%
Rate part time employees of total workforce	6.9%	31.9%	13.5%	7.5%	32.5%	14.2%	7.9%	33.5%	14.5%
Employees in collective employment agreement (CEA)	9,799	4,070	13,869	10,280	4,316	14,596	10,511	4,301	14,812
Rate collective labour agreement (CEA) to total workforce	80.5%	93.0%	83.8%	80.8%	93.2%	84.1%	79.8%	92.8%	83.2%
Average age	42.6	39.7	41.8	42.8	39.9	42.0	43.0	40.0	42.2
Top Management	92	8	100	92	8	100	82	7	89
Middle Management	2,231	286	2,517	2,338	307	2,645	2,581	327	2,908
Rate of employees within Management (headcount)	88.2%	11.8%	100.0%	87.2%	12.8%	100.0%	88.9%	11.1%	100.0%

Number respectively as indicated	2013			2014			2015		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Fluctuation in Switzerland									
Leavings ¹	1,221	558	1,779	1,008	485	1,493	1,016	478	1,494
Leavings < 30yrs. old ¹	225	184	409	227	180	407	239	177	416
Leavings 30 – 50 yrs. old ¹	682	267	949	567	233	800	558	210	768
Leavings > 50yrs. old ¹	314	107	421	214	72	286	218	91	309
Rate of Leavings < 30 yrs. old	18.4%	33.0%	23.0%	22.5%	37.1%	27.3%	23.6%	37.1%	27.9%
Rate of Leavings 30 – 50 yrs. old	55.9%	47.8%	53.3%	56.3%	48.1%	53.5%	54.9%	44.0%	51.4%
Rate of Leavings > 50 yrs. old	25.7%	19.2%	23.7%	21.2%	14.8%	19.2%	21.5%	18.9%	20.7%
Enterings ¹	1,553	597	2,150	1,507	723	2,230	1,491	498	1,989
Enterings < 30yrs. old ¹	641	344	985	572	373	945	500	280	780
Enterings 30 – 50 yrs. old ¹	811	226	1,037	804	290	1,094	859	200	1,059
Enterings > 50yrs. old ¹	101	27	128	101	27	128	132	18	150
Rate of Enterings < 30 yrs. old	41.3%	57.6%	45.8%	38.0%	51.6%	42.4%	33.5%	56.2%	39.2%
Rate of Enterings 30 – 50 yrs. old	52.2%	37.9%	48.2%	53.4%	40.1%	49.1%	57.6%	40.2%	53.2%
Rate of Enterings > 50 yrs. old	6.5%	4.5%	6.0%	8.7%	8.3%	8.6%	8.9%	3.6%	7.5%
Further KPI									
Education and training days	–	–	72,136	–	–	68,831	–	–	68,464
Number of days training and education per employee (headcount)	–	–	4.2	–	–	3.8	–	–	3.9
Maternity and paternity leave	373	175	548	439	217	656	522	240	762
Total CEO compensation in kCHF			1,713			1,773			1,832
Median salary in kCHF			126			126			129
Ratio CEO compensation / median salary			14			14			14
Variation of CEO compensation			-12.3%			3.5%			3.3%
Variation of median salary			-0.1%			0.2%			2.3%
Minimum full time salary in kCHF according to the CEA	52	52	52	52	52	52	52	52	52
Peformance Dialogues	96.6%	97.7%	97.0%	97.1%	95.6%	96.7%	91.8%	97.2%	93.2%

¹ without fixed-term contracts of employment

Fair supply chain

Swisscom's partners supply the company with goods and services worth approximately CHF 4.9 billion a year. Fair and efficient partnerships with suppliers who share its social and environmental objectives and values are important to Swisscom. Swisscom works together with its suppliers to protect the environment and is aiming to improve the working conditions of more than two million people by 2020. To this end, Swisscom has entered into international partnerships which ensure that measures are implemented in close collaboration with suppliers.



Environment, objectives and management approach

See
[www.swisscom.ch/
suppliers](http://www.swisscom.ch/suppliers)

See
[www.swisscom.ch/
GRI-EN-2015](http://www.swisscom.ch/GRI-EN-2015)

Swisscom is committed to improving the working conditions of its suppliers' employees and to ensuring compliance in the supply chain with environmental standards. It expects its direct suppliers and their sub-suppliers to commit to acting in a sustainable manner.

The principles that Swisscom observes are stipulated in its purchasing policy, which is defined by an overarching committee, the Swisscom Purchasing Board. The policy sets out the principles and procedures to be followed by the procurement organisations. The purchasing policy stipulates the requirements that suppliers accept by signing the CR Contract Annex (CRCA). Swisscom uses a structured risk management system to review suppliers' compliance with the requirements. This system was expanded conceptually in 2015 and implemented in the purchasing organisation, and will in future cover all risk areas along the supply chain.

Supplier risk management

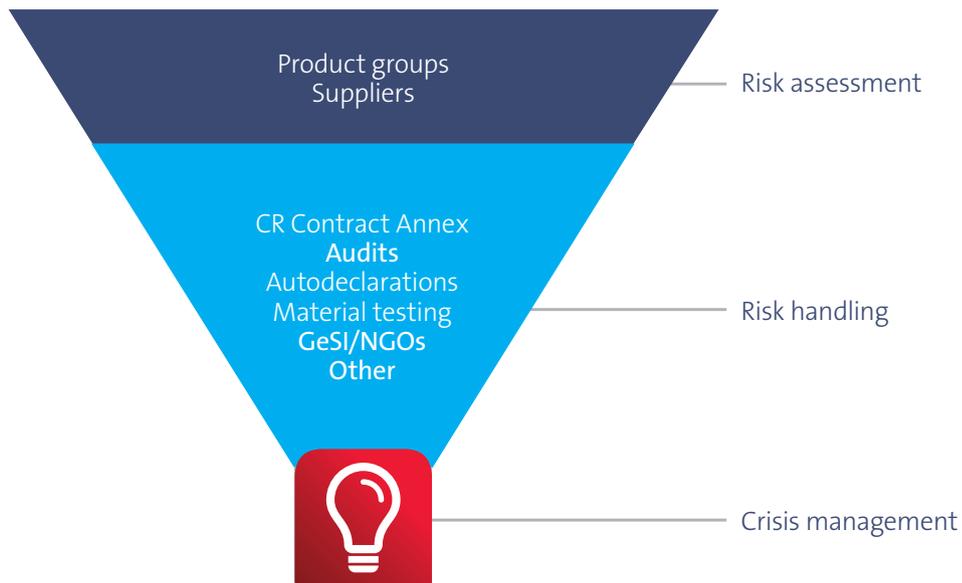
Risk management system

The Supply Chain Risk Management (SCRM 360) was implemented in stages in 2015. The comprehensive SCRM 360 approach will enable Swisscom to reduce the risks it is exposed to not only in terms of the environment and society, but also in terms of finances, security, logistics and quality. Swisscom continuously checks external data sources using individual, weighted score cards (featuring more than 50 risk indicators). If a top 100 supplier and numerous upstream suppliers breach a pre-defined threshold, the purchasing organisation is automatically notified. Top 100 suppliers are selected based on the following criteria: purchase volume, strategic importance and risk profile of the product group.

In 2015, Swisscom reviewed and reclassified existing and some new product groups from the perspective of Corporate Responsibility. It decided to maintain the current risk structure and has completed a critical revision of the list of suppliers in high-risk product groups. Of these, all of the major suppliers are already registered on the e-tasc platform from EcoVadis. For potential supply partners and invitations to tender, Swisscom continues to use the implemented process. In addition, the new SRN platform will enable a first estimate of a supplier's overall risk.

Risk management procedure in the supply chain

Swisscom does not assess the risk of all its supply partners. Instead, it uses a filtering process to determine the effective risk potential at an early stage, while at the same time reducing the number of supply partners to be assessed.



Filtering process: Risk management procedure in the supply chain

In the first stage of the filtering process, Swisscom assesses all product groups in terms of their environmental and social risks using clearly defined criteria, with the individual product groups being assigned to one of three risk profiles – low, medium or high.

In the second stage, Swisscom then identifies the supply partners whose goods have been assigned to the product groups with high- and medium-risk profiles. It reviews the risks of these supply partners individually using clearly defined criteria. Goods belonging to a category with medium and high risks are also used to determine the risks of potential supply partners. The results of the assessment are then taken into account when deciding on a possible collaboration.

Overview and requirements of risk management in the supply chain



¹ The suppliers are classified according to the product groups.

² New suppliers, specific evaluations and re-evaluations take place via selective risk profile of the suppliers.

Corporate Responsibility Contract Annex

In 2015, nearly 100% of the total order volume came from suppliers that had accepted the CR Contract Annex (CRCA). The proportion of suppliers who have signed the CRCA remains stable at a high level.

Self-declarations/self-assessments

Swisscom met its objective for 2015 to assess 120 suppliers on the e-tasc platform.

Swisscom re-registered and assessed 22 suppliers over the course of two campaigns in 2015. Of the registered suppliers, a total of 23 have not yet met expectations in terms of Corporate Responsibility. Swisscom has therefore set up a corrective action plan (CAP) which documents potential improvements. After 12 to 24 months, Swisscom will decide which suppliers need to be reassessed. A total of 16 guided re-assessments were carried out in 2015. These Swisscom suppliers improved by an average of 34% as a result of the corresponding corrective measures. Compared with all suppliers entered in the platform around the world (numbering 10,000), Swisscom suppliers fared 27% better.

In 2016, Swisscom intends to register further key and strategic suppliers as well as high- and medium-risk suppliers, in e-tasc.

Swisscom was also subjected to a re-assessment in 2015, achieving the “Gold Level”.

Audits

Swisscom has been a member of the Joint Audit Cooperation (JAC) for several years. Swisscom carried out four audits in 2015 as part of its collaboration with the JAC (one was postponed). The JAC is a consortium of telecoms companies which checks, assesses and promotes the implementation of social responsibility in the production centres of the major multinational ICT suppliers. The following guidelines apply to the on-site audits:

- > **Preparation:** Audits are based on information that must be obtained in advance via the company to be audited.
- > **Qualified auditors:** Audits are carried out by international auditing companies that have specialist knowledge of the social and environmental conditions particular to the country in question.
- > **Confidentiality:** Confidentiality agreements are signed with suppliers, so audit results are only known to JAC members.
- > **Methodology:** The JAC members create a checklist based on the SA 8000 (including in relation to working conditions, health and safety, environment, business ethics, management system) and ISO 14001 standards. On-site audits with the relevant dialogue partners are also taken into account.
- > **Report:** The report formulates the findings based on objective evidence.
- > **Collaboration with suppliers:** The collaboration is based on the common understanding that the CR risk management system plays a key role in supporting responsible and sustainable development.
- > **Collaborating with and further developing suppliers:** On the basis of the findings from the audit, corrective measures are drawn up with suppliers to correct shortcomings. The respective JAC member follows the implementation of these measures until they have been successfully completed.

In weekly teleconferences, the JAC members set the audit agenda, check the audit reports and monitor the progress of the planned corrective measures. These regular conferences and the exchange of best practices help to optimise the Corporate Responsibility assessments and make the JAC initiative more efficient. The JAC steering committee, which is made up of representatives from the senior management level of the respective CR and sourcing areas, meets four times a year to review the audit campaign, decide on how to proceed and launch new projects.

As part of its overarching CR Strategy 2020, Swisscom aims to improve the working conditions of two million people by 2020. To this end, it has intensified its international partnerships, such as the one it maintains with the JAC, in order to ensure implementation of the measures in close collaboration with its suppliers.

Audit results

In total, 61 audits of suppliers were carried out within the JAC network (prior year: 38). These audits involved production facilities, most of which are located in China, Taiwan, India, Japan, South Korea and South America. A limited number of instances of non-conformity and various types of non-compliance were noted in the audits carried out in 2015. The instances of non-compliance mainly concern working hours, occupational safety, environment, wages and health/security. The audits also identified several cases of discrimination and the employment of minors. The time period for rectifying the problems depends on the type of non-compliance.

Due to the impact on the human resources of the company concerned, rectifying irregularities with respect to working hours in particular (e.g. limiting regular working hours and overtime) requires several months.

The JAC network has conducted a total of 209 audits in 22 countries on four continents since 2010. The audits covered more than 600,000 employees in total and identified 1,260 cases of shortcomings, with 336 yet to be resolved.

The audits identified the following number of shortcomings:

Number of problems	2013	2014	2015
Health and safety	62	68	100
Working hours / overtime	52	73	77
and "Worksheet emissions factors combustion", FOEN, 2005 (in german).	31	64	45
Child and juvenile labour	10	10	12
Remuneration	18	9	34
Environment	11	30	44
Forced labour and discrimination	7	10	13

Of the total 1,260 shortcomings, 337 were published during the 2015 reporting year. 77 of the outstanding cases were connected to issues involving working hours. 46 of these 77 shortcomings occurred in the years 2010 to 2014, and 31 in 2015. 259 identified shortcomings fall into other categories. Of those, 92 occurred in the years 2010 to 2014, and 167 in 2015. The shortcomings in terms of under-age workers relate to excess hours or night shifts, but not child labour. The cases of discrimination that have been highlighted involve inadequate formalisation of contracts, but no cases of forced labour. Environmental shortcomings refer to the storage of chemical products and the lack of environmental reports and objectives.

The individual JAC members are continuously addressing these shortcomings. The collected data is updated regularly and discussed in the steering committee.

Carbon Disclosure Project (CDP) – Supply Chain Program

In the year under review, Swisscom continued its cooperation with the Carbon Disclosure Project (CDP) – a non-profit organisation founded in 2000. The organisation wants companies to publish relevant environmental data, including data on harmful greenhouse gas emissions and water consumption. Once a year, the CDP, on the behalf of investors, uses standardised questionnaires to collect information and data from companies on a voluntary basis as regards CO₂ emissions, climate risks and reduction goals and strategies. The CDP now maintains the world's largest database of this kind. As part of its cooperation with the CDP, Swisscom contacted and surveyed 53 (prior year: 47) of its key suppliers. The suppliers surveyed have a high order volume or a high degree of environmental relevance. The response rate was 91% (prior year: 85%), thus allowing the survey to be brought to a successful completion. In the fourth quarter of 2015, the CDP analysed the responses and applied a scoring system to rate the suppliers who took part. The results are partly incorporated into the e-tasc platform from EcoVadis and used as a basis on which to comprehensively assess Swisscom's key suppliers.

As part of its CR Strategy 2020, Swisscom is pursuing a specific target in the area of climate protection (2:1 target). As the supply chain is responsible for a major portion of Scope 3 emissions, CO₂ emissions in the supply chain play a very important role. Swisscom therefore aims to define set reduction targets with individual suppliers in 2016. Thanks to the emission data that the CDP collects from suppliers, Swisscom has a reliable basis for determining these reduction targets for itself and for its key suppliers.

Optimisation of delivery

Thanks to the OPAL project (optimisation of delivery), Swisscom reduced its costs and its impact on the environment during the year under review. Swisscom now delivers most routers and TV boxes from the same location where they are manufactured. This results in CO₂ savings as a result of the lower number of trips and smaller amount of transport packaging made of cardboard and plastic.

GeSi – commitment

As part of GeSi, the Global e-Sustainability Initiative, the world's leading ICT providers are committed to sustainable change using new technologies. In particular, Swisscom works within the GeSi framework to promote fair and sustainable supply chains based on global cooperation. It participates in numerous CR projects and plays an active role in them. These projects include, for example, sponsoring and collab-

orating in the “Smarter 2030” study; developing and positioning the “SASF (Sustainability Assessment Standard Framework)” as the future standard for the entire ICT sector; and the continuing development of e-tasc as an overarching platform for conducting self-assessments and audits of suppliers.

Main risk factors in the supply chain

Human rights

Swisscom attaches great importance to the observance of human rights in the areas specified by the Social Accountability International (SAI) SA 8000 standard, which include child labour, forced labour, health and safety, freedom of association and the right to collective bargaining, discrimination, discipline, working hours and remuneration.

Climate risks from CO₂ emissions

Climate change poses risks, for example in the form of increasing levels of precipitation as well as higher average temperatures and extreme meteorological events. These risks could compromise the manufacture of telecommunication products and network equipment and its transport into Switzerland, and thus have a negative effect on Swisscom’s market opportunities and operations. Swisscom’s greenhouse gas inventory shows that the majority of its CO₂ emissions are attributable to the supply chain, a fact Swisscom takes account of in its strategic priority on climate protection.

Raw materials

The raw materials used in Swisscom’s various products stem from a wide range of countries and regions. Questions on the origin of the raw materials used and the associated environmental and sociological risks are increasingly being asked. Swisscom is addressing the issue of raw materials and has implemented the following measures in this regard over the last two years:

- > **January 2012:** Swisscom became a member of the World Resources Forum Association (WRFA) through its membership in the Global e-Sustainability Initiative (GeSI).
- > **March 2012:** Inaugural meeting of the WRF Association, at the meetings of which Swisscom represents GeSI.
- > **March/October 2013:** Participation at the Annual General Meetings of the WRFA in St. Gallen and the WRF in Davos.
- > **October 2013:** Dialogue with the NGO “Bread for All” and participation at the “High Tech – No Rights” symposium in Berne.
- > **2014/15:** Preliminary enquiry into participation in Fairphone. Participation is planned for the beginning of 2016, at the same time as the launch of the second generation of end devices.

Corruption

Swisscom has established a policy of zero tolerance towards corruption in its guidelines. These guidelines are implemented through regular training, reviews and audits across the Group. Suppliers are required to comply with the guidelines as well. Swisscom expects neither its own employees nor any of its suppliers to grant or accept any undue advantages. Infringements may result in disciplinary actions for Swisscom employees, up to and including dismissal. If it is proven that a supplier violated anti-corruption laws, they may be reprimanded and, as a last resort, removed from the supply chain.

Supply chain ratings

With a score of 93 out of 100 in the Dow Jones Sustainability supply chain ratings and 98A from the CDP, Swisscom is positioned as one of the top telecoms companies.

Networked Switzerland

Swisscom plans to achieve ultra-fast broadband coverage of 85% of homes and offices by 2020, with 99% of the population enjoying ultra-fast mobile broadband. Aside from the direct added value it provides, Swisscom's investment in Switzerland also indirectly contributes around CHF 30 billion to the country's GDP and helps to create and maintain some 100,000 jobs.



Environment, objectives and management approach

Swisscom's investments not only create around CHF 5 billion a year of added value for itself, but also benefit other companies in Switzerland and thus indirectly constitute an important contribution to the competitiveness and prosperity of the country.

In the summer of 2013, the Boston Consulting Group (BCG) calculated the impact of investments by telecommunication companies on gross domestic product (GDP) and employment – two key macroeconomic indicators – on behalf of the European Telecommunications Network Operators Association (ETNO). The calculations were based on eleven recent academic studies, five of which focused on the impact of telecoms companies on GDP and six on the impact on employment levels. In collaboration with the BCG, Swisscom applied the calculation model and findings of all eleven studies to its own situation. Swisscom's impact on employment in Switzerland as calculated by the BCG is 1.8-times lower compared with other countries, due to high salaries (calculations are based on annual average salary).

In 2014 and 2015, Swisscom invested CHF 1.75 and CHF 1.82 billion respectively in Switzerland's telcoms infrastructure. Swisscom is planning to make further investments in Switzerland worth billions of Swiss francs between 2016 and 2020. According to the BCG model, Swisscom will thus indirectly contribute more than CHF 30 billion to GDP in the period from 2014 to 2020, in addition to the total added value of around CHF 35 billion it creates for itself (CHF 5 billion per year for seven years). Moreover, Swisscom will support the creation and preservation of 100,000 jobs.

The figures and targets will be obtained and measured as part of the business plan process and through the annual segment information and added value calculations as published in the Annual Report. The BCG will review the calculation model if necessary and adapt it in line with new research findings.

The section in this sustainability report on a networked Switzerland relates to the section in the Annual Report detailing the business model and customer relationships. The description of the network infrastructure is contained in this section on pages 46–54.

Basic service provision

Swisscom is responsible for providing basic telecoms services in Switzerland, and has been mandated to do so until 2017. The aim of the mandate is the provision of analogue and digital network access throughout Switzerland, including voice telephony, fax, data transmission and broadband Internet access. The guaranteed transmission speed for a broadband Internet connection was increased to 2 Mbps (downloads) and 200 kbps (uploads) in the year under review. The price ceiling for this service is CHF 55 per month (excluding VAT).

Another part of basic service provision for which Swisscom has long been responsible is the maintenance and operation of the public telephones and access to the emergency call service for the police, fire and ambulance services, as well as special services for the disabled. Swisscom foregoes any financial compensation for the uncovered costs of basic service provision.

	Unit	2013	2014	2015
Number of public payphones ¹	Number	4,834	4,453	4,091
Emergency calls	in thousand	2,284	2,716	2,682
Calls to the service for visually impaired/hard of hearing	in thousand	515	463	416

¹ Of which 2'949 (2015), 3,105 (2014), 3,307 (2013) within the scope of basic service provision

Net neutrality

Together with other network operators and the Suissedigital trade association, Swisscom has established a code of conduct for an open Internet. The signatories of the code of conduct have made a public commitment to an open Internet. The code lays down that all users in Switzerland should be able to use the content, services, applications, hardware and software of their choice. No services or applications will be blocked by Swisscom, subject to regulatory requirements, and the freedom of information and expression will not be limited on the Internet in any way. The signatories have all set up an independent ombudsman's office. Users who believe that their service provider has breached the code of conduct can call on the net neutrality ombudsman's office if the issue is not resolved in prior discussions with the network operator.

Social and cultural commitments

Throughout its history, Swisscom has had close ties with Switzerland and the local population, so its commitment is a matter of tradition. Swisscom's social commitment covers three areas: public affairs, events and sponsoring, and corporate responsibility.

Swisscom's commitment

Swisscom is active on both a national and regional level. On its own or in partnerships, it supports activities that contribute to social cohesion and the common good. There are three areas in which Swisscom focuses its activities: public affairs, projects carried out as part of its corporate responsibility and support for public events through sponsoring. Swisscom's sponsoring has a long-term focus. It focuses on sporting and cultural events intended for a wide audience. Therefore, Swisscom's sponsorship activities are spread across all regions of Switzerland and appeal to a wide range of target groups.

Memberships and partnerships

Swisscom works as an association member or in projects with various partners on issues relating to its six strategic priorities. Swisscom sets itself ambitious targets and therefore seeks to work with suitable partners at both national and international level. In choosing its partnerships and memberships, Swisscom attempts to ensure that the institutions provide an ideal complement to Swisscom in terms of professional competence and expertise, and thus make a significant contribution to the achievement of the Swisscom strategy. The institutions should also reflect the values of the Swisscom guiding principles and have an excellent reputation and a high level of credibility in their area of activity.

 See
[www.swisscom.ch/
cr-partnerships](http://www.swisscom.ch/cr-partnerships)

Public Affairs

Swisscom Public Affairs fosters communication with the municipalities and cantons throughout Switzerland. The team members are organised locally, primarily provide information on infrastructural issues and Swisscom commitments and listen to the concerns addressed at a cantonal and municipal level. In addition to one-on-one meetings and discussions, Swisscom maintains contact with politicians and the authorities via regular publications (municipal newsletters) and e-mail newsletters. Swisscom organises information events in various cantons covering a wide range of topics (e.g. data security and using electronic media).

The construction and expansion of mobile communications infrastructure repeatedly leads to local conflict due to concerns being raised by residents. The work of Swisscom Public Affairs mainly focuses on providing knowledge and information about mobile communications and related wireless applications. As part of this, Swisscom not only deals with enquiries from the authorities and politicians, but also attends to the concerns of the general public, affected neighbours, companies and homeowners. In order to continue developing the mobile communications infrastructure in line with customer requirements while keeping a dialogue open with local stakeholders, Swisscom has worked together with the industry to develop and introduce a voluntary participation procedure which will help to determine new mobile communications sites. Swisscom has already launched this dialogue model in a number of cantons. Swisscom Public Affairs also maintains a regular exchange with environmental agencies in order to ensure that environmental regulations for mobile communications are correctly put into practice.

Swisscom participates in national working groups and committees that focus on ensuring improved broadband provision in peripheral regions. For example, Public Affairs and Public Policy represent Swisscom in the Federal Office for Communication (OFCOM) Broadband Working Group and on the Teleworking Committee of the Schweizerische Arbeitsgemeinschaft für Berggebiete ("Swiss Consortium for Alpine Regions").

Projects carried out as part of Swisscom's corporate responsibility

- **Promotion of innovation through the ICT4good Fellowship:** New information and communication technologies (ICT) change our lives, result in many conveniences and present new challenges. There is no disputing, however, that society has benefited from the sensible use of new technologies. For example, global conference systems reduce the number of flights, and online platforms allow rural producers to bring their products directly to market. This is the area where the Fellowship ICT4good is active. It is geared towards people who have product ideas in the area of mobile ICT. The technologies that the Fellowship has primarily focused on include apps, social media and Internet platforms, as well as games that pick up on the trend of the “gamification” of many aspects of daily life. Participants and their product ideas should answer the following question: How can ICT technologies support sustainable living and working? Swisscom carried out its second fellowship in 2015, which was won by the start-up 2324.ch. Its goal is to promote a dialogue at local level among citizens, associations and municipal government using new communications technologies.
- **Repairing and recycling devices:** By law, Swisscom provides a two-year guarantee on all devices, such as phones, modems, mobile phones and mobile unlimited USB modems, and also offers repair services. In addition, any electronic devices from the Swisscom range can be returned to the company, and routers are re-used if possible. Recycling is performed in conjunction with SWICO Recycling, the recycling commission of the Swiss Association for Information, Communication and Organisational Technology, and is financed by a recycling fee charged in advance. Recycling statistics are available from SWICO.
- **Swisscom Mobile Aid:** Around 84,300 mobile handsets were returned to Swisscom in 2015. The return rate of used mobile handsets increased in 2015 compared with the previous year and amounted to 7.05% (prior year 6.2%). Swisscom resold many of these devices via a third-party company in countries where there is a demand for low-priced second-hand devices. All proceeds from the sales go to the social enterprise réalise and the SOS-Kinderdorf Schweiz relief organisation. Devices that can no longer be sold are professionally recycled by SWICO. The initial stage is carried out by the licensed recycling company Solenthaler Recycling together with the Dock Group. The Dock Group has long helped unemployed people reintegrate into the workforce.
- **Swisscom Mobile Bonus:** Swisscom introduced the Swisscom Mobile Bonus programme in the year under review. Customers and non-customers can sell back their used devices at market prices online or in Swisscom Shops. The Mobile Bonus programme contributes to the return rate. It is also open to business customers under the name Mobile Bonus Business.
- **Swisscom offerings for people with health problems:** Swisscom wants everyone in Switzerland to have barrier-free access to communication tools. It therefore makes a substantial contribution to ensuring that disadvantaged people can partake in Switzerland's information society. Swisscom Shops comply with stringent requirements concerning wheelchair access. Swisscom Shop employees also have to be able to recognise what requirements a specific impairment may entail. To help them with this, Procap Schweiz provides accessibility training sessions. In addition, Swisscom continuously introduces measures to optimise the accessibility of its shops. It endeavours to offer a range of end devices that gives people with impaired hearing or vision a real choice, so it constantly updates its device and service portfolio. The Swisscom range includes, for example, the Emporia mobile phone, a smartphone with on-screen voice support for visually impaired people, and the multi-modal customer service contact option. Anyone unable to use the current subscriber directory due to physical impairment can be connected via the short number 1145 at no extra cost. Swisscom provides this service free of charge as part of the basic service provision. People who are hard of hearing can take advantage of a transcription service. This service makes telephone calls possible between the hard of hearing and those who can hear normally, and is offered free of charge in association with the organisation procom. It is also part of the basic service provision. Swisscom continues to be committed to ensuring its website offers barrier-free access to all. As part of the technical redesign of its website, Swisscom has already implemented key guidelines for barrier-free content in the form of the Web Content Accessibility Guidelines WCAG 2.0. Swisscom will also incorporate other recommendations in the upcoming phases of the website redesign and is aiming to receive AA certification from the “Access for all” foundation.
- **Offerings for people with limited financial resources:** Swisscom supports people with scarce financial resources via two offerings. Young people under 26 years can benefit from a reduced-tariff plan, with an additional credit limit for subscriptions for those under 18 years. Swisscom also offers subscriptions with very low basic subscription charges for older people. As older people continue to use communication technologies less frequently than young people, these subscriptions only generate costs when the customer uses a communications service.


See
www.swico.ch


See
www.swisscom.ch/mobileaid

Culture

In 2015, together with Radio Energy, Swisscom presented eight music events that allowed more than 50,000 visitors to enjoy exclusive concerts. In addition, Swisscom provided funding for the music projects of 40 young artists as part of the Music Booster project. As the main sponsor of the Locarno International Film Festival and the partner of the Solothurn Film Festival, Swisscom also provides support for film. The Carte Bleue provides film lovers with discounted access to Kitag cinemas. The company is also a member of the Board of Trustees of the Museum of Communication in Berne, which gives visitors an insight into the communication of the past, present and future. Visitor surveys show that the museum is highly regarded as a family-oriented and interactive museum. The temporary exhibition “Oh Yeah! Pop Music in Switzerland”, which opened in November 2014, welcomed 38,000 visitors in the space of eight months.

Sports

Swisscom's sporting sponsorship focuses on winter sports. As the principal sponsor of Swiss-Ski, it helps Swiss winter athletes reach peak performance in downhill and Nordic skiing, snowboarding, freestyle and telemark skiing. As part of its partnership with Swiss-Ski, 20% of Swisscom's annual sponsorship fees go towards fostering the development of junior talents. Swisscom has also developed a downhill training programme for junior talents, which is focused on systematically selecting and fostering the skiers of tomorrow. It also aims to create training opportunities to provide the Swisscom Junior Alpine Ski Team with the ideal preparation for the Junior World Cup. As the official telecoms partner of all Swiss FIS World Cup events, Swisscom is boosting Switzerland's status as both a venue for sporting events and a haven for winter sports.

Football also plays a significant role in Swisscom's commitment to sport. Thanks to Swisscom and Teleclub, more Swiss football is now being shown live on television than ever before. Swisscom TV broadcasts in excess of 200 Swiss football matches every season.

Not only is Swisscom the partner of the Swiss Football League, it also supports ten clubs in the Super League and nine in the Challenge League. Swisscom's collaboration with the Swiss Football League is geared towards a long-term and future-oriented partnership.

Innovation and development

In a dynamic environment in which the market situation and general conditions are constantly changing, a company must be innovative to ensure long-term success. This is why Swisscom consistently focuses on meeting changing customer needs, and identifies growth areas in which it can sustainably defend and strengthen its position.

Environment, objectives and management approach

Innovation is an important driver in the bid to enter new markets and develop up-and-coming technologies. Due to the rapidly changing nature of Swisscom's business environment, research and development are becoming increasingly important. Swisscom wants to anticipate the strategic challenges, new growth areas and future customer needs early on, so as to help actively shape the future of telecommunications and the Internet. At Swisscom, innovation takes place in all areas of the company as well as beyond.

Open innovation: a success factor

Swisscom recognises the importance of dialogue with customers, employees, suppliers and other partners, as it enables a continuous, open process of innovation with the focus on customers and their needs. When developing new products and services, Swisscom consistently adopts human-centred design methods, the user-oriented design of simple, inspiring experiences that help customers find their way in the networked world.

Within the company, Swisscom practices and promotes decentralised product development. As a result, new ideas are generated throughout the company. Various events and platforms provide employees with the opportunity to exchange innovative ideas and familiarise themselves with best practice examples. One example of this is the Innovation Week held twice a year, during which teams of employees from different divisions implement a new idea that addresses a specific customer need, is of business relevance and has potential on the market.

Outside the company, Swisscom promotes innovation throughout the industry. In particular, Swisscom is committed to supporting young companies that offer progressive new solutions in the fields of IT, communications and entertainment. Swisscom participates in start-ups as a project partner and investor and supports them by providing tailored products and services. Since 2013, Swisscom has held the StartUp Challenge competition, where winners are sent on a one-week mentoring programme in Silicon Valley.

 See
[www.swisscom.ch/
innovation](http://www.swisscom.ch/innovation)

Innovation platforms

Swisscom plays an active role in shaping Switzerland's future. Its commitment to fostering an innovative and competitive Switzerland is reflected in the backing it gives to a whole variety of projects. Swisscom supports Switzerland's role as a research centre in the form of investments and partnerships with universities and institutions. For example, it funds the chair of Professor Adrian Perrig, head of the network security group at the Federal Institute of Technology in Zurich, thereby making an important contribution to information security in Switzerland.

As a partner of École Polytechnique Fédérale de Lausanne (EPFL), Swisscom enables research work to be performed in the areas of human activity and the smart home ("intelligent living"). The partnership involves the provision of financial support for selected projects, the establishment of the "Digital Lab", a competence centre for digitisation at the EPFL Innovation Park, and various other activities on the campus such as events dealing with digitisation.

Swisscom is also a partner of the Swiss Innovation Park and is closely involved in guiding this long-term project as a member of the Board of Trustees. Through its participation in the regional innovAARE Park, Swisscom is supporting research in the field of energy. Finally, Swisscom is a founding member of the Digital Zurich 2025 initiative, which aims to make the greater Zurich area into a hub for start-ups.

Current innovation projects

Swisscom invests in progressive solutions in a wide variety of technology segments. The aim is to provide the best infrastructure for a digital Switzerland, tap new growth markets and offer its customers the best services and products:

- **Identity Access Management:** In a world full of virtual products and services, a digital identity can be a useful tool. It makes life simpler by replacing a large number of passwords with a single, simple user ID. Swisscom is currently drawing up the foundations for such a digital identity and for concrete applications.
- **Voice over LTE (VoLTE)/WLAN interworking:** The 4G/LTE network is currently a dedicated data network, with customers being transferred to the 3G network for calls. With VoLTE, Swisscom is aiming to enable the use of voice telephony via 4G, with a technical adjustment to the mobile infrastructure also allowing voice telephony via WLAN. Customers will be able to enjoy faster connection times and improved voice quality.
- **Microcells:** Over the past few years, the standard of quality that customers expect the network to deliver has risen dramatically. The growing volume of data in mobile communications in particular is a major challenge. Swisscom is seeking and developing innovative network solutions that allow high volumes of data to be handled efficiently and guarantee seamless mobile network provision at busy locations. One promising solution is the installation of low-power microcells that provide high capacity locally. Swisscom is working on the development of new types of antennae that will allow such microcells to be operated efficiently and integrated seamlessly in the existing architecture.
- **Cloud:** Swisscom is developing a cloud that has a uniform architecture and offers companies and private individuals a wide range of services. Thanks to state-of-the-art technologies, open source, the latest security concepts and data storage on servers in Switzerland, Swisscom is leading the way in cloud computing.
- **Application Cloud – turbocharge for apps:** Agile and fast to market with new apps: this is the benefit of the new Swisscom Application Cloud in a nutshell. Developers automatically have access to the infrastructure and the services they need in the public cloud. In the Application Cloud, Swisscom offers a powerful tool for continuous innovation. The results of the close cooperation with start-ups and Cloud Foundry flow directly into the development of the Application Cloud. This means that Swisscom is always at the forefront technologically and is able to further drive the transformation of Swiss business towards the digital future.
- **Low-power network to connect everyday objects:** To enable devices to communicate more efficiently with each other in future, Swisscom is testing a network for the Internet of Things. This Low Power Network is the first of its kind in Switzerland. It connects objects that exchange only small amounts of data with each other and require only a minimal supply of power. Objects such as bicycles, letter boxes, bins or even shoes can communicate in this way over the network. The pilot project for this complementary new network started in the Zurich and Geneva regions in the summer.
- **Smart City:** In Pully, canton of Vaud, anonymised and aggregated mobile phone data will in future help to improve traffic flows in the city and relieve pressure on the city centre. The project is intended to act as a pilot: Swisscom is helping towns and cities to plan their infrastructure in a more systematic manner and find easier ways to manage it.
- **A new TV box for a new era of picture quality – ultra-high definition:** In May 2015 Swisscom TV 2.0 received the respected TV Connect Award, which is awarded every year for outstanding innovations in digital television and networked entertainment. Swisscom is planning other innovations in its TV services in 2016. It will launch a new TV box in the spring which will enable Swisscom TV 2.0 customers to enjoy ultra-HD content on their TV devices. The new TV box supports High Dynamic Range (HDR), offering stunning image display. It will be complemented by a new remote control system which will allow customers to use voice control to search for content.

- > **My Digital Life:** My Digital Life brings together Swisscom's efforts to combine the digital data of its customers – for example data from their mobile applications – and to use this to create new customer experiences. One of the components of My Digital Life is myCloud, the recently launched cloud solution for photos, videos and other files for residential customers.
- > **Clean Pipe:** Under the working title "Clean Pipe", Swisscom is trialling new ways of making digital life simpler for customers and protecting them against dangers and bad experiences, such as phishing. In the year under review, Swisscom launched the first product, Safe Connect, an app based on VPN technology that blocks access to websites considered to be dangerous, and to malware.
- > **Interactor digitises customer experiences:** One of the main components of the Swisscom Interactor are small radio transmitters known as beacons which create a personalised shopping experience based on targeted offers such as digital vouchers or opportunities to collect customer loyalty points. They are already in use in the Loeb department store in Berne, for example. After making a purchase the purchaser can rate their buying experience via the app. This enables vendors to get to know their customers' preferences better and continuously improve their customer service. The beacons represent the start of this development: In future, the Swisscom Interactor will use further technologies such as augmented reality, GPS, 4G and WiFi and will bridge the gap between offline and online channels.
- > **Siroop:** With the acquisition of a stake in Eos Commerce AG, a start-up company established by Coop, and the launch of the Siroop online marketplace, Swisscom is driving digitisation, offering customers and Swiss retailers a secure and attractive platform and leveraging the trend in favour of online retailing, which is increasingly growing in importance for Swisscom as well. Coop and Swisscom are contributing their expertise in digitisation, e-commerce, marketing and retailing to the start-up company.

About this Report

Scope of the Report

Swisscom's Group structure is described in the "Group structure and organisation" section of this year's Annual Report. A list of Group companies, comprising subsidiaries, associates and joint ventures, is provided in the Notes to the 2015 Consolidated Financial Statements (Note 40).

- > **Principles:** The scope of the Sustainability Report according to the Global Reporting Initiative (GRI) is generally defined as follows: Swisscom Ltd and all Group companies domiciled in Switzerland which are fully consolidated in accordance with International Financial Reporting Standards (IFRS) are included in the Sustainability Report, except for subsidiaries CT Cinetrade Ltd and LTV Yellow Pages Ltd. In line with GRI reporting requirements, acquisitions (e.g. Veltigroup) are included from 1 January of the following year after the date of acquisition and disposals up to the date of disposal. Group companies domiciled abroad and investments in associates and joint ventures are not included in the scope. The Group's main foreign shareholding is Fastweb in Italy. Fastweb publishes its own sustainability report in line with GRI G4, "option core", which is reviewed by Bureau Veritas, an external, independent auditor. The closely related foundations comPlan (pension fund) and sovis are also not included in the scope.
- > **Personnel:** In the year under review, the Swiss subsidiaries Veltigroup, CT Cinetrade Ltd and LTV Yellow Pages Ltd were not included in the personnel information system, affecting 1,167 FTEs of a total 18,977 FTEs in Switzerland. The personnel information system thus has a coverage ratio of 93.9%.
- > **Environment:** The environmental performance indicators (especially regarding energy, water and waste water, emissions, and waste) cover 100% of Swisscom's FTEs in Switzerland. The report therefore includes all buildings managed by Swisscom Real Estate in Switzerland as well as the vehicle fleet managed by Swisscom's Managed Mobility in Switzerland. As regards energy consumption, the data acquisition system also encompasses Swisscom (Switzerland) Ltd's mobile base stations, proprietary production of solar energy and the few transmitter stations Swisscom Broadcast Ltd operates just across the Swiss borders. The consumption of third-party tenants is deducted from the total energy consumption. The data regarding emissions in the supply chain are based on a projection that takes account of 47 suppliers as well as audits carried out as part of the Joint Audit Cooperation (JAC). The data on which the projection is based and the audits account for 40% of the order volume.
- > **Social aspects:** The information on social relationships within the supply chain is based on audits carried out as part of the Joint Audit Cooperation (JAC) or on self-declarations and CR contract annexes. These annexes cover nearly all suppliers. Swisscom attributes particular importance to the situation outside OECD countries.

Reporting: procedure and organisation

This Sustainability Report complies with the GRI principles on reporting. It is structured in line with the “comprehensive option” under GRI, meaning that it also contains specific standard disclosures in addition to general standard disclosures.

Swisscom has in the past few years developed a clear understanding of the issues pertaining to its immediate environment. In addition, issues are reported to Swisscom directly by stakeholder groups or identified through findings taken from recent studies, market research, trend analyses and benchmarking reports. All of these issues are included in the materiality matrix.

Over the past few years, Swisscom has increasingly involved its stakeholder groups in the evaluation and assessment of the materiality of issues as well as in the setting of strategic priorities.

The results of the materiality analyses make a significant contribution to the formulation of the CR strategy and the definition of thematic focus areas. They form the basis for the report.

Swisscom often involves stakeholder groups in the validation of issues and corresponding reporting. During the year under review, for example, Swisscom had its Sustainability Report assessed by internal stakeholders.

The processes and procedures to be used with some stakeholder groups can then be defined directly wherever necessary. Swisscom collaborates with the Federal Office for Energy (FOE), for instance, to provide information on its contribution to the “Role Model in the Area of Energy” (“Vorbildfunktion des Bundes im Energiebereich” – VBE) working group. It also works with the Energy Agency of the Swiss Private Sector (EnAW) and WWF as part of the Climate Savers Group while also collaborating with other businesses in the ICT sector to contribute to the report on media skills in Switzerland.

It was also in contact or held talks with the following stakeholder groups on topics that are a component of this report:

- > **Customers:** Surveys on topics including customer satisfaction (see page 54 of the annual report).
- > **Employees and employee representatives:** Two roundtables with the trade unions, which are comprised of an equal number of employees and representatives of the employer, as set out in the collective employment agreement (CEA) and six meetings in 2015 with all employee representatives (ten employee representatives) about the reorganisation and jobs (in both employee sections in the Annual Report from page 55 ff, and in the section on Swisscom as an attractive employer in the Sustainability Report from page 45).
- > **Shareholders:** Financial topics (revenue, dividends, etc.) at the Annual General Meeting in April 2015 or at roadshows (Financial Report).
- > **Public authorities:** Contact with municipal authorities as part of the Dialog model, mainly regarding the topic of antennas (>530 dialogues in 2015, in the sustainability report in the section on work and life), with the cantonal authorities (once per canton) and with members of parliament (once per session, i.e. four times a year) on topics such as roaming, the FTTH rollout and the ICT environment.
- > **Suppliers:** Swisscom maintained commercial contacts with its suppliers in 2015 and had further contacts as part of the self-assessment and audits. See the section on the fair supply chain in the sustainability report.
- > **Partners/NGOs:** Swisscom held two “Leadership Dialogues” in 2015 and had exchanges with its partners during the course of projects.

Swisscom plans to involve additional stakeholders in the validation of the Sustainability Report over the course of the next few years.



CERTIFICATION

SGS CERTIFICATION of the Swisscom AG 2015 GRI Sustainability Report

SCOPE

SGS was commissioned by Swisscom to conduct an independent assurance of the GRI-based disclosure on sustainability in 2015. Our assurance scope included the GRI disclosure obligations and figures in accordance with the GRI Index published at www.swisscom.ch/GRI-2015/en. The scope of the assurance, based on the SGS Sustainability Report Assurance methodology, included all texts and 2015 data in accompanying tables contained in the printed Annual Report 2015, the Sustainability Report 2015 and referenced information on the webpage of Swisscom as quoted in the GRI index. The assurance process did not consider any data from previous years.

CONTENT

The Board of Directors or the Managing Director and the Management of the organisation are responsible for the details provided in the annual report and on the website and in the presentation. SGS was not involved in the preparation of any of the material included in the GRI Index and acted as an independent assessor of the data and text using the Global Reporting Initiative Sustainability Reporting Guidelines, Version 4 (2013) as a standard. The content of this Assuror's Statement and the opinion(s) it gives is the responsibility of SGS.

CERTIFIER INDEPENDENCE AND COMPETENCIES

The SGS Group is active as a globally leading company in the areas of assurance, testing, verifying and certifying in more than 140 countries and provides services, including the certification of management systems and services. SGS confirms that it is independent from Swisscom. It is unbiased and no conflicts of interest exist with the organisation, its subsidiaries and beneficiaries. The assurance team was assembled based on knowledge, experience and qualifications for this assignment.

METHODOLOGY

The SGS Group has developed a set of protocols for the assurance of Sustainability Reports based on current best practice guidance provided in the Global Reporting Initiative Sustainability Reporting Guidelines, Version 4 (2013). SGS has also certified the environmental management systems of Swisscom (Switzerland) Ltd., Swisscom Broadcast Ltd. and Cablex Ltd. in accordance with ISO 14001:2004. In addition the greenhouse gas inventory of Swisscom AG was verified according to ISO 14064.

The assurance comprised the evaluation of external sources, meetings with relevant employees, a verification of the documentation and recordings as well as the validation of these with external institutions and/or beneficiaries, where required. Financial data drawn directly from independently audited financial accounts was not checked back to its source as part of this assurance process.

OPINION

The statements in the report refer to the system threshold disclosed (Group companies based in Switzerland). On the basis of the above methodology, we did not detect any instances from which we would have to conclude that the information and data disclosed by Swisscom Ltd. in accordance with the GRI Index 2015 may be incorrect. The information and data disclosed represent, to our mind, a fair and balanced picture of the sustainability efforts made by Swisscom in 2015. The implementation of the GRI-relevant instructions was carried out at those parties involved, where Swisscom regarded them to be significant or feasible. In an internal report, we made recommendations in regard to the further development of the sustainability report as well as the management system. We believe that the existing gaps are not significant and the sustainability report meets the requirements of the option "comprehensive" of the GRI, Version 4 (2013) in accordance with the GRI Index.

SIGNED FOR AND ON BEHALF OF SGS

Albert von Däniken, Lead Auditor

Elvira Bieri, Lead Auditor

Zurich, 28.01.2016

www.SGS.COM

GRI Index

The GRI Index provides a standardised overview of reporting which is broken down by subject.

Indicators	Status	Reference MC = Management Commentary, SR = Sustainability Report, CG = Corporate Governance, RR = Remuneration Report, FS = Financial Statements or Website Swisscom
Key: Indicator according to GRI 4 (within scope of the report) ∅ = not relevant <input type="checkbox"/> = not covered <input type="checkbox"/> = partially covered <input checked="" type="checkbox"/> = totally covered		
1 Strategy and Analysis		
G4-1	Explanation from the most senior decision maker	<input checked="" type="checkbox"/> MC P. 35 Shareholders' letter; MC P. 46 Company profile; MC P. 28 Corporate strategy and objectives; SR P. 3 Stakeholders' Letter; SR P. 11 Strategic priorities and objectives; SR P. 16 Corporate Responsibility – governance and implementation
G4-2	Key implications, risks and opportunities	<input checked="" type="checkbox"/> MC P. 33 General conditions; MC P. 28 Corporate strategy and objective; MC P. 90 Risks (Concern); SR P. 5 Value chain and main aspects of Corporate Responsibility; SR P. 11 Corporate Responsibility strategy; SR P. 61 Main risk factors in the supply chain
2 Organisational Profile		
G4-3	Name of organisation	<input checked="" type="checkbox"/> FS P. 145 Notes to the consolidated financial statements 1 General information
G4-4	Brands, products and services	<input checked="" type="checkbox"/> MC P. 47 Swisscom brand; SR P. 37 Work and life
G4-5	Head office of the organisation	<input checked="" type="checkbox"/> See G4-3
G4-6	Countries of business	<input checked="" type="checkbox"/> MC P. 24 Group structure and organisation; FS P. 210 40 List of Group companies
G4-7	Ownership structure	<input checked="" type="checkbox"/> CG P. 99 2 Group structure and shareholders; FS P. 145 Notes to the consolidated financial statements 1 General information
G4-8	Markets	<input checked="" type="checkbox"/> MC P. 40 Market trends in telecoms and IT services
G4-9	Size of organisation	<input checked="" type="checkbox"/> MC P. 14 KPIs of Swisscom Group; MC P. 18 Business Overview; MC P. 64 Financial review; CG P. 99 2 Group structure and shareholders
G4-10	Workforce in numbers	<input checked="" type="checkbox"/> SR P. 53 Employees in figures
G4-11	Percentage of total employees with CEA	<input checked="" type="checkbox"/> SR P. 53 Employees in figures
G4-12	Description of the supply chain	<input checked="" type="checkbox"/> SR P. 5 Value chain and main aspects of Corporate Responsibility; SR P. 56 Fair supply chain
G4-13	Changes in size, structure or ownership	<input checked="" type="checkbox"/> MC P. 24 Group structure and organisation
G4-14	Precautionary principle	<input checked="" type="checkbox"/> SR P. 18 Precautionary principle; SR P. 38 Certification of the quality assurance system for compliance with ONIR limits; SR P. 46 Employee training in general and in the area of corporate responsibility
G4-15	Supporting charters, principles	<input checked="" type="checkbox"/> SR P. 10 Mission statement; SR P. 64 Memberships and partnerships
G4-16	Memberships of associations	<input checked="" type="checkbox"/> See G4-15
3 Identified Material Aspects and Boundaries		
G4-17	Organisational structure	<input checked="" type="checkbox"/> MC P. 24 Group structure and organisation; FS P. 210 40 List of Group companies
G4-18	Procedure for determining the content of the report	<input checked="" type="checkbox"/> See G4-24
G4-19	Aspects for defining report content	<input checked="" type="checkbox"/> SR P. 8 Material issues
G4-20	Report boundary within the organization	<input checked="" type="checkbox"/> MC P. 24 Group structure and organisation (Scope of sustainability report); SR P. 70 Scope of the report
G4-21	Report boundary outside the organization	<input checked="" type="checkbox"/> SR P. 70 Scope of the report
G4-22	New presentation of information	<input checked="" type="checkbox"/> No new presentation from old reports.
G4-23	Changes in the scope, report boundaries or measurement methods used	<input checked="" type="checkbox"/> See G4-20, G4-21
4 Stakeholder Engagement		
G4-24	Stakeholder groups	<input checked="" type="checkbox"/> SR P. 6 Dialogue with stakeholder groups and strategic priorities
G4-25	Selecting the stakeholder groups	<input checked="" type="checkbox"/> See G4-24
G4-26	Involvement of stakeholder groups	<input checked="" type="checkbox"/> SR P. 6 Stakeholder involvement; See G4-18, G4-24
G4-27	Stakeholder questions and concerns	<input checked="" type="checkbox"/> See G4-18, G4-24

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5 Report Profile

G4-28	Reporting period	☑	01.01.2015–31.12.2015
G4-29	Publication of the last report	☑	www.swisscom.ch/report2014
G4-30	Reporting cycle	☑	Yearly
G4-31	Contact partner	☑	FS P. 237 Publishing details
G4-32	GRI Content Index and the chosen option	☑	It is structured in line with the Comprehensive option under GRI.
G4-33	Confirmation by external third party	☑	SR P. 76 SGS certification

6 Governance

G4-34	Management structure of the organisation	☑	MC P. 24 Group structure and organisation; SR P. 18 Corporate responsibility governance and implementation; CG P. 103 4 Board of Directors; CG P. 102 4.4 Internal organisation; CG P. 104 4.6 Assignment of powers of authority; CG P. 107 5 Group Executive Board
G4-35	Process for delegating authority	☑	See G4-34
G4-36	Responsibility for sustainability topics	☑	See G4-34
G4-37	Report processes for consultation between stakeholders and the highest governance body	☑	CG P. 112 7.3 Convocation of the Annual General Meeting; CG P. 112 7.4 Agenda items; Link: http://www.swisscom.ch/en/about/investors/contact.html ; See also under the link: www.sherpany.ch for registered shareholder's from Swisscom
G4-38	Composition of the highest governance body	☑	CG P. 103 4 Board of Directors; CG P. 113 5 Group Executive Board
G4-39	Chair of the highest governance body	☑	CG P. 103 4 Board of Directors; CG P. 113 5 Group Executive Board
G4-40	Nomination and selection processes for the highest governance body	☑	CG P. 107 4.3 Election and term of office; CG P. 108 4.5 Committees of the Board of Directors: Nomination Committee
G4-41	Mechanisms for avoiding conflicts of interest	☑	Link: www.swisscom.ch/basicprinciples – Organisational Regulations; CG P. 111 4.7 Information instruments of the Board of Directors vis-à-vis the Group Executive Board
G4-42	Highest governance body's and senior executives' roles	☑	Link: www.swisscom.ch/basicprinciples – Organisational Regulations; See G4-34
G4-43	Development and enhancements of collective knowledge of the highest governance body in sustainability topics	☑	CG P. 107 4.4 Internal organisation
G4-44	Procedure for evaluating the sustainability performance of the most senior management body	☑	See G4-45, G4-47; Group Executive Board members were nominated as internal sponsors for the strategic priorities of the CR strategy; SR P. 16 Corporate Responsibility – governance and implementation
G4-45	Procedure of the most senior management body for monitoring sustainability performance	☑	See G4-34, G4-38; SR P. 16 Corporate Responsibility – governance and implementation; CG P. 111 4.8 Controlling instruments of the Board of Directors vis-à-vis the Group Executive Board
G4-46	Reviewing the effectiveness of the organization's risk management processes	☑	CG P. 111 4.8 Controlling instruments of the Board of Directors vis-à-vis the Group Executive Board; CG P. 111 4.8.1 Risk Management; CG P. 111 4.8.4 Internal audit
G4-47	Frequency of the examination of risks and opportunities	☑	CG P. 111 4.7 Information instruments of the Board of Directors vis-à-vis the Group Executive Board: annual; CG P. 111 4.8.1 Risk Management: quarterly at the Audit Committee; CG P. 111 4.8.2 Financial reporting internal control system (ICS): quarterly at the Audit Committee; CG P. 112 4.8.3 Compliance management: quarterly at the Audit Committee; CG P. 112 4.8.4 Internal audit: quarterly at the Audit Committee In urgent cases: contemporary
G4-48	Validation of the report from the highest governance body	☑	The Audit Committee from the Board of Directors is validating the report in two steps before the publication: An independent proxy is validating the Remuneration Report; The report is released by the Board of Directors; See G4-34
G4-49	Communication of critical concerns	☑	CG P. 111 4.7 Information instruments of the Board of Directors vis-à-vis the Group Executive Board: The Chairman of the Audit Committee is informed in real time in urgent cases on new essential risks.
G4-50	Total number of critical concerns	☒	As a basic principle of the Whistleblowing anonymity is guaranteed, for this reason, Swisscom communicates neither the number nor other details about concerns.

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G4-51	Remuneration policies for the highest governance body	<input checked="" type="checkbox"/> RR P. 128 4 Remuneration paid to the Group Executive Board
G4-52	Determining remuneration	<input checked="" type="checkbox"/> RR P. 128 4 Remuneration paid to the Group Executive Board
G4-53	Stakeholders' views	<input checked="" type="checkbox"/> SR P. 6 Dialogue with stakeholder groups and strategic priorities; CG P. 118 7.3 Convocation of the Annual General Meeting; CG P. 119 7.4 Agenda items; Protocol
G4-54	Ratio of the highest-paid to the median annual total compensation	<input checked="" type="checkbox"/> SR P. 53 Employees in figures
G4-55	Ratio of percentage increase of the highest-paid to the increase median annual total compensation	<input checked="" type="checkbox"/> SR P. 53 Employees in figures

7 Ethics and Integrity

G4-56	Principles, standards and norms of behavior	<input checked="" type="checkbox"/> Link: www.swisscom.ch/basicprinciples – Code of Conduct ; SR P. 10 Mission statement; CG P. 112 4.8.3 Compliance management; SPAG: http://www.public-affairs.ch/de/standeskommission/standesregeln Codex from Lissabon: http://www.prsuisse.ch/sites/all/files/Kodex_von_Lissabon_Verhaltensno1863.pdf
G4-57	Advice on ethical and lawful behavior	<input checked="" type="checkbox"/> SR P. 18 Compliance management; CG P. 112 4.8.3 Compliance management; CG P. 112 4.8.4 Internal audit
G4-58	Reporting concerns about unethical or unlawful behavior	<input checked="" type="checkbox"/> See G4-57

Generic Disclosures on Management Approach

G4-DMA	Generic Disclosures on Management Approach	<input checked="" type="checkbox"/> SR P. 18 Management approaches
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Economic Performance Indicators

	Management approach and objectives	<input checked="" type="checkbox"/> MC P. 28 Corporate strategy and objectives; MC P. 85 Financial Outlook
G4-EC1	Directly generated and distributed economic value	<input checked="" type="checkbox"/> MC P. 83 Statement of added value
G4-EC2	Financial consequences of climate change	<input checked="" type="checkbox"/> MC P. 93 Risks: risk factors: Environment and health; Siehe G4-EN5, G4-EN6, G4-EN7, G4-EN18 und G4-EN26; Link: www.cdproject.net/en-US
G4-EC3	Scope of company's benefits plan	<input checked="" type="checkbox"/> FS P. 167 10 Post-employment benefits; SR P. 52 Pension fund: comPlan; See LA3
G4-EC4	Significant financial contributions from the government	∅ From a Group standpoint there were no matters in 2015 requiring disclosure in accordance with IAS 20 and no government grants at all.
G4-EC5	Entry-level salaries in relation to local minimum wage	<input checked="" type="checkbox"/> MC P. 57 Employee remuneration; SR P. 53 Employees in figures
G4-EC6	Location-based choice of staff	∅ There is no location-based staff selection.
G4-EC7	Investment in infrastructure and services for the good of the community	<input checked="" type="checkbox"/> MC P. 35 Telecommunications Act (TCA); SR P. 64 Basic service provision; SR P. 43 "Internet for Schools" initiative
G4-EC8	Indirect economic effects	<input checked="" type="checkbox"/> MC P. 35 Telecommunications Enterprise Act (TEA) and relationship with the Swiss Confederation; SR P. 62 Networked Switzerland
G4-EC9	Proportion of spending on local suppliers at significant locations of operation	<input checked="" type="checkbox"/> There is a location-based supplier selection for the location Switzerland.

Ecological Performance Indicators

	Management approach and objectives	<input checked="" type="checkbox"/> SR P. 21 Environment, objectives and management approach
G4-EN1	Materials used	<input checked="" type="checkbox"/> SR P. 34 Environmental performance indicators in Switzerland; SR P. 31 Other environmental aspects in the company; Cables, optical fibres and wooden poles
G4-EN2	Recycling material	<input checked="" type="checkbox"/> SR P. 34 Environmental performance indicators in Switzerland; SR P. 31 Other environmental aspects in the company; Cables, optical fibres and wooden poles
G4-EN3	Internal energy consumption	<input checked="" type="checkbox"/> SR P. 26 Consumption of electricity (green electricity, networks, data centres and buildings); SR P. 24 Efficiency measures when using fossil fuels to generate heat and reduce CO ₂ emissions; SR P. 24 Efficiency measures in fuel consumption, mobility and CO ₂ reduction; SR P. 34 Environmental performance indicators in Switzerland Separate climate report Swisscom, 2015, available online at the link: www.swisscom.ch/climatereport2015
G4-EN4	External energy consumption	<input checked="" type="checkbox"/> SR P. 27 CO ₂ savings by customers thanks to sustainable ICT services separate climate report Swisscom 2015, § 2.2 Energy consumption by customers Scope 3 cat. 11 (use of the products) online under: www.swisscom.ch/climatereport2015
G4-EN5	Energy intensity	<input checked="" type="checkbox"/> SR P. 21 Energy efficiency and climate protection (Target 2:1); SR P. 14 The most important indicators for the achievement of Swisscom's CR targets

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G4-EN6 Energy saving	<input checked="" type="checkbox"/>	SR P. 22 Energy efficiency: energy consumption and savings; SR P. 34 Environmental performance indicators in Switzerland
G4-EN7 Initiatives for reducing indirect energy consumption	<input checked="" type="checkbox"/>	SR P. 27 CO ₂ savings by customers thanks to sustainable ICT services; SR P. 26 Energy savings for customers thanks to improved devices; SR P. 34 Environmental performance indicators in Switzerland
G4-EN8 Total water withdrawal	∅	SR P. 34 Environmental performance indicators in Switzerland; SR P. 31 Other environmental aspects in the company: water
G4-EN9 Impact of water consumption	∅	Not relevant, as water is only used for sanitary purposes.
G4-EN10 Recycled water	<input checked="" type="checkbox"/>	Household water only.
G4-EN11 Property in or on the edge of protected areas	<input checked="" type="checkbox"/>	SR P. 32 Other environmental aspects in the company: Soil and biodiversity
G4-EN12 Effects on biodiversity	<input checked="" type="checkbox"/>	SR P. 32 Other environmental aspects in the company: Soil and biodiversity
G4-EN13 Protected or recreated natural habitats	<input checked="" type="checkbox"/>	SR P. 32 Other environmental aspects in the company: Soil and biodiversity
G4-EN14 Endangered species	<input checked="" type="checkbox"/>	Not collected as not relevant.
G4-EN15 Direct Greenhouse gas (GHG) emissions (Scope 1)	<input checked="" type="checkbox"/>	SR P. 22 Energy efficiency: energy consumption and savings; SR P. 34 Environmental performance indicators in Switzerland; separate climate report Swisscom 2015, available online at the link: www.swisscom.ch/climatereport2015
G4-EN16 Energy indirect greenhouse gas (GHG) emissions (Scope 2)	<input checked="" type="checkbox"/>	SR P. 22 Energy efficiency: energy consumption and savings; SR P. 34 Environmental performance indicators in Switzerland; separate climate report Swisscom 2015, available online at the link: www.swisscom.ch/climatereport2015
G4-EN17 Other indirect greenhouse gas (GHG) emissions (Scope 3)	<input checked="" type="checkbox"/>	SR P. 22 Energy efficiency: energy consumption and savings; SR P. 34 Environmental performance indicators in Switzerland; separate climate report Swisscom 2015, available online at the link: www.swisscom.ch/climatereport2015
G4-EN18 Greenhouse gas (GHG) emissions intensity	<input checked="" type="checkbox"/>	SR P. 13 The most important indicators for the achievement of Swisscom's CR targets; separate climate report Swisscom 2015, available online at the link: www.swisscom.ch/climatereport2015
G4-EN19 Reduction of greenhouse gas (GHG) emissions	<input checked="" type="checkbox"/>	SR P. 27 CO ₂ savings by customers thanks to sustainable ICT services; SR P. 26 Energy savings for customers thanks to improved devices; SR P. 34 Environmental performance indicators in Switzerland separate climate report Swisscom 2015, available online at the link: www.swisscom.ch/climatereport2015
G4-EN20 Emissions of ozone-reducing substances	<input checked="" type="checkbox"/>	SR P. 31 Cooling systems and cooling agents
G4-EN21 NO _x , SO ₂ and other air emissions	<input checked="" type="checkbox"/>	SR P. 34 Environmental performance indicators in Switzerland
G4-EN22 Waste water discharge	<input checked="" type="checkbox"/>	Water is only used for sanitary purposes.
G4-EN23 Waste by type and method of disposal	<input checked="" type="checkbox"/>	SR P. 34 Environmental performance indicators in Switzerland; SR P. 32 Other environmental aspects in the company; Waste and recycling
G4-EN24 Significant releases	<input checked="" type="checkbox"/>	No significant releases known.
G4-EN25 Dangerous waste according to the Basel Convention	∅	Not relevant. Swisscom did not transport in 2015 waste classified under the Basle Convention.
G4-EN26 Impact of waste water on biodiversity	∅	Not relevant Waste water is discharged into municipal sewage treatment plants.
G4-EN27 Initiatives to minimise environmental impacts	<input checked="" type="checkbox"/>	SR P. 27 CO ₂ savings by customers thanks to sustainable ICT services; SR P. 26 Energy savings for customers thanks to improved devices; SR P. 34 Environmental performance indicators in Switzerland; separate climate report Swisscom 2015, available online at the link: www.swisscom.ch/climatereport2015
G4-EN28 Packaging materials	<input checked="" type="checkbox"/>	SR P. 32 Other environmental aspects in the company; Packaging
G4-EN29 Penalties for environmental offences	<input checked="" type="checkbox"/>	No fines or penalties were imposed for non-Compliance Management System with legal requirements in 2015. SR P. 18 Compliance management
G4-EN30 Effects of transportation	<input checked="" type="checkbox"/>	SR P. 24 Efficiency measures in fuel consumption, mobility and CO ₂ reduction
G4-EN31 Expenditure on environmental protection	<input type="checkbox"/>	No separate expenditure collected.
G4-EN32 Percentage of new suppliers that were screened using environmental criteria	<input checked="" type="checkbox"/>	SR P. 59 Audits
G4-EN33 Environmental impacts in the supply chain	<input checked="" type="checkbox"/>	SR P. 59 Audits; SR P. 63 Main risk factors in the supply chain
G4-EN34 Grievances about environmental impacts	<input checked="" type="checkbox"/>	No grievances about environmental impacts known in 2015. See SR P. 38 Advice and information on wireless technologies and the environment

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Social Performance Indicators: Labour practices and humane employment conditions

	Management approach and objectives	☑	MC P. 57 Employee remuneration; SR P. 45 Environment, objectives and management approach; SR P. 46 Staff development
G4-LA1	New hiring and employee turnover	☑	SR P. 53 Employees in figures
G4-LA2	Benefits for full-time employees	☑	MC P. 56 Employee representation and union relations; SR P. 52 Fringe benefits
G4-LA3	Maternity and paternity leave (days)	☑	SR P. 53 Employees in figures
G4-LA4	Notification deadline(s) in relation to key operational changes	☑	CEA § 3.3 negotiations should be engaged early enough with the contracting unions
G4-LA5	Employees represented on workplace safety committees	☑	MC P. 56 Employee representation and union relations (100% of staff); SR P. 48 Health and workplace safety
G4-LA6	Occupational illness, days lost due to illness and work-related deaths	☑	SR P. 53 Employees in figures
G4-LA7	Workers with high incidence or high risk of diseases	☑	SR P. 48 Employee health; SR P. 48 Health and workplace safety; not relevant for Swisscom
G4-LA8	Work and safety agreements with unions	☑	SR P. 48 Employee health; SR P. 48 Health and workplace safety
G4-LA9	Employee training	☑	SR P. 46 Staff development
G4-LA10	Lifelong learning programmes	☑	SR P. 46 Staff development; Language courses/language skills and training opportunities on new media: partnership with the swiss education-portal www.ausbildung-weiterbildung.ch .
G4-LA11	Performance evaluation and development planning for employees	☑	SR P. 53 Employees in figures; MC P. 56 Collective employment agreement (CEA)
G4-LA12	Composition of management bodies and distribution of employees by category	☑	CG P. 103 4 Board of Directors; CG P. 113 5 Group Executive Board; SR P. 53 Employees in figures
G4-LA13	Salary differences between genders	☑	MC P. 57 Employee remuneration; SR P. 52 Equal pay; SR P. 53 Employees in figures
G4-LA14	New suppliers that were screened using labor practices criteria	☑	SR P. 59 Audits
G4-LA15	Impacts for labor practices in the supply chain	☑	SR P. 59 Audits; SR P. 61 Main risk factors in the supply chain
G4-LA16	Grievances about labor practices	☑	SR P. 50 Diversity; No incidents known of discrimination in the year 2015.

Social Performance Indicators: Human Rights

	Management approach and objectives	☑	SR P. 56 Fair supply chain; SR P. 56 Environment, objectives and management approach; Link: www.swisscom.ch/suppliers
G4-HR1	Investment agreements	☑	The Corporate Responsibility Contract Appendix (CRV) is part of all contracts.
G4-HR2	Training on human rights	☑	SR P. 46 Employee training in general and in the area of corporate responsibility
G4-HR3	Incidents of discrimination	☑	SR P. 59 Audit result – Example of commitments with suppliers; Table with problems
G4-HR4	Freedom of association and collective bargaining	☑	Covered by the mutually agreed obligation to avoid industrial action under collective employment agreement (CEA).
G4-HR5	Child labour	☑	SR P. 61 Fair supply chain: main risk factors in the supply chain
G4-HR6	Forced labour	☑	SR P. 61 Fair supply chain: main risk factors in the supply chain
G4-HR7	Training of security staff in human rights	∅	Not relevant: Sub-contracted to Securitas.
G4-HR8	Violation of indigenous rights	∅	Not relevant for company locations, see List of Group companies (MC P. 210 note 40).
G4-HR9	Operations that have been subject to human rights	∅	No new company locations in 2015.
G4-HR10	New suppliers that were screened using human right criteria	☑	SR P. 59 Audits
G4-HR11	Human right impacts in the supply chain	☑	SR P. 59 Audits; SR P. 61 Main risk factors in the supply chain
G4-HR12	Grievances about human right impacts	☑	No grievances about human right impacts in 2015.

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Social Performance Indicators: Society

	Management approach and objectives	<input checked="" type="checkbox"/>	SR P. 18 Management approaches
G4-SO1	Integration of local communities	<input checked="" type="checkbox"/>	MC P. 49 Swisscom's network and IT infrastructure; SR P. 63 Basic service provision; SR P. 41 Media protection for minors and promoting media skills; SR P. 43 "Internet for Schools" initiative; SR P. 64 Social and cultural commitments
G4-SO2	Operations with impacts on local community	<input checked="" type="checkbox"/>	SR P. 41 Media protection for minors and promoting media skills; Media protection for minors and guidelines on media content
G4-SO3	Corruption risks	<input checked="" type="checkbox"/>	SR P. 13 The most important indicators for the achievement of Swisscom's CR targets; SR P. 18 Compliance management; Consultation: http://www.bakom.admin.ch/dokumentation/gesetzgebung/00909/05004/index.html?lang=de
G4-SO4	Training on anti-corruption policy	<input checked="" type="checkbox"/>	SR P. 13 The most important indicators for the achievement of Swisscom's CR targets; SR P. 18 Compliance management;
G4-SO5	Incidents of corruption and measures taken	<input checked="" type="checkbox"/>	SR P. 18 Compliance management; No corruption case known in 2015.
G4-SO6	Contributions to parties and politicians	<input checked="" type="checkbox"/>	SR P. 20 Swisscom's responsibility towards the public; Swisscom is politically and confessional neutral and doesn't support financially political party.
G4-SO7	Legal action as a result of anticompetitive behaviour	<input checked="" type="checkbox"/>	MC P. 35 General conditions: Legal and regulatory environment; FS P. 156 4 Significant accounting judgments, estimates and assumptions in applying accounting policies; FS P. 156 4 and P. 190 28 Provisions: Provisions for regulatory and competition-law proceedings; FS P. 192 29 Contingent liabilities and contingent assets
G4-SO8	Penalties for breaching legal requirements	<input checked="" type="checkbox"/>	SR P. 18 Compliance management; See G4-SO7
G4-SO9	New suppliers that were screened using criteria for impact on society	<input checked="" type="checkbox"/>	SR P. 59 Audits
G4-SO10	Impact on society in the supply chain	<input checked="" type="checkbox"/>	SR P. 59 Audits; SR P. 61 Main risk factors in the supply chain
G4-SO11	Grievances about impacts on society	<input checked="" type="checkbox"/>	No grievances about impacts on society known in 2015. Not relevant for Swisscom.

Social Performance Indicators: Product responsibility

	Management approach and objectives	<input checked="" type="checkbox"/>	SR P. 18 Management approaches
G4-PR1	Percentage of product for which health and safety impacts are assessed for improvement	<input checked="" type="checkbox"/>	SR P. 65 Projects carried out as part of Swisscom's corporate responsibility; SR P. 38 Low-radiation communications technology; SR P. 41 Media protection for minors and guidelines on media content
G4-PR2	Violations of health standards	<input checked="" type="checkbox"/>	Relevant health standards for the mobile network are contained in the ICNIRP Guidelines and, in particular, the ONIR See IO5 Standards for radiation from base station; SR P. 18 Compliance management;. No violations of relevant health standards or standards on product labelling detected in 2015.
G4-PR3	Product information	∅	SR P. 39 Duty to provide information on products offered at points of sale; Not relevant for Switzerland, except with respect to Ordinance on the Disclosure of Prices.
G4-PR4	Violations of standards on product labelling	<input checked="" type="checkbox"/>	SR P. 18 Compliance management;. No violations of standards on product labelling detected in 2015.
G4-PR5	Customer satisfaction	<input checked="" type="checkbox"/>	MC P. 54 Customer satisfaction
G4-PR6	Standards in relation to advertising	<input checked="" type="checkbox"/>	SR P. 65 Projects carried out as part of Swisscom's corporate responsibility; SR P. 19 Responsible marketing
G4-PR7	Violations of marketing standards	<input checked="" type="checkbox"/>	SR P. 19 Responsible marketing. No violations of marketing standards detected in 2015.
G4-PR8	Infringement of the protection of customer data	<input checked="" type="checkbox"/>	SR P. 18 Compliance management; There were no known reports, complaints or claims resulting of a violation of the protection of customer data in 2015.
G4-PR9	Sanctions due to product and service requirements	<input checked="" type="checkbox"/>	SR P. 18 Compliance management; There were no known breaches of product and service provisions in 2015. No fines were imposed.

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GRI Telecommunications Sector Supplement: Capital expenditure

IO1	Capital invested in infrastructure-measures by region	☑	MC P. 79 Capital expenditure
IO2	Net costs for extending service to remote geographic locations and low-income groups which are not profitable. Describe relevant legal requirement in Switzerland	☑	MC P. 49 Network Infrastructure in Switzerland; MC P. 35 Telecommunications Act (TCA); SR P. 63 Basic service provision; Detailed cost calculations for the basic services are not available because Swisscom has not claimed these costs resp. renounced to activate the compensation fund of the Swiss Confederation.

Health and Safety

IO3	Practices to ensure health and safety of field personnel engaged in installing infrastructure	☑	SR P. 48 Employee health; SR P. 48 Health and workplace safety
IO4	Compliance Management System with the ICNIRP standards for radiation from terminal devices	∅	Not relevant, terminal devices suppliers' responsibility.
IO5	Compliance Management System with the ICNIRP standards	☑	SR P. 38 Certification of the quality assurance system for compliance with ONIR limits; Swisscom complies with the ONIR limits 2015.
IO6	Measures relating to the SAR values of terminal devices	☑	SR P. 38 Research and development in the area of electromagnetic fields; SR P. 39 Duty to provide information on products offered at points of sale (last sentence)

Infrastructure

IO7	Measures relating to the placement of masts	☑	See under Network planning / coverage: www.swisscom.ch/networkcoverage MC P. 49 Network Infrastructure in Switzerland
IO8	Number of stand-alone and shared transmitter masts	☑	MC P. 49 Network Infrastructure in Switzerland

Providing access to telecommunications products and services: Bridging the digital divide

PA1	Strategies and measures in sparsely populated areas	☑	MC P. 35 Telecommunications Act (TCA); SR P. 63 Basic service provision
PA2	Strategies and measures for overcoming barriers to access and use	☑	MC P. 35 Telecommunications Act (TCA); SR P. 63 Basic service provision; SR P. 65 Swisscom offerings for people with health problems; SR P. 41 Media protection for minors and promoting media skills; SR P. 43 "Internet for Schools" initiative
PA3	Strategies and measures to ensure availability and reliability of products and services	☑	MC P. 92 Business interruption; SR P. 63 Basic service provision
PA4	Distribution area and market shares for products and services	☑	MC P. 40 Market trends in telecoms and IT services
PA5	Number and types of products and services available for low-earners and people without any income	☑	SR P. 65 Offerings for people with limited financial resources
PA6	Programmes and measures for the provision and maintenance of services in emergency situations	☑	MC P. 92 Business interruption; Free call number: emergency number 112; fire brigade 118; sanitation number 144 Number with costs: REGA 1414, Air Glacier 1415; road help 140

Access to Content

PA7	Strategies and measures to guarantee human rights issues in relation to access and use of telecommunications products and services	∅	Not relevant for the reporting boundary in Switzerland.
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Indicators	Status	Reference MC = Management Commentary, SR = Sustainability Report, CG = Corporate Governance, RR = Remuneration Report, FS = Financial Statements or Website Swisscom
Key: Indicator according to GRI 4 (within scope of the report) ∅ = not relevant ☒ = not covered ☐ = partially covered ☑ = totally covered		

Customer Relations

PA8	Strategies and measures for communicating EMF- related issues to the public	☑	SR P. 38 Low-radiation communications technologies; www.swisscom.ch/radiation
PA9	Investments in activities for research on electromagnetic fields	☑	SR P. 38 Research and development in the area of electromagnetic fields; See www.swisscom.ch/innovation ; See www.swisscom.ch/radiation ; FS P. 149 3.9 Research and development costs (aggregate)
PA10	Initiatives to guarantee transparent fees and tariffs	☑	Swisscom discloses its tariff structure and also offers consulting services for optimising customers' fees and tariffs; Link: www.swisscom.ch/mobiletariffs
PA11	Initiatives to advise customers on responsible, efficient and environmentally friendly product use	☑	SR P. 27 CO ₂ savings by customers thanks to sustainable ICT services; SR P. 26 Energy savings for customers thanks to improved devices; See G4-EN27

Technology Applications: Resource Efficiency

TA1	Examples of the resource efficiency of telecommunications products and services	☑	SR P. 27 CO ₂ savings by customers thanks to sustainable ICT services; SR P. 26 Energy savings for customers thanks to improved devices; See G4-EN27
TA2	Examples of the replacement of physical objects with telecommunications	☑	SR P. 27 CO ₂ savings by customers thanks to green ICT services; SR P. 26 Energy savings for customers thanks to improved devices; See G4-EN27
TA3	Change in customer behaviour through the use of the above-mentioned products and services	☑	SR P. 27 CO ₂ savings by customers thanks to green ICT services; SR P. 26 Energy savings for customers thanks to improved devices; See G4-EN27; See Survey on Green ICT at www.swisscom.ch/greenict
TA4	Effects of the use of the above-mentioned products and services and lessons learned for future development	☑	SR P. 27 CO ₂ savings by customers thanks to green ICT services; SR P. 26 Energy savings for customers thanks to improved devices; See G4-EN27; See Survey on Green ICT at www.swisscom.ch/greenict
TA5	Practices in relation to copyright laws	☑	SR P. 19 Practices in relation to copyright laws