

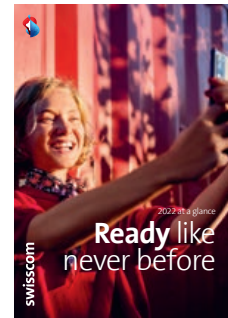


Sustainability Report 2022

Ready like never before

swisscom

Annual Report publications



The Annual Report, Sustainability Report and '2022 at a glance' together make up Swisscom's reporting on 2022. The three publications are available online at: [swisscom.ch/report2022](https://www.swisscom.ch/report2022).

'Ready like never before' concept

As part of its 'Ready like never before' concept, Swisscom points out that, thanks to Swisscom products and services, its customers are more ready than ever to take advantage of the opportunities offered by the connected world – simply, securely, anywhere and at any time. Swisscom also offers its employees and apprentices training and development opportunities so that they are prepared to use the skills they have acquired to improve Swisscom's competitiveness and their own employability.

The majority of the images on the cover pages and in the report are taken from the various Swisscom campaigns conducted during the 2022 reporting year. The images of the Board of Directors and the Group Executive Board were taken by Alida Ruf, an apprentice in the Swisscom photo and film team.

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No. 1

World Finance magazine and the Boston Consulting Group once again named us the world's most sustainable telecommunications company in 2022.

Climate-neutral

Our customers have been surfing and streaming with a net-zero impact since 2022: Swisscom is the first provider to make all of its subscriptions climate-neutral – at no extra charge.



Swisscom Mobile Aid

Through Mobile Aid, we have collected over 1 million used mobile phones since 2012, the proceeds of which go towards funding over 5 million meals for children in need.



Swisscom Campus

Media literacy is important to us. The Swisscom Campus is a forum where we gather together tips, tricks, instructions and media courses. Since the summer, the online campus has attracted 70,000 visitors.



Friendly Work Space

In 2022, we were again awarded the 'Friendly Work Space' label by Health Promotion Switzerland.



70%

of our new WLAN-Box 3 is composed of 70% recycled plastic.



Stakeholders' letter

Dear Readers

'Switzerland can be proud, as Swisscom has achieved something which is unparalleled internationally.' This tribute from World Finance magazine was in relation to Swisscom once again receiving the award for being the world's most sustainable telecommunications company. Some of the main take-aways are its complete switch to renewable energy, reducing operational CO₂ emissions and the goal to be climate-neutral by 2025. This award encourages us to continue to move forward with bold steps – and now, not someday.

Our highlights for 2022:

Climate-neutral now

Sustainable thinking and action cannot be postponed to the future. That is why we have reduced our direct CO₂ emissions by over 80% since 1990 and have already been offering our own products, such as the Internet and TV boxes, on a climate-neutral basis for two years. In 2022, we took yet another step. We are now offering our customers all subscriptions, equipment and the network on a climate-neutral basis – automatically and at no extra charge. This also offsets the emissions from production, transportation and use of the equipment. This is done through high-quality climate protection projects in Switzerland and abroad. For example, we support a reforestation project in Uganda and an advanced solar power plant in Chile.

Switzerland as a raw material country thanks to recycling

The most sustainable smartphone is one that is still being used. That is why our customers can have their damaged smartphones repaired at our repair centres or buy a refurbished second-hand phone right away. If neither is an option, old smartphones can be donated to our Mobile Aid programme where mobile phones are refurbished or appropriately recycled. This means rare raw materials can be reused and the proceeds from sales and recycling go to SOS Children's Village. Over one million mobile phones have been collected since the launch of Mobile Aid in 2012. That equates to five million meals for children in need. And the potential from this campaign is huge, as around 8 million mobile phones lie unused in Swiss households.

More digitisation for more sustainability

Digitisation makes an important contribution to more sustainability. As a leading ICT provider, we take this responsibility seriously. The tenth Swisscom Start-up Challenge was all about climate protection and sustainability. In addition, Swisscom Ventures invested in technology start-ups which have a sustainable focus and are working, for example, on solutions to reduce pollutants in shipping or enable more efficient and climate-friendly agriculture.

Together with our customers, we aim to save one million metric tonnes of CO₂ per year by 2025. To help achieve this, we, along with our partner network, will be offering business customers services from 2023 to support companies on their way to net zero: CO₂ balancing, strategic climate consulting and solutions for reduction or compensation – all in line with SBTi standards.

Modern media: harnessing opportunities without hurdles

Modern media can make our lives easier if they are used competently and safely. We see it as our responsibility to provide young people, their parents, teachers, and also senior citizens with the necessary know-how in using digital media. The newly launched 'Swisscom Campus' offers a comprehensive range of training with 25 courses for all walks of life. In 2022, more than 144,000 people attended our courses.

Responsibility for society

The war in Ukraine and the threat of electricity shortages dominated the reporting year. Swisscom provided support in this exceptional situation by waiving roaming and telephone costs to and from Ukraine; with a free offer for unlimited phone calls and surfing for refugees with protection status S; and with a fundraising campaign among employees that raised CHF 250,000. Swisscom also joined the energy-saving alliance of the Department of the Environment, Transport, Energy and Communications (DETEC) to forestall the looming energy crisis.

Best corporate citizen, an even greater attention to ethics and best board of directors

Corporate ethics is anchored in the new Group strategy as part of 'Trusted Corporate Citizen' and therefore also reflected in the sustainability strategy revised in 2022. To this end, a cross-divisional 'Corporate ethics' working group was created in the reporting year with the task of supporting the person responsible for ethics in their work and strengthening, systematising, improving the implementation of and communicating ethical practice at Swisscom. In 2022, the Swisscom Board of Directors was once again rated the best board of directors out of 171 companies in Switzerland by the magazine 'Finanz und Wirtschaft'.

New ways of teaching

We are, of course, particularly proud of our 900 or so apprentices. 247 completed their vocational training in various professions, while 282 started their training at Swisscom. In the reporting year, a new occupational profile was introduced: 'Digital Business Developer'; a pilot was launched with 'Putting people before paper', in which applications do not include school reports, and the 'Learnvolution' project was launched with the Baden vocational school to make the vocational schools' training concept more flexible. This project was awarded the ICT Education & Training Award. Swisscom also received the Friendly Work Space Award.

Ready like never before – despite some challenges

So is everything in the garden rosy? Most things are indeed going well. Current supply bottlenecks have caused a number of difficulties, though, e.g. e-car procurement is not going to plan. These challenges will not stop us on our path to becoming a sustainable society. We will continue to pursue our sustainability targets with all our energy and with each of our over 16,000 employees in Switzerland. And we will do this today, tomorrow, and even the day after tomorrow, but not 'someday'.



Stefan Nünlist
Head of Group Communications & Responsibility



Saskia Günther
Head of Sustainability

Environment and sustainability strategy

Responsibility

Committed

As a leading ICT company, we take our responsibility to society seriously.

Strategy

Global

Our Sustainability Strategy 2025 is based on the UN's Global Sustainability Goals.

Climate protection

Climate-neutral

We will be climate-neutral in Swiss business across the entire value chain by 2025.

Digital future

Proficient

The goal is for all people in Switzerland to be able to use digital media.

Supply chains

Fair

By 2025, 150,000 workers in our supply chains should benefit from improved working conditions each year.

Corporate governance

Ethical

Our actions are based on ethical principles.

Environment

Swisscom is the Swiss market leader for mobile telecommunications, fixed-line telephony and television. We also occupy a significant market position in various IT business segments. In Italy, our subsidiary Fastweb offers fixed-line and mobile communications services. The explanations in this report relate to Swisscom's business in Switzerland.

□ See report page 73 ('About this report')

Swisscom operates in a dynamic environment. Megatrends such as digitisation are rapidly changing our society and economy. Customer needs and expectations of Swisscom are changing, while connectivity and data volumes are growing steadily. These have an impact on our activities. Our stakeholders place high demands on us in terms of sustainability. Working together with them, we identify key issues each year on which we will focus when implementing the sustainability strategy.

In addition to the expectations of stakeholders and Swiss legislation, the United Nations Agenda 2030 with its 17 Sustainable Development Goals (SDGs) defines the framework of our Sustainability Strategy. It is the first holistic framework for environmentally, socially and economically sustainable development in the public and private sectors. Every time we make progress in our priority areas, we contribute to achieving these goals. In implementing our sustainability strategy, we are committed to transparency and dialogue with the public.

Opportunities and challenges of digitisation

Digitisation and how society deals with it are particularly influential in our actions and strategy. At the same time, as the largest ICT provider in Switzerland, we are influencing and accelerating digitisation. It is important to us that this digital transformation serves sustainable development.

Digitisation can make a significant contribution to sustainability

We are part of the 'Digital with Purpose' Global e-Sustainability Initiative (GeSI). This initiative requires telecommunications companies to take measures such as climate protection or the promotion of sustainable offerings in order to make a significant contribution as an industry towards achieving the goals of the 2030 Agenda (see 'Global e-Sustainability Initiative').

We specifically promote sustainable digital applications. With the Swisscom IoT Climate Award and Swisscom Start-up Challenge, for example, we recognise digital climate innovations. On our website, we describe these smart solutions and show their contribution to the global sustainability goals of the 2030 Agenda. But we also want to strengthen media skills in society and give everyone the opportunity to participate in the networked world. At the same time, we are raising awareness of risks, for example in the areas of data protection, fake news and cyberbullying, and therefore promoting a safe approach to digital media (see 'Youth media protection and media skills').

© See www.digitalwithpurpose.org

© See www.swisscom.ch/sustainabledigitisation

Sustainability Strategy 2025

In 2021, five new Group goals were adopted, which came into effect on 1 January 2022. In some cases, the priorities set in our sustainability strategy were no longer in line with the newly defined Group goals. At the same time, since the adoption of the 2018 sustainability strategy, both the environment and the requirements of stakeholders have changed. For these reasons, a transversal project team analysed and made adjustments to the strategy in the reporting year.

Most important steps and findings in the development of the new strategy

Four analyses were carried out: a benchmarking, trend analysis, materiality analysis and analysis of strengths and weaknesses (see 'Material issues').

- This confirmed the focus on the existing issues and Swisscom's strengths in all ESG dimensions.
- Analysis showed that a few issues that had hardly been addressed in the strategy were becoming more significant: HR-related issues (e.g. diversity, future of

work), data protection and security, and governance/corporate ethics.

- The update of the annually published materiality analysis also indicated the greater importance of HR issues and governance/corporate ethics.
- Challenges included a greater impact in the area of CO₂ reporting and reduction with suppliers and the fight against pedocrime online.

As a result, it was proposed that the focus of Swisscom's new strategy in Switzerland be adjusted:

- The content in the area of environment (which was already updated in 2021) remains unchanged: climate protection, renewable energies, energy efficiency and the circular economy.
- Two new issues in the social/societal area 'for the people' were added: employer attractiveness and diversity and equal opportunities.
- The 'for Switzerland' area was renamed and corporate responsibility supplemented with the new issues of corporate ethics and data protection & security.

Swisscom Group goals 2025



Overview of the new strategy

The new sustainability strategy has been formulated for the period up to 2025 and entitled '**Responsibility means moving forward – now not someday**'. Swisscom wants to take a leading role and address the challenges, however large and complex they may be, not only with a long-term strategy, but also directly. Following ESG logic, the new strategy can be divided into three areas:

- **Responsibility for the environment:** Swisscom aims to become climate-neutral and make a positive CO₂ contribution.

- **Responsibility for people:** Swisscom wants to offer inspiring workplaces and open up the digital future to everyone.
- **Responsibility in actions:** Swisscom wants to stand up for the highest standards as a trustworthy partner.

Swisscom has formulated its strategic goals for 2025 in these three areas. They can be differentiated in terms of their focus, into 1) goals that show their impact within the company or 2) outside Swisscom, i.e. with our customers. The main approaches, impact levels and goals are described briefly on the following pages.



Responsibility for the environment

Become climate-neutral by 2025 and make a positive CO₂ contribution



Responsibility for people

Provide inspiring workplaces and offer support to all as we move into the digital future



Responsibility in actions

Stand up for the highest standards as a trustworthy partner

Responsibility for the environment

As a pioneer in climate protection, we are making our contribution to help limit the global temperature increase to 1.5°C and to achieve the Paris climate targets.

Contribution within Swisscom

Climate-neutral across the entire value chain by 2025: in its Swiss business, Swisscom will be climate-neutral across the entire value chain by 2025. Operational CO₂ emissions will be over 90% lower than in 1990. To achieve this, we will rely on 100% renewable energies, a fleet of zero-emission vehicles, heat pumps and, thanks to digitisation, we will operate in a climate-friendly manner. We are systematically maximising energy efficiency in our operations and supply chains by reducing CO₂ emissions from operations and supply chains to a total of 229,000 tonnes. This corresponds to a reduction path to well below 1.5 °C. We will offset the remaining, unavoidable emissions from our value chain.

Net-zero challenge: in developing our climate targets, we relied on scientific evidence using the Science Based Targets initiative (SBTi) methodology. Climate neutrality in the Swiss business is an intermediate step on the way to the net zero target across the entire Group (including the Italian subsidiary Fastweb).

As of the end of 2021, the SBTi has adapted its guidelines. These adjustments have changed the framework. To achieve a net-zero target compliant with new SBTi requirements, companies must have reduced 90 to 95% of their emissions before the remaining 5 to 10% can be neutralised through negative emissions. The base year in the ICT sector must not be further back than 2015. This will prove challenging for companies which, like Swisscom, have already implemented numerous reduction measures prior to this. Taking into account the new framework conditions, Swisscom as a Group has committed to net zero and has set an ambitious 2035 target for this in accordance with the SBTi. Swisscom will submit the corresponding dossier to the SBTi in 2023.

20%

We will increase our energy efficiency by 20% by 2025, e.g. by modernising our networks.

Energy efficiency and the circular economy: we want to increase our energy efficiency by 20% by 2025 compared with 2020 – e.g. by continuously modernising our networks, with innovative data centres, with the use of waste heat or the generation of solar power – while continuing to use 100% renewable energies. Another initiative involves bringing used resources back into circulation through recycling, repair and reuse. This makes sense not only from an ecological perspective, but also from an economic one.

Contribution outside Swisscom

Positive CO₂ contribution of 1 million tonnes per year: in addition, we will enable a positive CO₂ contribution of 1 million tonnes per year by 2025. This corresponds to around 2% of Switzerland's greenhouse gas emissions. We will achieve this by empowering our customers to reduce their own CO₂ footprint through our products and services. This includes digital solutions for location-independent working or services supported by the IoT (Internet of Things) for the optimisation and remote monitoring of traffic, buildings and devices.

▢ See report page 33 ('Responsibility for the environment')

Responsibility for people:

We provide our employees with inspiring workplaces and give everyone in Switzerland access to the digital future. To achieve this, we are setting ourselves various goals that we want to achieve by 2025.

Contribution within Swisscom

Inspiring as an attractive employer: Swisscom has set itself the goal of being one of the top three employers in the Swiss ICT industry by 2025. We want to inspire talented people to join Swisscom and develop them into the specialists and managerial staff of the future. For instance, one of the measures is to increase the proportion of employees younger than 40. In addition, equal rights and equal opportunities are important to us. Targets relating to the proportion of women in the recruitment process, the promotion of talent and succession planning will promote the proportion of women at all levels. The proportion of women in management is also to be increased by 2025. We offer our employees an attractive working environment with fair working condi-

tions and opportunities relating to health, internal networking and volunteering. We also support our employees with their employability by providing suitable education and training days.

Contribution outside Swisscom

Access to the network by expanding ultra-fast broadband: by 2025, we want to achieve a coverage rate of 50 to 55% for homes and businesses with ultra-fast broadband of 10 Gbps and are continuing to expand the fibre-optic network (FTTH) to achieve this. We provide individuals and businesses nationwide with reliable ultra-fast broadband. In this way we strengthen the competitiveness, digital fitness and quality of life in the country. We provide our customers with barrier-free access to our services.

Strengthening media skills in society: by 2025 at the latest, we will support two million people a year in their use of digital media. In the reporting year, we consolidated our training and learning options on our Swisscom Campus portal. Together with our partners, we are developing scientific bases on the risks and opportunities of digital media, making the population aware with campaigns across Switzerland and thus enabling the beneficial and safe use of the networked world. To this end, we offer technical solutions that make media usage safer. In addition, our employees in call centres and stores assist our customers with application questions far beyond the usual support.

▢ See report page 52 ('Responsibility for people')

Responsibility in actions

Contribution within Swisscom

Ethical behaviour and data protection/security: trend analyses show that ethical behaviour is gaining in importance among companies and brands. As a trustworthy partner, Swisscom is committed to meeting the highest demands of our stakeholders. We work on the basis of values and ethical principles. The topic of data ethics is also growing in importance. The company ensures data security and data protection. Our employees receive annual training in lawful, value-oriented conduct and data handling.

Contribution outside Swisscom

Fair working conditions in our supply chains: we are committed to working conditions and children's and human rights in our supply chains. To verify this, we systematically monitor our supply partners' compliance with social and ecological standards. By 2025, we aim to improve the working conditions of 150,000 people in our supply chains each year.

▢ See report page 66 ('Responsibility for action')

Material issues

Swisscom's activities have an impact on our social, ecological and economic environment. At the same time, our company is shaped by this environment and our stakeholders. Every year, we identify the sustainability issues in this network of relationships that are considered relevant or very relevant for our stakeholders and for us. We involve

the interest groups in this process. This approach ensures that the strategic focus of our work for us, our stakeholders and our environment is consistent and in line with current developments. For each major topic, we prepare a management approach, which we include in the relevant chapter of this report.

Materiality for stakeholders	<ul style="list-style-type: none"> • Work stress and resilience (p. 62) 	<ul style="list-style-type: none"> • Climate protection (incl. renewable energies) (p. 33) • Circular economy (p. 42) • Mobile telephony and society (p. 68) • Youth media protection and media skills (p. 52) • Fair supply chain (p. 27) • Diversity and equal opportunities (p. 60) • Data protection and data security (p. 72) • Energy efficiency (p. 33) • Labour market skills and training (p. 58)
	<ul style="list-style-type: none"> • Accessibility (p. 56) • Climate risks (Swisscom Climate Report 2022, p. 13) • Sustainable cities and communities (p. 12, 41) • Governance & reporting (p. 22) • Contribution to the economy (p. 12, 52, 70) 	<ul style="list-style-type: none"> • Network expansion (p. 52) • Network dismantling (p. 45) • Corporate ethics (p. 66) • Employer attractiveness (p. 58)

Materiality for Swisscom

■ relevant ■ very relevant

Internal and external stakeholders' view of the key issues (2022)

Determining and reviewing the material issues

In the reporting year, several analyses were carried out as part of the revision of the Sustainability Strategy 2025, as well as a benchmark to determine and review the material issues. Internal and external stakeholders were involved in this process.

A transversal project team led by the Head of Corporate Responsibility and Head of Corporate Strategy was responsible for this. The results and recommendations were first approved by a Group Executive Committee and then by the Group Executive Board (GEB) and the Board of Directors (BoD). The individual process steps are described below:

Trend analysis

The trend analysis confirmed already recognised, relevant ESG issues and identified some new ones. In the process, over 900 trends were clustered based on the

number of mentions in their chronological order. Subsequently, these issue clusters were weighted with reference to Swisscom's business activities. The results from the trend analysis were incorporated into both our sustainability strategy and our materiality analysis.

Benchmarking

In the reporting year, we commissioned sustainserv to carry out a benchmarking exercise with ten telecommunications and ICT companies that are leaders in the field of sustainability. The aim was to identify best practices and thus to identify topic setting, priorities, depth of transparency, as well as topic areas and trends. The benchmarking findings and resulting recommendations were incorporated into our sustainability strategy and materiality analysis.

Materiality analysis

As part of our stakeholder management, we regularly conduct a materiality analysis. This is used to identify

the sustainability issues (ESG issues) which are material for Swisscom and our stakeholders. From this, a materiality matrix is created which shows which of these ESG issues are most relevant from the perspective of our stakeholders and for Swisscom.

Strengths/weaknesses analysis

All issue managers drew up a strengths/weaknesses profile of all issues in the materiality matrix for their respective area. In addition, sustainability issues in relation to responsibilities within Swisscom were mapped. The assigned issues were discussed by a Group Executive Committee.

Stakeholder involvement

We involve our stakeholders in the identification of key issues and the planning of strategic priorities.

Internal

- **Board of Directors:** In 2022, the Board of Directors dealt intensively with the further development of the sustainability commitment when approving the Sustainability Strategy 2025. In addition, the BoD has been involved in quarterly communications on financial and ESG issues.
- **Audit & ESG Reporting Committee of the Board of Directors:** The Audit & ESG Reporting Committee of the Board of Directors, which was renamed as of 1 January 2022, deals with reporting several times a year and also approved the Sustainability Report at the end of the year.
- **Group Executive Board:** members of the Group Executive Board comment on the status of implementation of sustainability management during the meetings held several times each year and in qualitative interviews on the challenges.
- **Line managers:** line managers at all levels responded to questions about the anchoring of the current strategy and their expectations. This survey was conducted in the reporting year as part of the strategy review in the first half of 2022.

External

Results from external stakeholder surveys are also included in the assessment. The selection of the stakeholders to be considered is made based on the themes relevant to the sustainability strategy. They have to be active in the core Swiss market. We take up their concerns directly. The various forms of exchange with external stakeholders are described in the chapter 'Stakeholders'.

Stakeholder dialogue in 2022

In 2022, 29 internal and 23 external stakeholders were surveyed via an online questionnaire. In doing so, the ranking of ESG issues on our materiality matrix was reviewed and assessed. The intention was to use the survey results to assess and confirm the issues that our analyses identified as material and their ranking on the mate-

riality matrix. The issues were evaluated through this approach from both internal and external perspectives.

In addition to assessing the issues, the stakeholders had the opportunity to comment on aspects that were still missing in an open question. This applied both to what was expected from Swisscom and the extent to which Swisscom's business activities were affected.

Issues in the materiality matrix

To determine the materiality of the individual sustainability topics, we are applying the following quality criteria:

- Significance and relevance for our stakeholder groups
- Importance of the topics in our norms and standards (vision, values, promise and code of conduct)
- Impact of our activities on the topic area
- Effects of the topics on the company's financial position, results of operations and on our reputation.

Classification in 2022 and newly identified material issues

The dialogue with our stakeholders, the trend analysis and benchmarking confirmed to us that the majority of the issues shown in the matrix are the correct ones. **At the same time, new issues have gained in importance.**

The energy efficiency of our buildings, data centres and proprietary products are becoming increasingly important for external stakeholders, including our customers. This means the issue is now in the top right quadrant. Trend analysis, benchmarking and exchanges with our stakeholders have also shown that the issue of corporate ethics is becoming increasingly important. The area of action is therefore now located in the lower right quadrant and no longer in the lower left one.

Also, the analysis of climate risks both from a stakeholder perspective and through reporting frameworks (e.g. TCFD) is increasing in importance, which is why it is now defined as a material issue. Switzerland is pursuing the goal of achieving net zero by 2050. Among other things, this will require smart cities. The ICT sector can make an important contribution to this development. We have therefore assessed the issue of sustainable cities and communities as material as well. We will set measurable goals for this issue in 2023 and go into more detail in the next report.

To counter the shortage of skilled workers, the issue of employer attractiveness is gaining in importance. This applies both internally, to encourage and retain talent, and externally, to appeal to them as an employer. The trend analysis and ESG requirements also reveal that transparent sustainability governance, including ESG reporting, is becoming increasingly important.

Finally, the contribution to the economy (job creation, awarding of contracts in Switzerland and job retention) is also becoming increasingly important. The identified

need for action has already been included in the sustainability strategy/roadmap for 2023 and will be set out in the upcoming Sustainability Report 2023.

This year, we took another look at the issues identified, including their impact on the environment, people and

the economy. The diagram below shows the key issues for us in terms of their impact on this very environment – subdivided according to the main approaches of our new strategy.

Material issues and their classification according to their scope and importance for the environment

Material topics	Responsibility for the environment	Responsibility for people	Responsibility in actions
Waste	●		●
Employer attractiveness		●	
Labour market skills and training		●	
Work stress and resilience		●	
Biodiversity	●		●
Accessibility		●	
Contribution to the economy			●
Corporate Volunteering		●	
Data protection and data security			●
Diversity and equal opportunities		●	
Energy efficiency	●		
Fair supply chain		●	
CLA incl. social plan		●	
Governance & Reporting			●
Youth media protection and media skills		●	
Climate risks	●		
Climate protection (incl. renewable energies)	●		
Circular economy	●		
Landscape & soil	●		
Noise	●		
Mobile telephony and society			●
Sustainable cities and communities	●		
Network expansion		●	
Network dismantling	●		
Political and social representation of interests.			●
Social commitment			●
Corporate ethics			●
Water and waste water	●		

● Strong impact on the environment
 ● Medium impact on the environment
 ● Low impact on the environment

Value chain

We generate the bulk of our added value through our activities in Switzerland. In the year under review, activities abroad contributed only 9% (prior year: 8%) to the Group's added value from operations.

The statement of added value and the allocation of added value are addressed in the Management Commentary of the Annual Report, in the 'Financial review' (page 42).

Each year, suppliers deliver goods and services to us worth over CHF 2.9 billion. The import has a positive and negative impact on the economy, society and the environment along the value and supply chains:

- Services and consumer and capital goods contribute to Switzerland's economic development, competitiveness and quality of life, but they have an impact on the climate and natural resources. We accept our responsi-

bility and are implementing a number of measures to make our supply chains ecologically sustainable.

- We create and protect jobs in Switzerland as well as within the supply chain, thus creating added social and economic value. Together with our employees and partners, as well as in international industry initiatives, we are committed to making the social conditions in our supply chains sustainable.
- In order to provide our customers with services and products, we depend on raw materials from numerous countries and regions, the extraction of which is often associated with environmental and social risks. We are therefore particularly committed to improving practices in the extraction of raw materials, monitoring the origin of conflict minerals and combating child labour.

(See 'Responsibility in our supply chains' and 'Swisscom's contribution to the SDGs')

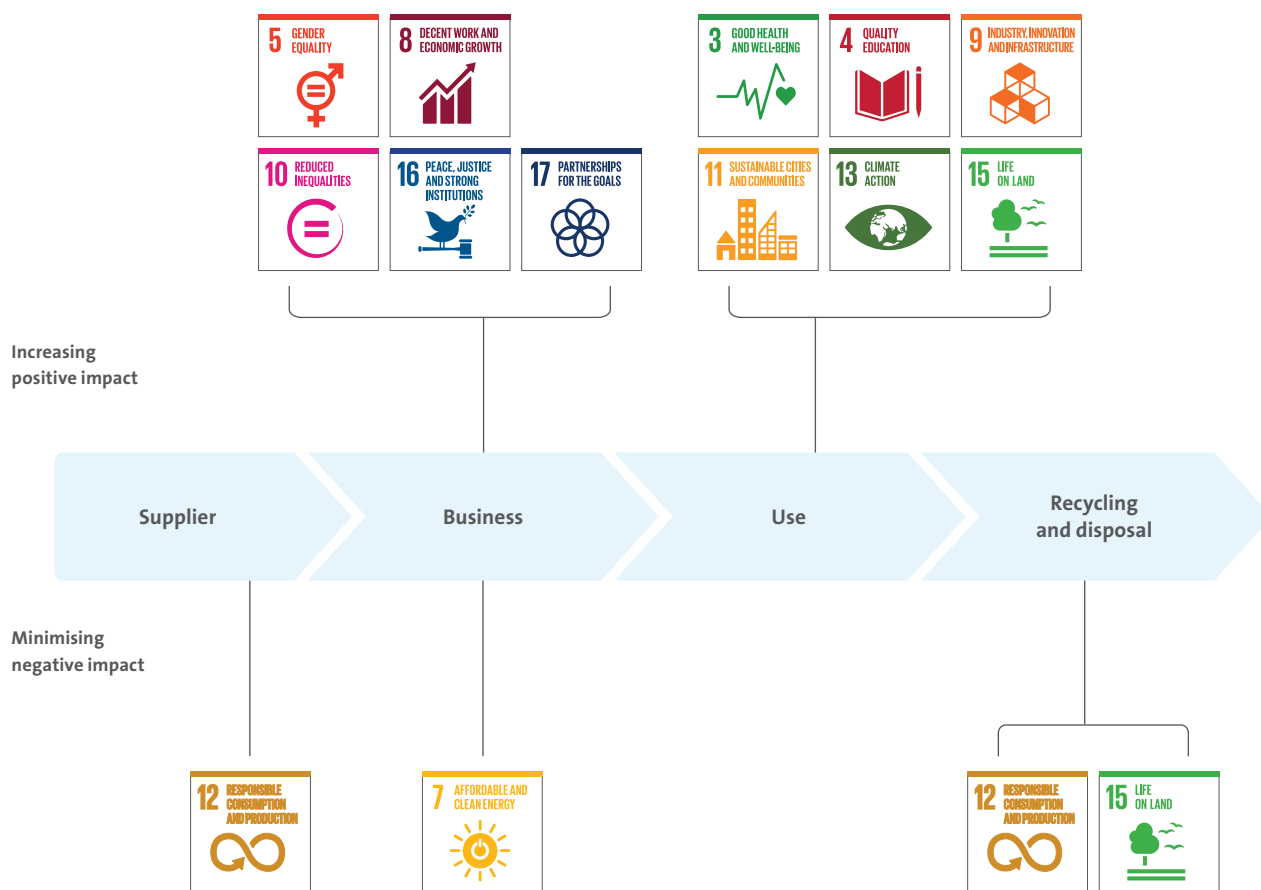
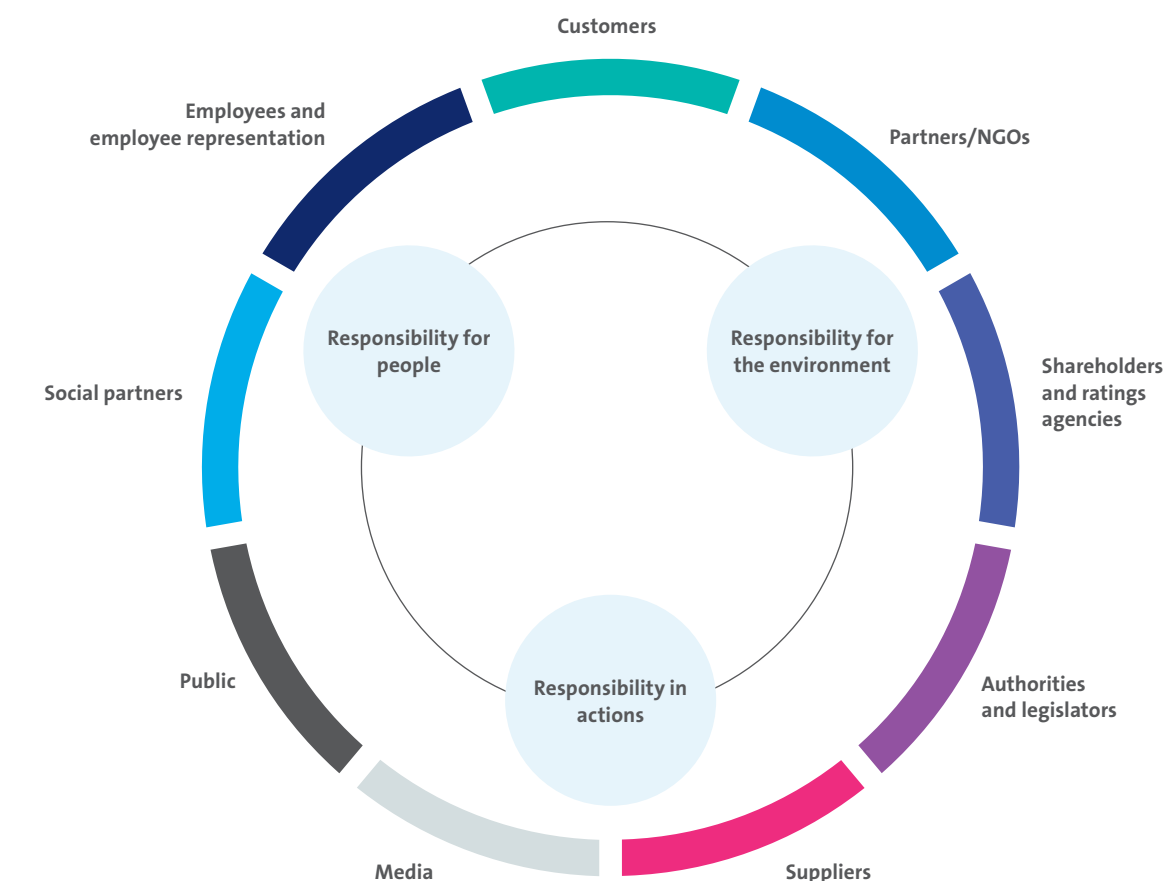


Diagram: SDGs along the value chain

Group of stakeholders

Our stakeholders place high demands on us with regard to sustainability. We maintain direct communication and dialogue with all stakeholder groups. Working with them, we identify key issues each year on which we will focus when implementing our sustainability strategy. Through the annual review, we ensure that

our commitment keeps pace with current developments and challenges in the economy, politics and society. The previous contact, the interests and the size of the stakeholder groups determine the structure of the respective dialogue.



Stakeholder environment

Customers

We systematically consult with residential and business customers on their needs and their level of satisfaction. Customer relationship managers identify customer needs through direct contact. In addition, we regularly conduct representative surveys. One reason for this is to determine the extent to which customers perceive Swisscom as a company that acts responsibly when it comes to environmental and social issues. In addition, we conduct targeted qualitative and quantitative surveys on sustainability issues.

Partners/NGOs

We believe in the importance of sharing insights and information with partners and NGOs within the framework of projects. These include myclimate, WWF, the Swiss Child Protection Foundation, the Association of Swiss Teachers (LCH), the Swiss Association for the Deaf, SOS Children's Villages Switzerland and organisations that address issues

such as human rights in the supply chain. These partnerships and our social and ecological commitment are especially relevant for our stakeholder group.

See www.swisscom.ch/cr-partnerships

Investors and rating agencies

In addition to the Annual General Meeting, we provide the capital market with detailed information on operational and financial performance to coincide with our quarterly results publications. We maintain a regular exchange with our institutional shareholders at investor conferences and roadshows. Furthermore, we have remained in contact with rating agencies for years. Investors expect us first and foremost to deliver attractive profitability in the form of stable distributions. In the reporting year, the number of enquiries about our approach to environmental, social and responsible corporate governance (ESG) continued to increase. Swisscom has been active in sustainable corporate governance for more than 20 years and publishes

detailed information on its progress and future focus in its annual sustainability report. As in previous years, we were listed in several ratings among the world's most sustainable telecommunications companies.

Public authorities and legislators

We engage in intensive exchanges with various authorities at national, cantonal and municipal level. One of the key issues is the expansion of the network infrastructure: mobile data applications are becoming increasingly popular among customers. At the same time, the expansion of the necessary infrastructure does not meet with the required acceptance everywhere. At present, this is particularly evident in connection with the expansion of the 5G network (see 'Mobile telephony and society').

Expanding our infrastructure can also be a subject of dispute owing to the different interests at stake. We have therefore been conducting a dialogue with municipal authorities and local residents on network planning for many years (see 'Advice and information on wireless technologies'). This dialogue offers those affected and the communities involved in construction projects the opportunity to propose suitable alternative locations or to define priorities in fixed network expansion. We also maintain a regular exchange with the relevant authorities, in particular with the cantonal economics, construction and environmental departments. We seek regular dialogue with the authorities, political parties, associations and NGOs on political and regulatory issues and play a constructive role in the legislative process (see 'Actor in public debates').

Suppliers

Our procurement organisation is responsible for supplier management. This includes risk analysis, the selection and choice of supply partners, contracting, and a dedicated supplier evaluation and development process. In the process, agreements on objectives are formulated and fulfilment of services is reviewed. In addition to price, quality, collaboration and innovation, ESG is now also a standard part of this procedure. To achieve our ESG goals, we engage in dialogue with global suppliers and also use the channel of international cooperation within relevant sectors 'Joint Alliance for CSR – JAC' (see 'Responsibility in our supply chains').

Media

We maintain close contact with the media and are available to them at all times. Our relationship with the media is based on professional journalistic principles. In addition to the Media Office, management also maintain regular dialogue with journalists and make themselves available for interviews and more in-depth background discussions.

☞ See www.swisscom.ch/news

Public

We maintain contact with the public directly via our website, through social media, through surveys of the public, at trade fairs and as part of events. During the year under review, two campaigns were also carried out on the topics of climate-neutral products and the circular economy. The campaigns are described in more detail in the corresponding chapters. We have also entered into a new partnership with the Sustainable Switzerland initiative. In cooperation with partners from business and science, the initiative supports sustainable development in Switzerland and aims to make it visible.

Employees and employee representation

Using a wide range of communication platforms and activities, we promote a corporate culture that encourages dialogue between the CEO and top management on the one side and employees on the other.

Once a year, Swisscom's employees can use a questionnaire to share their opinions about their individual situations and issues concerning the company's organisation. This survey allows all employees and teams as well as the entire organisation to respond to feedback and make improvements.

The employee association takes on board the requests, wishes and criticisms of employees and represents these in discussions with management, thereby exercising its co-determination right. The employee association comprises 44 members. This corresponds to approximately one representative per 400 employees. The representatives are distributed among seven representation committees. Twice a year, we organise 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 (see 'Employees').

Social partners

Regular contact with our social partners is particularly important to us. Our social partners include syndicom (the union for media and communications) and transfair (the public service staff association). Both are the dialogue and negotiating partners for matters relevant to the CEA and strategic participation.

Swisscom's contribution to the SDGs

In addition to the expectations of stakeholders and Swiss legislation, the United Nations Agenda 2030 with its 17 Sustainable Development Goals is an essential

framework for our Sustainability Strategy. With our commitment, we as a company support many of these SDGs.



We are committed to:

- the health of our employees, with numerous measures from our Occupational Health Management;
- people's health, with our e-health solutions for healthcare facilities.



We are committed to:

- strengthening media skills and digital inclusion among the population, with courses on screen time and cyber security, etc.;
- boosting the employability of our employees by investing in training and development;
- supporting Switzerland's educational landscape, e.g. in the form of free Internet access for schools ('Schools on the Net project');
- encouraging young women to go into ICT professions.



We are committed to:

- helping women to get into management, on the Board of Directors and into ICT professions;
- offering flexible working models for our employees to achieve a better work-life balance.



We are committed to:

- energy efficiency and climate protection, e.g. with innovative data centres and in-house products and climate-neutral subscriptions, devices, and network;
- promoting renewable energy by sourcing 100% of our electricity from renewable sources and generating our own solar power, for example.

8 Decent work and economic growth

We are committed to:

- attractive jobs and working conditions;
- promoting sustainable business models with intrapreneurship and the Swisscom Start-up Challenge;
- the Swiss business location. We make a significant direct and indirect contribution with investments in the network and infrastructure;
- fair and safe working conditions in our supply chains.

9 Industry, innovation and infrastructure

We are committed to:

- a reliable and efficient ICT infrastructure;
- expanding broadband and mobile networks and investing heavily every year;
- promoting sustainable business models with intrapreneurship and the Swisscom Start-up Challenge

10 Reduced inequalities

We are committed to:

- helping women to get into management, on the Board of Directors and into ICT professions;
- offering flexible working models for our employees to achieve a better work-life balance.

11 Sustainable cities and communities

We are committed to:

- energy efficiency and climate protection, e.g. with innovative data centres and in-house products and climate-neutral subscriptions, devices, and network;
- promoting renewable energy by sourcing 100% of our electricity from renewable sources and generating our own solar power, for example;
- promoting smart IoT solutions (IoT Award).

12 Responsible consumption and production

We are committed to:

- promoting the circular economy and making a significant contribution to this with our second life programmes;
- preventing waste and recycling valuable raw materials. In doing so, we are working to reduce the amount of waste generated both by us and by our customers;
- reducing our customers' emissions: they have been surfing, streaming, and making phone calls on a climate-neutral basis with our subscriptions and products since 2022.

13 Climate action

We are committed to:

- climate protection and contributing to this with our sustainability and climate strategy, e.g. with sustainable products for our customers;
- our customers and supporting them in reducing their own CO₂ footprint.

15



Life on land

We are committed to:

- various projects to preserve biodiversity, e.g. through the care of bee colonies by Swisscom employees;
- fair and environmentally compatible supply chains and holding our suppliers accountable for protecting the environment and using resources responsibly;
- innovative ICT solutions in agriculture (smart agriculture) that use fewer resources e.g. seed, fertiliser and energy.

16

Peace, justice
and strong institutions**We are committed to:**

- acting in accordance with ethical principles;
- clear standards, guidelines and training for our employees, especially in the area of data ethics.

17



Partnerships for the goals

We are committed to:

- the UN Development Goals, with contributions to more than 13 SDGs, as well as the principles of the UN Global Compact, and emphasising their importance;
- the SOS Children's Village (since 2012) with our Swisscom Mobile Aid programme;
- sustainability in the supply chain with the Joint Alliance for CSR (JAC) and Global e Sustainability Initiative (GeSI).

Corporate responsibility governance

As of 1 January 2022, the new amended Corporate Responsibility (CR) Governance came into force. During the reporting year, governance was discussed with all line units and integrated into the relevant processes.

The following sections describe the CR Governance.

Strategic goals of the Federal Council

The Federal Council defines the goals which the Confederation as our principal shareholder aims to achieve in the next four years. During the current target period, which runs until 2025, it expects us to pursue a corporate strategy that is, to the extent economically possible, committed to sustainable and ethical principles. In this context, the reduction of greenhouse gas emissions is of particular importance. In addition, the strategy should take into account the concerns of the different parts of the country, where operationally appropriate.

© See www.swisscom.ch/ziele_2022-2025

Incorporation in the Group strategy

Our Board of Directors is committed to pursuing a Group strategy geared towards sustainability. The sustainability strategy is part of this.

Organisation and responsibility

Board of Directors

At the request of the CEO, the Board of Directors approves the sustainability strategy embedded in the corporate strategy and defines the key ESG issues for Swisscom, including the goals. It is also responsible for the supply chain policy for potential conflict minerals and for products and services where child labour is suspected. The Board of Directors monitors the risks related to identified material ESG concerns. It decides on the application of national or international regulations for ESG reporting and approves the corresponding external reporting.

In the 2022 reporting year, the Board of Directors approved the adjusted sustainability strategy. It is informed in writing in quarterly reports and verbally every half year on the implementation status of the sustainability strategy. In December 2022, the Board of Directors acknowledged the 2023 roadmap derived from the sustainability strategy.

Audit & ESG Reporting Committee of the Board of Directors

The Audit & ESG Reporting Committee of the Board of Directors defines the Key Performance Indicators (KPI) in relation to material ESG matters. It monitors the concepts defined by the CEO for implementing the sustainability strategy and the KPIs, and evaluates the effectiveness of the defined measures. It also monitors compliance with due diligence requirements in the areas of conflict minerals and child labour. The Audit & ESG Reporting

Committee designs and monitors the internal control system to ensure the reliability of ESG information and sustainability reporting. It decides on the design of internal and external reporting on material ESG issues, the auditing of reporting and approves the sustainability report. The Chairman of the Audit & ESG Reporting Committee informs the Board of Directors at the next meeting of the Board of Directors about the previous committee meeting.

CEO

The Board of Directors has delegated the implementation of the Group strategy to the CEO, who may delegate tasks and competences to subordinate bodies. The CEO defines the targets and measures for implementing the sustainability strategy. He is supported in this task by the members of the Group Executive Board (GEB) and by the Head of Group Communications & Responsibility (GCR). The CEO submits the devised sustainability strategy and the ESG issues evaluated as material to the Board of Directors for approval. The CEO periodically reports to the Board of Directors or to the Audit & ESG Reporting Committee on the current status of target achievement and measures, as well as their effectiveness. If necessary, a working group consisting of members of the Group Executive Board is convened for specific ESG issues. In a new ethics working group (Ethics WG), the CEO, together with the people responsible for ethics and the Head of Group Human Resources, reflects on corporate ethics issues as required.

Ethics

The new ethics working group reflects on issues relating to corporate ethics.

Group Executive Board (GEB)

Our Group Executive Board has defined the main goals for the company and sub-goals per division as part of the sustainability strategy. It also convenes at least twice a year to discuss the further development and implementation of the defined measures. Each November, it adopts the roadmap and sub-goals (benchmarks) for the coming year.

Roles

Members of the Group Executive Board as well as the Head of Group Communications & Responsibility are sponsors for the strategic action areas for their divisions. Together with their division management, they are responsible for implementing the sustainability strategy in the line units and for deciding on specific measures. This is how we ensure that the action areas of the sus-

tainability strategy are binding and firmly embedded in the company.

Responsibility for the environment:

- Head IT, Network & Infrastructure (network topics and energy efficiency)
- Head Group Business Steering, CFO (mobility and real estate topics, climate risks and ESG reporting)
- Head Group Human Resources (employee mobility, commuting and business travel)
- Head Business Customers (sustainable portfolio business customers)
- Head Residential Customers (sustainable portfolio private customers)

Responsibility for people:

- Head Residential Customers (private customers and accessibility)
- Head Group Communications & Responsibility (media skills and protection of children and young people in the media)
- Head Group Human Resources (employees, employer attractiveness and diversity & equal opportunities)
- Head IT, Network & Infrastructure (network expansion)

Responsibility in action:

- Head Group Business Steering, CFO (supply chains, ESG reporting)
- Head of Group Strategy (compliance, risk management, governance, IT security and data security)

© See www.swisscom.ch/group-executive-board

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

- Regular reports by GCR on the main events
- Half-yearly reports, with information on the key performance indicators based on the strategic priorities
- Quarterly reporting of risk management and ESG achievement of targets
- Half-yearly status reports in the Division Management Committees on the status of the division roadmap

Group Communications & Responsibility

The Group Communications & Responsibility (GCR) division is responsible for taking into account the goals of the 2030 Agenda and thus for sustainable development at Swisscom. The sustainability team as part of the GCR division creates the sustainability strategy and manages its implementation. To this end, the sustainability team works together with the business units to develop an overarching annual roadmap.

Processes:

Sustainability criteria are integrated into product portfolio applications and processes as well as investment decisions in a standardised manner.

Monitoring:

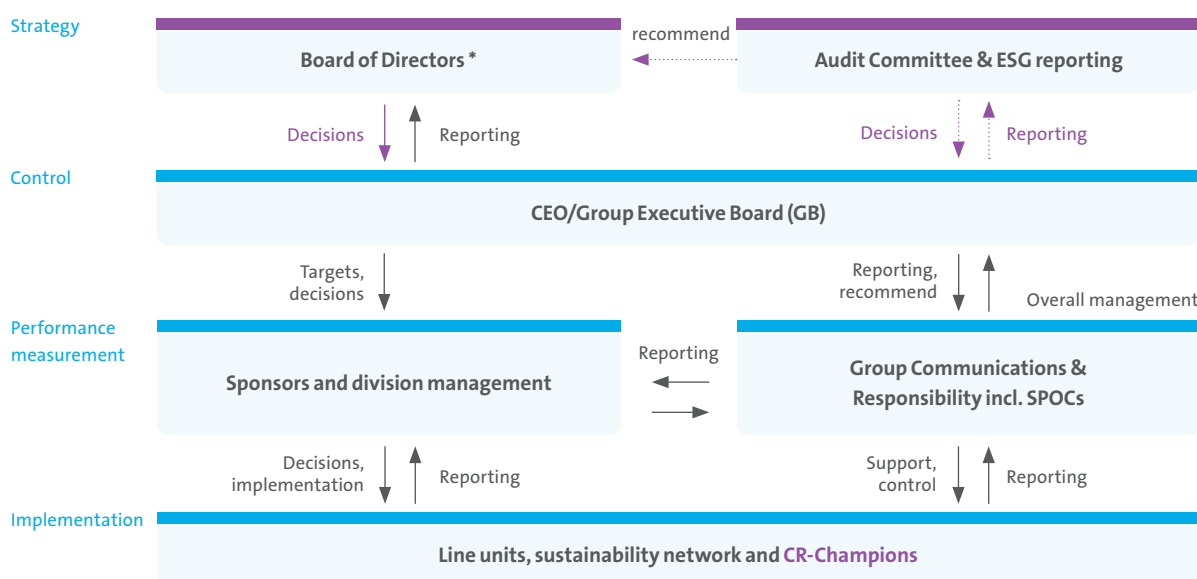
The KPIs from the sustainability strategy are consistently integrated into the divisional targets. Furthermore, sustainability reporting will be strengthened by integrating it into the existing financial reporting and the risk management process. Compliance with CR governance is reviewed in the internal audit.

Business units

Within the sustainability team, Single Points of Contact (SPOCs) are defined for each business unit. The SPOCs are the contact persons for business unit management and also the Corporate Responsibility (CR) champions. CR champions have implementation responsibility for the measures and report on implementation progress to sponsors and to the SPOC. Depending on the strategic priority in question, sustainability measures are implemented by either project teams or line units.

Sustainability network

Events are held during the year for all members of the sustainability network. The purpose of these sustainability community events, supplemented with themed Green Lunches, is to raise awareness of material sustainability issues and to exchange information. The sustainability network managed by the sustainability team is open to all employees.



* The Board of Directors now has overarching responsibility for ESG matters and approves the sustainability strategy as part of the corporate strategy.

■ Previous CR Governance ■ New CR Governance

Sustainability Governance structure 2022

Management approaches within the Group

The Group's precautionary principle

We work in a sustainable manner, in accordance with our visions and values. We use established management systems and approaches to reduce ecological, economic and social risks. Group targets and directives ensure that sustainability is taken into account in operations and projects. In addition to the management systems put in place, training employees and raising their awareness is an important part of our precautionary principle.

Our management systems adhere to ISO international standards. External audits confirm compliance with the following standard requirements through certification:

- 9001 Quality management
- 14001 Environmental management
- 14064 Guideline on greenhouse gas inventory
- 20000 IT service management
- 27001 Information security management system
- 33002 Information technology process assessment

We have a certified quality assurance system (QAS) for measuring the electromagnetic fields of mobile communication antennas. This system is designed to ensure compliance with the limits set down in the Ordinance on Non-Ionising Radiation (ONIR limits) (see 'Mobile telephony and society'). Preventive measures are taken as part of our operational risk and safety management system (see 'Risk management system').

Compliance management

Swisscom's wide range of business activities, coupled with the complexity of the applicable regulations, calls for an

effective compliance management system (CMS). Our CMS covers all divisions and is based on the following elements:

- **Culture:** the compliance culture is the basis for an effective CMS and as a code of conduct it sets out the minimum expectations of the Board of Directors and CEO of Swisscom Ltd. These are communicated throughout the company by its leadership, and demonstrated and disseminated in day-to-day collaboration.
- **Objectives:** the Board of Directors defines the compliance objectives: all organisational measures and activities are aligned with these goals.
- **Risks:** we take account of regulatory and legal requirements to determine compliance risks. We assess and manage risks on an ongoing basis and take the necessary measures.
- **Organisation:** the Board of Directors defines minimum compliance tasks. The Group Executive Board then determines further tasks and responsibilities. In so doing, they provide the resources required for an effective CMS.
- **Communication:** employees are informed of their tasks, competences and responsibilities as well as the measures in the individual compliance areas. Each year, a report is sent to the Board of Directors and the Group Executive Board of Swisscom Ltd, as well as to the management boards and boards of directors of the subsidiaries and other internal units.
- **Monitoring and improvements:** we monitor the CMS and eliminate any weaknesses on an ongoing basis.

The CMS monitors compliance with the laws in the following legal areas throughout the Group:

- Anti-corruption
- Anti-Money Laundering Act
- Banking law (deposits from the public)

- Data protection and confidentiality (concerning all laws)
- Federal Act on Product Safety
- Antitrust law
- Telecommunications law
- Stock exchange law

☞ See www.swisscom.com/basicprinciples

To safeguard trade secrets, Swisscom does not publish any compliance reports. A brief description is provided in the GRI Index of this Sustainability Report.

Responsible marketing

Our marketing is aligned with our visions and values as well as the principles of the Swiss Commission for Fairness in Advertising (Schweizerische Lauterkeitskommission). Group Communications & Responsibility informs our marketing units about any further development of the principles. The communicating units are themselves responsible for ensuring that the principles are adhered to since they are best placed to recognise any breaches of compliance at an early stage and can take preventive action.

In our dealings and dialogue with customers, we recognise the fact that customers, regardless of age, gender or language, respond individually to this ever increasingly networked and digitised world. This approach ensures that we can support them in the digital world without discrimination and according to their own 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

The protection of human rights within the Swisscom Group and throughout the supply chains

The protection of human rights is an integral part of our corporate culture. We are guided here by the UN Guiding Principles on Business and Human Rights, the SA8000 standard of Social Accountability International (SAI) and the company's procurement guidelines. By rigorously upholding our own guidelines on human rights, we implement the UN Guiding Principles on Business and Human Rights and the Swiss National Action Plan for Business and Human Rights (see 'Responsibility in our supply chains').

☞ See www.swisscom.ch/humanrights

Practices in relation to copyright laws

Copyright is governed by the collective employment agreement. Employees assign to Swisscom any copyright, associated protective rights (in particular, rights to software) and all shared rights relating to their accomplishments 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 reverted to the employee by contract.

When using free and open-source software (FOSS) to develop software, we protect the copyright of third parties by adhering to the required FOSS licensing terms. Its use is regulated in the existing Group directives. For Swisscom software launched on third-party markets, FOSS licence compliance must be checked and verified by the internal FOSS Compliance Service explicitly.

Swisscom security

Advancing digitisation and growing dynamism mean that security is becoming more and more important. We use the issue of security to further differentiate our brand from those of competitors and to open up new growth areas. For that reason, we offer our customers security solutions, products and services that are as progressive as possible (see 'Responsibility in action').

☞ See www.swisscom.ch/datasecurity

Fraud management

We actively minimise fraud risks and thus prevent economic damage by actively implementing the necessary measures based on our own experience and incidents involving third parties (e.g. cases of fraud involving customers). The combination of detection and prevention measures as well as the use of appropriate means (tools and personnel):

- depicts the risks of fraud in a transparent manner;
- prevents cases of fraud;
- reveals cases of fraud quickly, enabling security loopholes to be closed;
- reduces costs since resources are not burdened with exceptional tasks;
- reduces financial losses and enables the recovery of misappropriated assets;
- strengthens our reputation and increases customer confidence.

Targets table

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

Focus of the sustainability strategy	2022 value	2025 target	Guideline value for 2023
Responsibility for the environment			
Climate-neutral: limit CO₂ emissions from operations and in supply chains to 229,000 tonnes by 2025		229'000	
In its Swiss business, Swisscom will be climate-neutral across the entire value chain by 2025. Operational CO ₂ emissions (Scope 1, 2 and 3) will be over 90% lower than in 1990. The remaining, unavoidable emissions will be offset from 2025.			
KPI: CO ₂ emissions Scope 1 (vehicles and buildings incl. refrigerants)	12,305	8,400	10,800
KPI: Scope 2 CO ₂ emissions (electricity, district heating, offset)	0	–	0
KPI: Scope 3 CO ₂ emissions (supply chain, employee mobility, etc.)	262,659	220,600	252,200
2023 measures:			
<ul style="list-style-type: none"> • Refurbishment of buildings and heating systems, replacement of fossil fuel-powered heating systems with heat pumps. • Electrification of the vehicle fleet and use of hybrid drives. • Agreements with A suppliers. • Promotion of supplier participation in the Carbon Disclosure Project (CDP), dialogue with individual suppliers. 			
Increase energy efficiency		–	
We will increase our energy efficiency by 20% by 2025, e.g. by modernising our networks.			
KPI: + 20% by 2025	+9.3%	+20%	+10.9%
2023 measures:			
<ul style="list-style-type: none"> • Efficient cooling of networks (fresh air cooling methods, Mistral and Levante) • Virtualisation of servers in data centres • Activation of savings functions in the mobile network 			
Positive CO₂ contribution: reduction of CO₂ emissions by 1 million tonnes annually by 2025		1,000,000	
Together with customers, CO ₂ emissions are to be reduced by 1 million tonnes annually. This corresponds to around 2% of Switzerland's greenhouse gas emissions. We will achieve these savings by empowering our customers to reduce their own CO ₂ footprint thanks to our sustainable portfolio.			
KPI: CO ₂ savings in tonnes	1,590,772	1,000,000	1,800,000
2023 measures:			
<ul style="list-style-type: none"> • Reduction of traffic through the promotion of home working and virtual conferences. • Reduction of traffic through the promotion of remote maintenance and operation using sensor (IoT solutions). • Reduction of CO₂ emissions from buildings by optimising heating and power supply using sensors (IoT solutions). • Reduction of greenhouse gases through data-based tools for decarbonising companies (greenhouse gas inventory, mobility data, Swiss Climate Challenge). • Investments and support for start-ups with greenhouse gas reduction solutions. 			
Promote circular economy			
KPI: Number of devices collected	207,000	250,000	230,000
2023 measures:			
<ul style="list-style-type: none"> • Swisscom Mobile Aid for residential customers and business customers • Buyback for residential customers and business customers, and extension of buyback to include tablets • Repair offers 			

Focus of the sustainability strategy	2022 value	2025 target	Guideline value for 2023
Responsibility for people			
By 2025, we will support two million people a year in the use of digital media.		2,000,000	
We do this with courses to raise awareness (students, parents, teachers, adults), with technical aids (parental control PIN for Swisscom TV, filter software for child-specific subscriptions) and media work (publications, social media, guides).			
KPI: Promotion of media competency	614,227	350,000	300,415
KPI: Media usage training	308,915	1,273,000	1,093,271
KPI: Technical measures for youth media protection	114,044	158,000	135,886
KPI: Digital shift	165,462	230,000	199,477
2023 measures:			
<ul style="list-style-type: none"> • Web portal for topics related to competent media use (point of entry). • Course offering for professionals and companies (digital fitness at work). • Significant expansion of online training content (synchronous/asynchronous) for various target groups. 			
Diversity			
We are increasing diversity among employees, measured by gender distribution, age mix, inclusion, origin and language.			
KPI: Proportion of women in management (management levels A – C) in headcount (HC)	14.2%	20.0%	16.4%
KPI: Proportions of women in management (management levels A – C) and top CEA levels (D and E) in headcount (HC), increase by 1.0% percentage points annually.	18.5%	19.5%	19.5%
KPI: % employees < 40	42.9%	45.0%	43.5%
KPI: % of employees who are non-native German speakers	32.8%	40.0%	34.5%
KPI: Employees with health impairments in percent (inclusion).	1.17%	1.0%	1.0%
2023 measures:			
<ul style="list-style-type: none"> • Promotion of flexible working models for women and men to be pursued further. • Efforts will also be continued to promote diversity with additional, business unit-specific measures. • Most job postings are advertised with a degree of employment of 60-100%. 			
• Every external hire that meets the applicable professional requirements should contribute to at least one of the defined diversity criteria; this applies in particular to managerial appointments.			
Employer attractiveness			
Swisscom has set itself the goal of being one of the top three employers in the Swiss ICT industry by 2025.			
KPI: Pulse NPS	65	67	65
KPI: Reptrak dimension 'Appealing workplace' (employee section)	86.1%	90.0%	87.0%
2023 measures:			
• Future workplace project			
• Flexible working time models			
• There is a continued emphasis on agile forms of collaboration			
Training of specialists and continuing education			
We want to inspire talented people to join Swisscom and develop them into the specialists and managerial staff of the future.			
KPI: Number of training days / HC	3.8	4.5	4.0
2023 measures:			
• Skills development via strat. workforce management			
• Ongoing development discussions with manager			
Work stress and resilience			
We want to maintain or reduce the absentee rate compared to the previous year.			
KPI: Absences in days/target days (weighted by FTE) * 100 Target days are based on the standard working hours.	3.4%	2.8%	3.0%
2023 measures:			
<ul style="list-style-type: none"> • Continuation of the measures initiated in 2022: mental health with the training courses for 'Mental Health First Aid' trainer and 'Stress & Resilience' trainer, as well as leadership training in presence management. • Proactive advice for executives using data analytics. • Offerings increasingly via online channels (independent of time and location) to increase penetration. 			

Focus of the sustainability strategy	2022 value	2025 target	Guideline value for 2023
Coverage for Switzerland with fixed ultra-wideband as prerequisite for for Switzerland's competitiveness			
Higher bandwidths by upgrading the existing network and by expanding fibre-optic coverage to homes and offices (FTTH).			
KPI: 50-55% coverage of homes and offices with ultra-fast broadband of 10 Gbps through expansion of the fibre-optic network (FTTH). Base of 5.3 million homes and businesses in Switzerland (Swisscom inventory).	33.2%	50-55%	37.1%
2023 measures: • Continuous network expansion in Swiss municipalities.			
Responsibility in actions			
Improve working conditions along supply chains			
We improve the working conditions for employees along our supply chains by consistently working to ensure that our supply partners comply with social and environmental standards and by reviewing compliance by means of audits. Number of audits multiplied by number of employees in the audited factories in the year in question in the JAC network. JAC = Joint Alliance for CSR			
KPI: Number of employees at suppliers in the audited factories in the year in question in the JAC network.	133,118	150,000	140,000
2023 measures: • Implementation of JAC Audit Campaign (onsite audits, mobile surveys); focus on critical commodity groups and based on SCRM (Supply Chain Risk Management) concept. • Fokus Task Force JAC Human Rights (Child Labour, Forced Labour).			
Employee ethics training			
As a trustworthy partner, Swisscom works hard to meet stakeholders' high expectations in terms of our integrity. We work in line with values and ethical principles and train our employees in lawful and value-oriented conduct.			
KPI: Proportion of employees trained in ethics	0%	100%	100%
2023 measures: • Raising employee awareness of business ethics • Internal training cascade, starting from the GEB committee via management to employees			

Responsibility in our supply chains

Suppliers

2.9 bn

is spent annually on goods and services.

Risks

86%

of our expenditure is now actively monitored for potential risks.

Contracts

Strict specifications

are decisive for us in all purchasing transactions.

Security

500

(sub-)suppliers and 100 supply chains are tracked with our risk monitoring tool.

Measurability

190

sustainability ratings on the EcoVadis platform help us to monitor risk-relevant suppliers on an ongoing basis.

Strong together

83

audits were conducted by the 27 telecommunications companies in the Joint Alliance for CSR (JAC) in 2022.

Fair and environmentally sustainable supply chains

Management approach

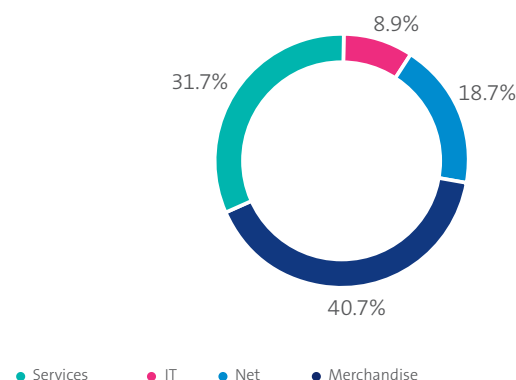
An important part of our understanding of values, governance and our Sustainability Strategy 2025 is implementing laws and standards and continuously improving environmental and social aspects along the supply chains. With our suppliers, alongside the economic relationship we focus on social, ethical, environmental and

sustainable procurement aspects. With the help of international industry initiatives, we can monitor and develop these aspects in the supply chain through targeted measures in the network.

Every year, we purchase goods and services worth over CHF 2.9 billion. In total, we work with over 3,000 suppliers in more than 150 commodity groups. The majority of deliveries come from the ICT sector and from suppliers of network infrastructure, merchandise and services.



Purchase of goods and services (2022)
by sector share in %



Procurement is responsible for handling all procurement transactions and ensures compliance with governance. It is attached to Group Business Steering and is therefore the responsibility of the CFO. The main basis for purchasing transactions is the Swisscom 'Code of Conduct for Procurement'. It contains binding rules for our suppliers and our employees. Legal implementation is carried out through the supplement to the purchasing contract 'Corporate Responsibility Contract Annex' (CRCA), which specifies the ecological, social and ethical aspects in the supply chain and safeguards them. The contract supplement is currently being updated to meet the requirements of the counter-proposal to the corporate responsibility initiative, which will come into force in 2023.

☞ See www.swisscom.ch/codeofconduct

☞ See www.swisscom.ch/csr-annextocontract

Main risk factors in the supply chains

Using a targeted risk-impact analysis based on an EcoVadis industry risk database, the focus is on risks relating to climate and environmental damage. Swisscom also takes its responsibility in the area of labour and human rights very seriously. Below we explain the instruments we use to eliminate, minimise and monitor the identified risks.

Human rights

We pay particular attention to the observance of human rights in accordance with the relevant ILO, OECD and SA 8000 standards. The focus is on the prohibition of discrimination, child and forced labour, and the right to health, safety and collective bargaining, freedom of association, reasonable limits on working hours and fair remuneration. The guidelines on human rights are published on our website.

☞ See www.swisscom.ch/humanrights

As part of our supplier risk management, we systematically monitor suppliers with digital risk monitoring and sometimes annually (assessments/audits). In doing so, we identify any human rights deficiencies and remedy them through improvement measures. For a risk assessment, we use the EcoVadis eco-rating platform (see 'EcoVadis sustainability ratings'). We also conduct annual audit campaigns in the international industry association. Detected deficiencies are followed up and resolved with 'Corrective Actions' (see 'Joint Alliance for CSR').

In addition, we further develop selected partners from product groups with increased risks with the support of independent CR specialists. In this process, the (sub)-supplier is specifically trained with regard to human rights and environmental standards in a tailored three-year programme (see 'Supplier Development Programme').

We are also actively committed to establishing the Innovators Network to Enable Human Rights (INHR) initiated by the Global Enabling Sustainability Initiative (GeSI). This network seeks initially to develop an 'intelligence platform' which, based on big data and artificial intelligence,

will uncover and report on current weaknesses in global supply chains. Since 2019, we have been a member of the UN Global Compact initiative.

☞ See www.unglobalcompact.org

☞ See www.gesi.org

Climate and environmental risks

Climate change poses risks, e.g. in the form of increasing levels of precipitation, higher temperatures and extreme meteorological events. These risks may compromise the manufacture of telecommunications products and network equipment as well as their transport into Switzerland, and thus have a negative effect on our market opportunities and operations.

Our greenhouse gas inventory (see 'Energy consumption and climate footprint') shows that the majority of our CO₂ emissions, 95%, are attributable to supply chains and thus to Scope 3. More than two-thirds of the emissions in the supply chain are generated by a few suppliers. The goal is for our preferred and strategic suppliers to publicly commit to ambitious climate targets as defined by the Science Based Targets Initiative (SBTi).

Where we can achieve a direct and major impact, we work closely with suppliers in joint carbon reduction programmes and optimise the value chain (see 'Carbon Reduction Programme'). Detailed information can be found in our report section on the strategic priority of climate protection (see 'Responsibility for the environment').

Raw materials, conflict minerals and metals

Raw materials in various products, which we resell to our customers, come from numerous countries and regions. The question of the origin of raw materials and the associated social and environmental risks are important for us. As a member of the Global e-Sustainability Initiative (GeSI), we are also affiliated with the Responsible Mining Initiative (RMI). The goal of this initiative is to monitor the origin of conflict minerals more strictly. This gives us access to the initiative's regular reporting. We also check compliance with international requirements as part of the JAC audits.

☞ See www.responsiblemineralsinitiative.org/about/rmi-initiative/

☞ See www.responsiblebusiness.org/

☞ See www.jac-initiative.com

Corruption

Acting responsibly is a core pillar of our ESG strategy. We have established a policy of zero tolerance in our approach towards corruption. We implement our internal guidelines through regular training, reviews and audits across the Group. In addition, we also require our suppliers to comply with these guidelines. We expect our own employees and those of our suppliers not to grant or accept any undue advantages. Infringements may result in disciplinary actions for our own employees, up to and including dismissal. If it is established that a supplier violated anti-corruption laws, they are reprimanded and, as a last

resort, removed from the supply chains. Under the risk-based approach, we have not been aware of any cases of corruption related to our business in procurement in 2022.

Risk management approach SCRM 360

Our supply chains are complex and we are aware of our responsibilities. Transparency is the key to fair supply chains. That is why we track over 500 (sub)-suppliers and more than 100 supply chains in our risk monitoring tool.

Our Supply Chain Risk Management (SCRM 360) follows a holistic approach. The aim is to reduce risks not only in ethical, social and environmental terms, but also with regard to finance, logistics, quality and security of supply. The focus here is on the entire purchasing volume. We pay particular attention to monitoring purchasing

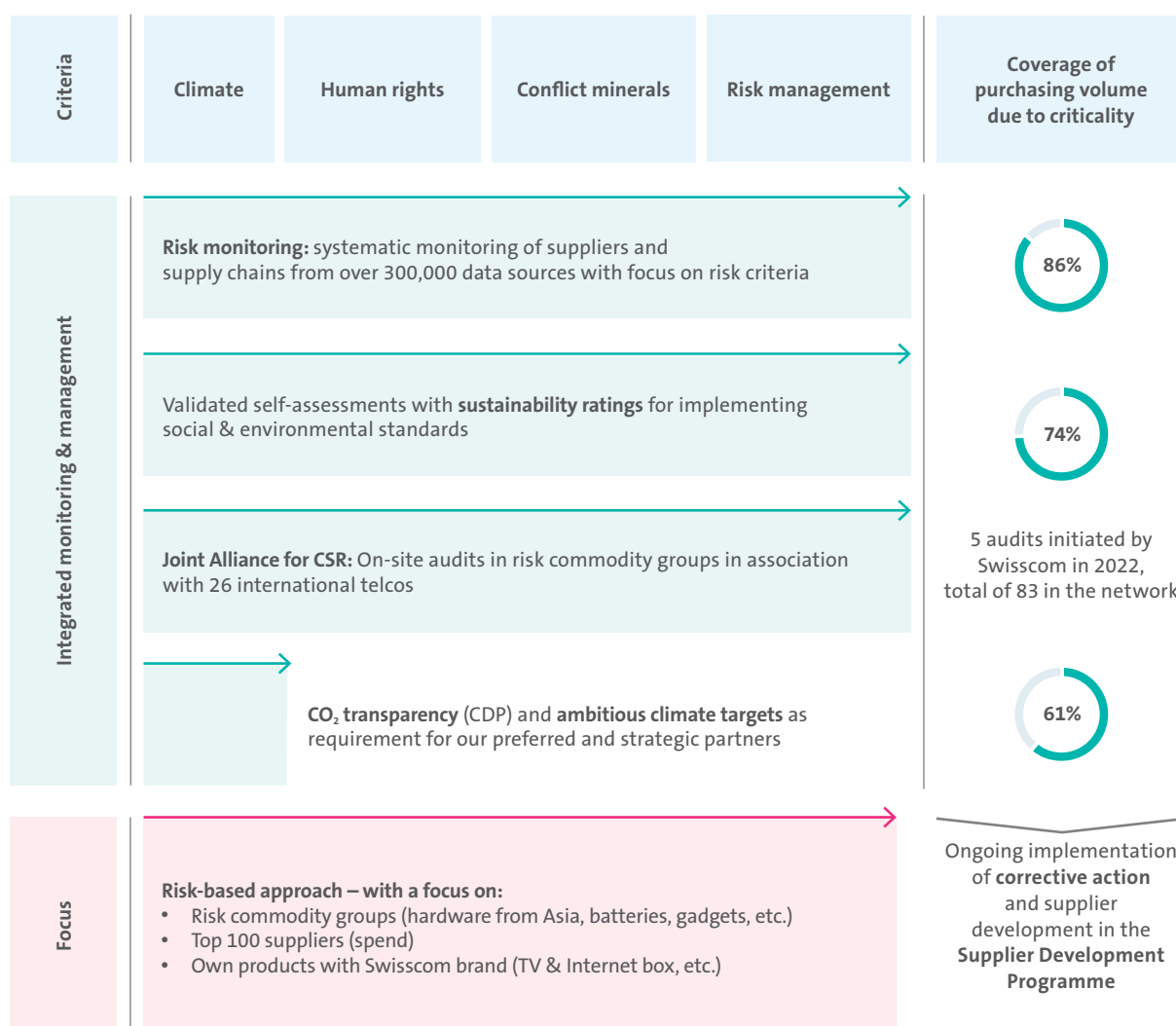
transactions with elevated risks (around 30%) and procurements with our top 100 suppliers. As a result, we have ongoing information about events in the supply chains relating to over 86% of our spend.

The risk assessment is based on a global standard and is integrated into the digital procurement process. In the case of invitations to tender, only suppliers that qualify for the relevant product groups will be admitted. ESG has also been an integral part of the decision-making process for contract awards since 2022. We monitor compliance with the requirements using a structured, holistic risk management system. This systematically covers all risk areas of the supply chains and the entire supplier portfolio.

See www.swisscom.ch/purchasing

Actual situation – ESG risk management along the supply chain (SCRM 360)

Use of a wide range of tools to identify and mitigate risks at an early stage



Initiatives and programmes to implement our sustainability goals in the supply chain

We attach great importance to maintaining a fair, effective partnership with suppliers who share our social and environmental goals and our values. Through international initiatives, we ensure the measures are implemented in close cooperation with our supply partners.

Carbon Disclosure Project

Our supply chains are responsible for the bulk of our CO₂ emissions. Scope 3 emissions in the supply chains therefore play a fundamental role in climate protection. With the emissions data from suppliers, the Carbon Disclosure Project (CDP) gives us a reliable basis for determining the carbon footprint and reduction targets for our company (Science Based Targets) as well as for selected key suppliers.

In October 2022, CDP again launched its Science-Based Targets campaign, in which 274 investors (with assets of USD 36.5 trillion) and 45 corporate customers, including Swisscom, asked 1,600 companies to set science-based emissions reduction targets in line with warming scenarios of 1.5°C.

As part of our cooperation with the CDP, we contacted and surveyed 83 of our relevant suppliers. The companies surveyed have a high order volume or a high degree of environmental relevance. The results processed by the CDP are partially incorporated into the EcoVadis platform and also used as a basis on which to comprehensively assess our relevant suppliers. We are also using this programme to show our own commitment to climate protection to 15 customers.

☞ See www.cdp.net

Carbon Reduction Programme

The majority of our CO₂ emissions are generated with a few suppliers. To achieve our climate targets as quickly as possible, we are focusing on these major levers. As part of the newly established Carbon Reduction Programme, we are optimising our footprint together with selected strategic suppliers. In 2022/2023, the focus will be on optimising key network components and launching a TV-Box that is as CO₂-efficient as possible. In doing so, we will analyse the entire value chain (design, supply chain, production, use, recycling and reuse) for reduction potential. We

will use life cycle analyses (LCA) at product level as a basis. In the Carbon Reduction Programme (CRP), we are supported by external environmental specialists. They advise and challenge us and are responsible for the certified performance measurement.

Promoting the circular economy in supply chains

We are a member of the Joint Alliance for CSR (JAC), a consortium now of 27 telecommunications companies which checks the safeguarding of social responsibility in the production centres of the major multinational ICT suppliers. Within the framework of our cooperation with the JAC and GeSI initiatives, we participate in two circular economy task forces. These are committed to more recycling in the manufacturing industry and strive to include circular economy criteria in common tendering procedures. In the future, the joint JAC audit guidelines will also be expanded to include this. Both task forces cooperate with international expert bodies such as the International Telecommunication Union (ITU). Detailed information can be found in the chapter on the circular economy and at:

☞ See www.jac-initiative.com

☞ See www.itu.int

☞ See www.cep2030.org

EcoVadis sustainability ratings

Risk-relevant suppliers complete a sustainability assessment on EcoVadis. 190 suppliers are in our portfolio on this global rating platform. These cover over 70% of the 2022 spend.

EcoVadis assesses suppliers in the core disciplines of environment, labour and human rights, ethics and sustainable procurement. The relevant supply partners are informed about deviations from the defined expectations and asked to make improvements. Progress is reviewed in reassessments. In the year under review, our suppliers performed significantly better than the average of the suppliers recorded on the platform (see table).

Comparison between the performance of our portfolio and the EcoVadis average

92% of our suppliers on EcoVadis have already undergone one or more reassessments. In 2022 11 suppliers were required to undergo reassessments. On average, they improved their overall score by 3.4 points.

Comparison between the performance of the Swisscom portfolio and the EcoVadis average:

	Total score	Environment	Labour & human rights	Ethics	Sustainable procurement
Swisscom Portfolio	60.3	63.1	62.0	57.9	54.5
EcoVadis					
All companies rated on the platform	44.8	44.7	47.6	42.9	37.0

Reassessments in the Swisscom portfolio compared with the EcoVadis average:

		Average improvement in points compared to the initial score				
	Revaluations ¹	Total score	Environment	Labour & human rights	Ethics	Sustainable procurement
Swisscom Portfolio	92%	14.2	14.8	14.4	13.3	14.4
EcoVadis						
All companies rated on the platform	40%	8.3	8.2	8.6	8.8	5.9

¹ 92% of suppliers in the Swisscom portfolio have undergone at least one reassessment after the initial assessment. Of all the companies assessed on the EcoVadis platform, this is the case for 40%.

Joint Alliance for CSR (JAC)

Audits and mobile surveys

We use audits to identify unsatisfactory practices in accordance with specific review criteria and take appropriate measures to address them through prioritised and scheduled measures. Uncovered issues often concern the environment, working hours, salary, safety and health.

In the year under review, 83 (previous year: 71) audits were carried out in the JAC network. The audited suppliers included producers from the areas of IT hardware, software and services as well as networks and end devices. Audits also had to be postponed in 2022 or could not be carried out in some cases (COVID-19). Swisscom, for example, was also affected by several postponements (China).

☞ See www.jac-initiative.com

In addition to the normal sustainability audits, our partner organisation Elevate conducted mobile surveys again in 2022. Workers answered questions about their working conditions on their mobile phones outside the factories. During the year under review, a total of 15 (prior year: 17) mobile surveys were conducted. Other measures, e.g. targeted sustainability training for suppliers, had to be postponed until 2023 due to COVID-19 restrictions.

Audit results

As in previous years, the audit activities related to production facilities and suppliers, the majority of which are located in Asia, primarily in China, Taiwan and India. In total, 549 (prior year: 426) vulnerabilities were identified. Most of them were related to working hours, health and safety and the environment. The findings mainly concern the following categories and subcategories:

- **Health and safety:** e.g. blocked emergency exits, emergency lighting, and the handling and storage of hazardous substances
- **Working hours:** working hours, overtime and rest days
- **Salaries and benefits:** social security, minimum wages and deductions
- **Environmental protection:** Greenhouse gas emissions (measurement, reduction targets, involvement of suppliers/subcontractors), implementation of environmental issues along the supply chain
- **Child labour and young workers:** overtime, night shifts and no child labour
- **Forced labour:** lack of employment contracts

The time period for rectifying the irregularities depends on the category concerned. For example, correcting non-conformities related to working hours usually takes several months as it affects the human resources system of the company concerned.

The JAC Initiative has conducted a total of 910 audits in 45 countries since 2010:

Impact since 2010

Number of audits performed, total	910¹
Countries	45
Asia	84%
Number of employees recorded, total	> 1.56 million
Number of identified deviations	5,718
Number of pending deviations	355²

1 Of which 84% in Asia.

2 Of which 325 from 2022, 30 from 2021 / 2020.

Global e-Sustainability Initiative

As part of the Global e-Sustainability Initiative (GeSI), the world's leading ICT providers are committed to sustainable change using new technologies. GeSI has heav-

ily geared its organisation and activities towards the United Nation's Sustainable Development Goals.

We work within the GeSI framework in a variety of projects, e.g. to promote fair supply chains and the circular economy. We also play an active role in various GeSI sustainability projects. These projects include, for example, the 'Digital with Purpose' initiative and the establishment of the 'Innovators Network to Enable Human Rights' (INHR). As part of the 'Better World Program', we help selected suppliers to implement best practices in the area of corporate responsibility.

© See www.digitalwithpurpose.org

Supplier Development Programme

We are involved in the 'Supplier Development Programme' (SDP) together with strategically important suppliers or their sub-suppliers. Over the last few years, we have worked with participants to develop solutions in relation to issues such as environmental protection, working time regulations and health and safety. After the SDP participants themselves have successfully completed the development programme over three years, they can use it independently and apply it to their supply chains. Suppliers who are active in the programme continue carrying out their measures independently after the first year.

© See www.gesi.org/platforms/the-better-world-programme

Responsibility for the environment

Emissions

–90%

Swisscom aims to reduce its GHG emissions by 90% by 2025 (base 1990).

Renewable energy

100%

We are already using 100% renewable electricity by purchasing certifications of origin.

Solar energy

104

of our own photovoltaic plants generate 3.6 GWh of electricity today. By 2023 we would like to increase production to 4 GWh.

Energy efficiency

1.42 GWh

of electricity in the mobile network is saved thanks to environmentally friendly ventilation at mobile sites.

Customers

1 million tonnes of CO₂

The amount we want to save annually by 2025 by enabling our customers to reduce their carbon footprint through innovative ICT solutions.

Circular economy

107,000

used mobile phones were collected and resold or recycled in 2022 as part of Swisscom Mobile Aid. The proceeds will benefit the SOS Children's Village.

Climate protection and energy efficiency

Management approach

In our role as an IT and telecommunications provider and as a major consumer of energy, we are intensively and proactively concerned with climate protection, energy efficiency and the production and use of renewable energies. We operate the largest telecommunications and IT infrastructure in Switzerland and one of the largest fleets of company and commercial vehicles. Added to this are our office and operations buildings, shops and data centres. Every year we procure goods and services worth CHF 2.9 billion and provide many customers with a wide range of products and services.

We want to use our influence to make a significant contribution to a climate-friendly Switzerland. To this end, we have defined an ambitious climate strategy and a comprehensive raft of measures covering our entire value chain. Our climate strategy is based on the IPCC reports (Special Report of 2018, 6th. Assessment Report AR6 of August 2021), which call for a tightening of the Paris climate target and recommend that a maximum temperature increase of 1.5°C be adhered to. Our reduction path to 2030 and beyond is based on

the new net-zero standard of the Science Based Targets Initiative (SBTi).

In line with these reports and the standard, we are stepping up our measures to reduce our greenhouse gas emissions, including the electrification of our vehicle fleet and the use of heat pumps for our heating systems and the reduction of emissions from our supply chain. (For more information, see: Climate report 2022, section 1)

Environmental management system and clear goals

We manage all measures to protect the climate using an environmental management system and targets. We commit human and financial resources to achieve our goals. We use norms, standards and internal directives to implement the planned savings and efficiency measures systematically. All subsidiaries with operations that are of significant environmental importance are certified according to ISO 14001 and ISO 9001. These are Swisscom (Switzerland) Ltd, Swisscom Broadcast Ltd and cablex Ltd. The environmental management system used and its efficiency are subject to an annual external audit. We have determined our energy requirements on the basis of scenarios and have defined energy efficiency and CO₂ reduction targets. In addition, we have con-

cluded target agreements with the Energy Agency of the Swiss Private Sector (EnAW) and the federal 'Exemplary Energy and Climate' initiative.

Steadily moving along the reduction path

We have reduced our direct greenhouse gas emissions by more than 80% over the past 30 years. Building on the base year 1990, we want to continue the reduction path to 90% by 2025. We aim to decarbonise our operations and supply chains further and faster than before and to limit our direct and indirect CO₂ emissions to 229,000 tonnes by 2025. Since 2020, we have been completely offsetting the remaining, unavoidable operational emissions with the partners myclimate and now also South Pole and First Climate.

We have been offering climate-neutral subscriptions to all customers since February 2022.

For the subscriptions to be climate-neutral, a climate-neutral network and climate-neutral end devices are required. For this, we fully offset our unavoidable emissions from the manufacture, transport, use, and disposal of retired network infrastructure and terminal equipment. For climate offsetting, we use CO₂ certificates from high-quality climate protection projects which, in addition to reducing CO₂, also contribute to numerous other SDGs such as education and health. In addition to four projects abroad, we also support a local standard tree project on top of the offsetting measures (see 'Biodiversity').

☉ See www.swisscom.ch/climateneutral

We aim to reduce emissions from the value chain by 50% by 2025 compared to 2013 (when measurements began). From 2025, we aim to fully offset our company's total, direct and indirect residual emissions, including those from our supply chains. This means that from 2025 onwards, we will not only have climate-neutral operations but will be a climate-neutral company too in our Swiss business. At the same time, we will continue to follow the reduction path of 1.5°C set by the SBTi and have committed to SBTi net zero as a whole Group (including Fastweb). Swisscom will submit the corresponding dossier with the Group-wide net zero 2035 target to the SBTi in 2023.

Reducing energy consumption

Periodic analyses of our impact on the environment prove that our energy consumption is the most important internal lever for reducing CO₂ emissions. By 2025, we want to increase our overall energy efficiency by a further 20% compared with the level on 1 January 2020. By 2030, we want to reduce our energy consumption by 30% compared with today, despite increasing data volumes. To this end, an internal programme was launched in the current year with the aim of identifying and achieving additional potential savings.

In addition, we will focus even more strongly on renewable electricity in the future. By purchasing certificates of origin, we already use 100% renewable energy today. In the coming years, we also intend to significantly increase the share of self-generated solar energy (see 'Generating our own solar energy').

Investment

Swisscom is using its own capital and outside financing to finance its transition to becoming a climate-neutral company. Swisscom qualifies for the issuance of green bonds. The first of the green bonds was issued in euros on the European market in 2020 and the second in Swiss francs on the Swiss market in 2021. Swisscom uses the funds raised within the Green Bond Framework. Since 2021, it has also had credit facilities with costs that are linked to the ESG objectives (environmental, social and governance).

We analyse our climate-related risks and opportunities using the official Swiss climate scenarios (Climate Scenarios CH-2018) and the National Risk Analysis Report (Disasters and Emergencies Switzerland 2020). We follow the recommendations of the Financial Stability Board (FSB) Task Force on Climate-related Financial Disclosures (TCFD) in the areas of governance, strategy, risk management and metrics. We will publish information about our approach to adaptation and mitigation and our conclusions. As required, we will align our business strategy accordingly. In this way we will ensure the long-term resilience of our business and create the basis for our investors to trust us and accompany us on this path.

☉ See www.swisscom.ch/financing

Through our portfolio and together with our customers, we aim to increase CO₂ savings to 1 million tonnes per year by 2025. These savings correspond to around 2% of Switzerland's greenhouse gas emissions. We promote and develop services that enable people in Switzerland to lead a climate-friendly lifestyle.

Reference	Target agreement	Start year January 1 st	Target year Dec. 31 st	Target
Energy and energy efficiency agreements				
Swisscom	Energy efficiency (savings measures over total energy consumption, not weighted)	2020	2025	+20%
Swisscom	Energy efficiency (savings measures over total energy consumption, not weighted)	2020	2030	+43%
EnAW	Energy efficiency (savings measures over total energy consumption, weighted)	2013	2024	+36%
VEK	Energy efficiency (savings measures over total energy consumption, not weighted)	2020	2030	+18%
CO₂ reduction agreements				
Swisscom	CO ₂ reduction Scopes 1 & 2 since measurements began	1990	2025	–90%
Swisscom	CO ₂ reduction Scope 3 since measurements began	2013	2025	–50%
Swisscom	Climate-neutral company		2025	100%
Swisscom	CO ₂ reduction Scopes 1 to 3 acc. to 1.5°C reduction path of sector guidance (SBT)	2020	2025	–25%
Swisscom	CO ₂ reduction Scopes 1 to 3 acc. to 1.5°C reduction path of sector guidance (SBT)	2020	2030	–50%
EnAW	CO ₂ intensity of heating fuels (CO ₂ emissions as a proportion of total CO ₂ emissions and CO ₂ savings)	2013	2024	–9.5%
EnAW	CO ₂ intensity of fuels (CO ₂ emissions as a proportion of total CO ₂ emissions and CO ₂ savings)	2013	2024	–27%

Energy efficiency in operations

We are investing an enormous amount in telecommunications networks and energy efficiency measures. The network infrastructure is described in detail in the Annual Report in the 'Infrastructure' section and the 'Responsibility for people' section. To operate the networks we need primarily electricity.

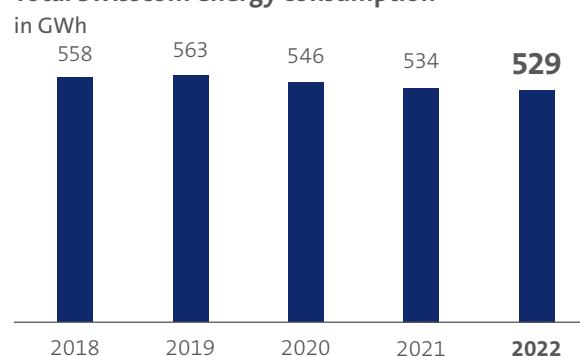
Energy management according to the standard

Through systematic energy management, we are increasing our energy efficiency, reducing costs and minimising our company's direct and indirect carbon footprint, especially our CO₂ footprint. In line with ISO Standard 50001 on energy efficiency, our energy management approach consists of the following process steps:

- Determining energy requirements over a specific period
- Defining and approving energy efficiency targets and corresponding measures
- Determining the energy mix (particularly the electricity mix)
- Implementing energy efficiency measures
- Monitoring, energy balancing and reporting
- Developing and marketing sustainable ICT products and services

Our energy management has a major impact on our direct CO₂ emissions and is therefore our most important tool for ensuring the transition to becoming a CO₂-free company and achieving a net zero target.

Total Swisscom energy consumption



Determining energy demand up to 2030

In the year under review, we again reviewed our energy requirements and modelled their CO₂ footprint up to 2030. The hypotheses and scenarios used are contingent upon a massive increase in e-mobility and the widespread electrification of building heating systems. The demand for fossil fuels should thus decrease significantly. The switch to electrical processes will be accompanied by considerable increases in efficiency, as electric motors and heat pumps are particularly efficient.

Determining the energy and electricity mix

We pay attention not just to the quantity of energy consumed, but also to the way it is produced and therefore to its carbon footprint. In accordance with our procurement policy for renewable energy published in 2020, we procure our energy wherever possible from sources that are renewable or produce low CO₂ emissions. These primarily include hydropower, photovoltaics, wind power and, to a lesser extent, biomass for heating systems.

© See www.swisscom.ch/renewable-energy

At 89.3%, electricity accounts for the largest share of our total energy consumption (prior year: 87%). We are committed to the use of 100% electricity from renewable energies and are a member of RE100, an international

initiative to promote electricity from renewable resources. We obtain our renewable energy through three mechanisms:

- We have our own photovoltaic systems.
- We purchase the majority of our hydroelectricity from established suppliers in Switzerland.
- We buy certificates of origin (HKN) for the non-renewable part of the energy mix.

As a result, the proportion of renewable electricity used in the year under review, as in previous years, was 100%, as verified by the independent inspection authority SGS.

Energy-efficient operations

We are continuously increasing our energy efficiency and reducing the associated CO₂ footprint in our operations. The following measures make the greatest contribution.

Network modernisation

Despite constant network expansion in both broadband and mobile networks, electricity consumption was virtually unchanged in 2022. This was achieved thanks to the use of new, more efficient technologies and the systematic implementation of further efficiency measures such as the modernisation of the low-band radio units in the mobile network. It was also due to the dismantling of obsolete platforms and network elements. In the mobile network, software functions that automatically reduce network capacities when the traffic load is low (for example, Micro Sleep TX) were activated for the first time. Further functions are continuously evaluated and activated whenever possible.

Replacement of antennas and cooling devices

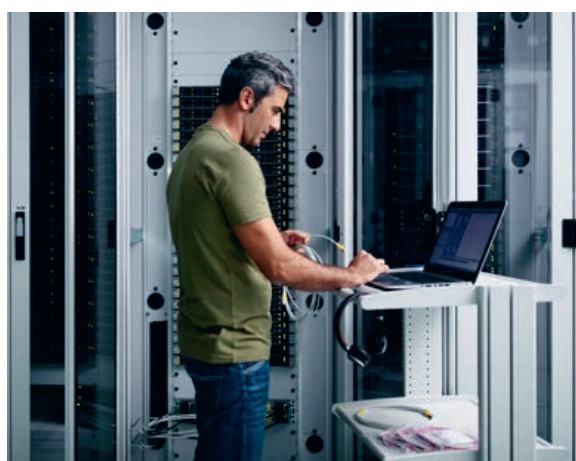
Today, antennas and the required electronics usually form a single unit. The signal quality is improved as a result. In addition, the energy requirement is reduced if the conversion from optical to electrical signals and vice versa is performed directly at the antennas. Increased use of active antennas can provide even higher capacity and further boost energy efficiency, since the transmitting electronics operate directly in the antenna.

The portfolio includes coverage-optimised single-band and multi-band radio units that reduce space requirements, power consumption and the overall operating costs. They are cooled directly by the outside air, which reduces the heat load and the required cooling capacity within the base station. We successfully completed the 'Scirocco' project at the end of 2022. Over the past four years, the oversized and energy-intensive cooling systems and air-conditioning units at 1,000 mobile telephony sites have been replaced wherever possible with environmentally friendly and cost-effective ventilation systems. This will save around 5,000 MWh of electricity per year in the mobile network (RAN).

Innovative data centres

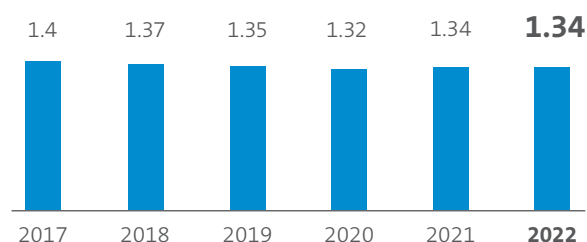
The power usage effectiveness (PUE) value represents the total power consumed by a data centre relative to the power consumed by the IT infrastructure used there. In the year under review, our data centres had an average PUE value of 1.34 (see graphic). We strive to improve this figure all the time. Our most innovative data centre is located in Berne Wankdorf. This is cooled with recirculated air and rainwater and achieved a PUE value of 1.31 in 2022. Its waste heat of 3.4 GWh flows into the heating network of the city of Berne.

In order to further boost the efficiency of our data centres, we are focusing primarily on server virtualisation. This means that less IT infrastructure and therefore less energy are required for the same performance.



PUE value trend

Total electricity consumption of Swisscom data centres in relation to power consumption of the IT infrastructure used there



Savings in buildings

We monitor and improve electricity consumption in buildings. In the year under review, the corresponding checks helped optimise the operating conditions of buildings, saving 695 MWh of energy, 150 MWh as a result of lighting measures alone. We measure the consumption of heating oil, natural gas, district heating and water on a monthly basis in our 120 largest buildings. These buildings account for more than half of our total floorspace. We then extrapolate these figures to calculate the overall annual consumption. The monthly measurements help to identify disproportionately high energy consumption and optimise any deficiencies. There was a sharp drop in energy consumption for heating the buildings during the year under review. This was due to warmer temperatures compared with the previous year and to energy-saving measures in connection with the threat of electricity shortages. However, this sharp drop is not necessarily sustainable and could lead to rebound effects in the current year. Nevertheless, continuous building renovations and accelerated heating renovations with heat pumps make a significant contribution to a sustainable reduction in emissions from fuels.

Since 2016, we have been systematically replacing all heating systems due to be renovated with CO₂-free systems. The new heating systems generate heat by means of heat pumps, biomass (wood) and, where possible, heat recovery from their own operation. They are contributing to the shift from fossil fuels to electricity to cover energy needs, while at the same time increasing efficiency. The energy and CO₂ intensities of buildings, all categories combined, have dropped by 49% and 61% respectively since 2007.

Swisscom has also joined the Federal Department of the Environment, Transport, Energy and Communications' energy-saving alliance and supports energy-saving measures to ensure security of supply in the winter of 2022/23. Measures that can be implemented quickly have been taken, particularly in relation to office buildings and shops. In the evening and at night, the interior and exterior lighting in all shops and office buildings is being reduced as much as possible. Swisscom is also reducing the room temperature in all buildings to a maximum of 20°C and informing employees and customers about simple and efficient electricity-saving measures.

Utilising waste heat

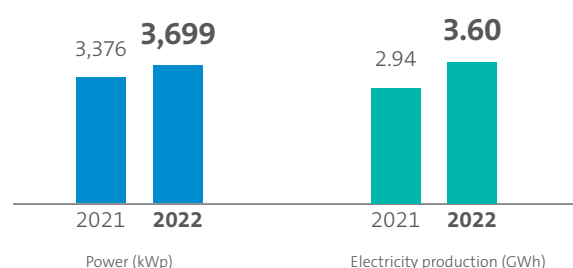
We use the waste heat from the IT infrastructure in the operating rooms or from data centres to heat our offices or neighbouring areas. For example, we feed waste heat into the district heating systems in Zurich (Binz and Herdern), St. Gallen, Berne Wankdorf and Ittigen to heat residential and office buildings in the neighbourhood. During the year under review, a total of 12.6 GWh (prior year: 13.5 GWh) of thermal energy was fed into neighbouring

areas as district heating, saving 1.26 million litres of heating oil (prior year: 1.35 million litres).

Generating our own solar energy

We generate and use our own electricity from photovoltaic systems on our office buildings, transmitter stations, base stations and telephone exchanges. At the end of 2022, the total output of our 104 solar installations was 3,699 kWp (+ 9.6%) and electricity production was 3.6 GWh.

Power and electricity production of 104 Swisscom photovoltaic installations



The project for the construction of photovoltaic systems on buildings with mobile communications installations was continued in the reporting year. This means that we should exceed the set target of 4,000 kWp by the end of 2023. The programme for the construction of photovoltaic plants will be continued beyond 2023.

Fleet of climate-neutral vehicles

Our entire fleet will be climate-neutral: by 2025, we still plan to halve the CO₂ emissions of the vehicle fleet compared with the reference year 2020. By 2030, our entire fleet – both passenger and commercial vehicles – will be electrified and thus CO₂-neutral.

In 2022, we continued the electrification of our passenger vehicles fleet. By the end of 2022, we had 91 fully electric vehicles (BEV: battery-powered electric vehicles) and 697 hybrid electric vehicles (HEV: hybrid electric vehicles) in operation. We are currently facing a market shortage in the procurement of electric vehicles. Production and delivery bottlenecks meant that we were unable to procure the desired number of electric vehicles in 2022. However, we are sticking to our goals for 2025 and 2030.

We have built charging stations in our buildings to accommodate the increased procurement of vehicles with electric drives. Employees who opted for an electric company car received financial support to install a charging station at home.

Further measures are contributing to halving the CO₂ footprint for mobility. Thanks to optimisations made in field and customer services, fewer vehicles are in use. The traditional drives will continue to be optimised and energy-efficient models procured. Procurement criteria

such as efficiency category and CO₂ emissions are being given more weighting. In 2022, 89.1% of the vehicle fleet was assigned to energy efficiency categories A and B. Electrically operated vehicles also belong to these two categories. The passenger vehicles fleet produces average CO₂ emissions of 127 grammes per kilometre, our commercial vehicles 248 grammes per kilometre (including vehicles with electric drives). Historically, these values used to be stated on the basis of the manufacturer's specifications according to the NEDC standard. This standard was recently replaced by the new WLTP method. From the reporting year onwards, Swisscom therefore now states the effective emission values, as there is an overlap between the manufacturer specifications according to NEDC (older vehicles) and WLTP (newer vehicles). A direct comparison with the previous year's values is therefore not possible (see "Environmental key figures in Switzerland").



Vehicle fleet

2022

Share of vehicles in energy efficiency class A and B **89.1%**

Average CO₂ emissions of passenger cars **127 g/km**

Average CO₂ emissions of commercial vehicles **248 g/km**

Our offsetting strategy

Climate offsetting for operational emissions and our subscriptions is on a voluntary basis. We do not see climate offsetting as a substitute for CO₂ reduction. While our main focus remains on reducing CO₂, we want to take responsibility today for the CO₂ emissions that are currently still unavoidable.

We offset exclusively with high-quality CO₂ certificates. In doing so, we are following the current recommendations of SBTi and the Oxford Principles for Net Zero Aligned Carbon Offsetting:

1. **CO₂ reduction as a top priority:** only currently unavoidable emissions are offset.
2. **From CO₂ prevention (avoidance) to CO₂ neutralisation (removal):** preventing CO₂ from entering the atmosphere and neutralising CO₂ are important climate protection measures. In the transition phase to becoming a climate-neutral company, Swisscom is implementing both measures.
3. **Transition from short-term (nature-based) to long-term (technology-based) neutralisation:** for CO₂ neutralisation, we are currently focusing on nature-based climate offsetting projects ('nature-based solutions'). However, Swisscom also sees the need to examine technology-based climate protection projects in the future which have the potential to permanently store and thus neutralise CO₂.
4. **Long-term commitments:** Swisscom considers it useful to support climate offsetting projects over several years in order to promote and support the development of these projects.

Procurement certificates

To ensure the high quality of the CO₂ certificates used, Swisscom spent a year intensively studying the concept of voluntary offsetting and defined clear criteria for its offsetting portfolio: reliable CO₂ prevention/removal, ambitious projects, diversified portfolio and ties to Swisscom. All projects offered were reviewed and evaluated by Swisscom as well as by an external partner. Only CO₂ certificates that met the quality and integrity criteria were procured.

Geographical framework of offsetting

We believe the best approach is to support mainly offsetting projects in developing and emerging countries. Developing and emerging countries are disproportionately affected by the impact of climate change, but are only minimally responsible for it. As high-quality offsetting projects in developing countries have a positive impact on the local population and ecosystems, not only is Swisscom promoting climate protection, it is also contributing to the sustainable development of these regions and the United Nations Sustainable Development Goals (UN SDGs).

Swisscom's offsetting projects

We reached an agreement with myclimate two years ago on offsetting to achieve climate-neutral operations. With CO₂ offsetting for climate-neutral products and services in B2C and B2B, Swisscom has expanded the portfolio in accordance with our criteria with additional high-quality projects and suppliers (South Pole and First Climate). The projects are described on our website.

© See www.swisscom.ch/climateprotectionprojects

Scope 4: this is how we help save 1 million tons of CO₂ annually

According to the SMARTer2030 study by the GeSI (Global Enabling Sustainability Initiative), ICT solutions can help cut global CO₂ emissions by around one fifth by 2030. This is why we are consistently committed to the use of innovative ICT services in our own company and by our customers. Together with them, we want to save 1 million tonnes of CO₂ annually by 2025, which corresponds to around 2% of Switzerland's total emissions.

☞ See www.swisscom.ch/sustainableproducts

Climate protection solutions for our customers

Below we report on the most important ICT products for our customers, divided into business and residential customers. The offerings have different climate impacts – on the indirect emissions (Scope 3/footprint) that arise with the use of the products or on the emission reductions (Scope 4/handprint) that the customers achieve through the use of the products. A detailed greenhouse gas balance sheet by emission category is published in our Climate Report.

☞ See www.swisscom.ch/climatereport2022

For residential customers

- **Climate-neutrality for subscriptions, network and end devices:** we have already been a climate-neutral operation since 2020. For example, we have been operating the entire network with 100% renewable energies from hydropower, sun and wind for over ten years. The remaining emissions from the manufacture, transportation and installation of the network components are now also offset. As a result, we have been offering completely climate-neutral subscriptions since 2022. The end devices sold are now also climate-neutral: the residual CO₂ emissions from their manufacture, transportation, use and disposal are offset at no extra cost to customers. To achieve this, we work together with selected offsetting partners.

☞ See www.swisscom.ch/climateneutral

- **Climate-compensated smartphones:** in 2022, voluntary climate compensation of smartphones was ended, not because it was unsuccessful, but because all smartphones offered in the climate-neutral subscriptions are climate-compensated as standard. (See section 'Climate-neutrality for subscriptions, network and end devices').
- **blue TV:** in the prior year, we launched the Swisscom Box 21 on the market. This requires even less electricity than its predecessors. In addition, customers can optionally select a deep standby mode during installation, which further reduces electrical energy consumption but also slightly reduces user-friendliness (longer start-up time). Despite steady growth in customer numbers for blue TV, we have gradually reduced the energy consumption of all TV boxes in operation. In 2022, the TV boxes together required 51

GWh (prior year: 56 GWh). The main reason was the gradual replacement of older models by the latest TV-Box (Swisscom Box 21).

☞ See www.swisscom.ch/tv

- **Routers:** in 2022, we launched Internet-Box 4 for our fibre-optic customers. To save energy, our Internet boxes have an option to set the time period during which the WLAN is automatically switched off via a timer. In addition, fewer devices are being used in home networks, as the Internet boxes are increasingly replacing the connecting devices previously required to wirelessly link computers, televisions and HD fixed-line telephony, resulting in modest falls in energy consumption.

☞ See www.swisscom.ch/router

- **Energy-optimised operation of end devices:** the energy consumed by customer devices can be extrapolated to 269 GWh (prior year: 281 GWh) based on the power consumption of each device and typical usage profiles. We would like to reduce this amount and draw the attention of our customers to the numerous energy-saving possibilities. On our website, for example, we recommend the appropriate settings for energy-optimised operation of devices. We also provide information on the energy consumption of end devices such as Internet and TV boxes.

☞ See www.swisscom.ch/save-energy

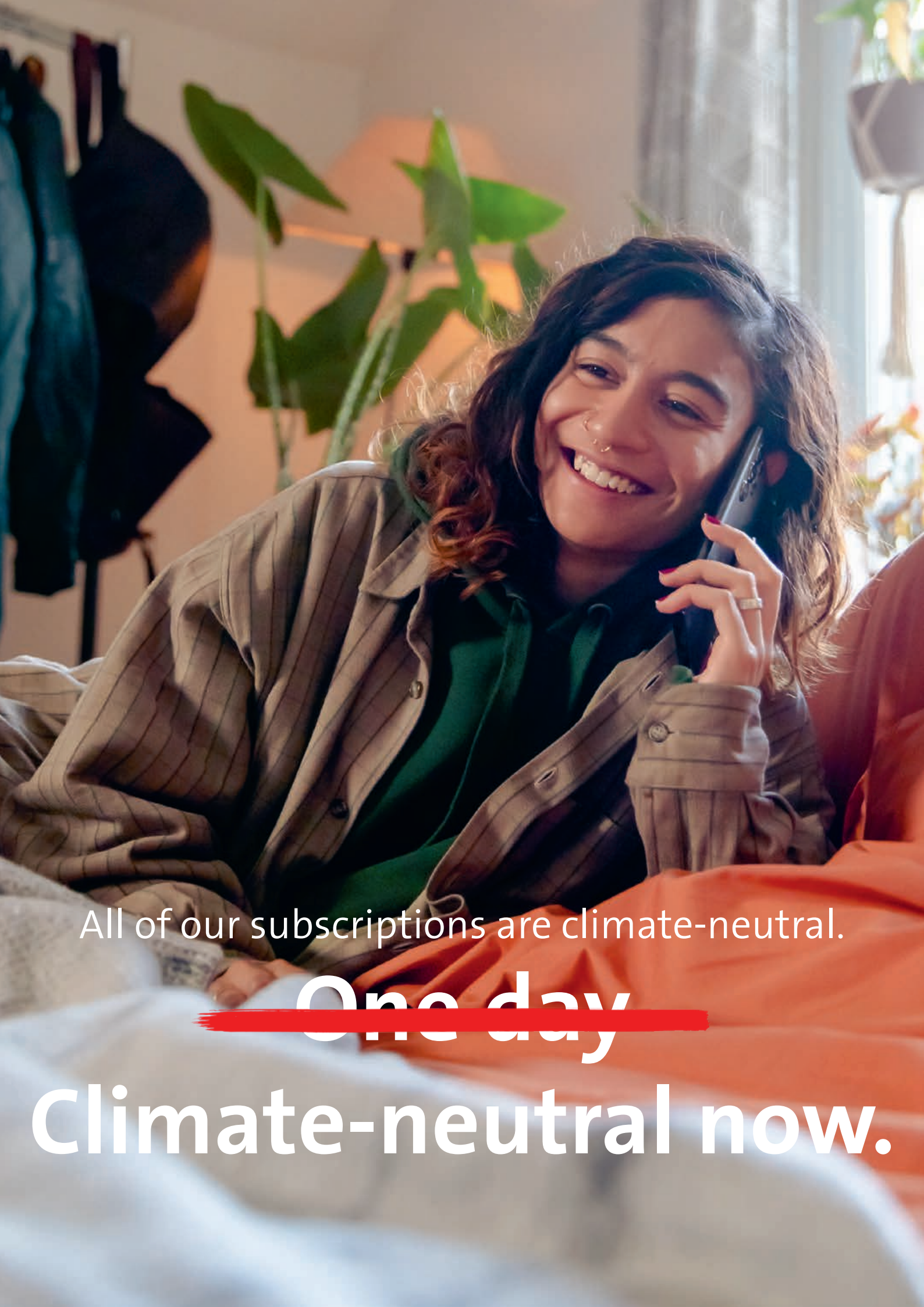
- **Online billing:** online billing is an environmentally friendly alternative to paper billing and saves money and time. The proportion of our customers who receive their bills online grew significantly once again to 67% (prior year: 64%). This saves over 20 million sheets of paper per year

☞ See www.swisscom.ch/bills

20 million

Number of sheets of paper Swisscom saves with online billing

- **Test shop for sustainable products and services:** to further develop our portfolio of sustainable products, we have expanded one of our Repair Centres in Winterthur into a sustainability shop. The goal of this project is to gain a better understanding of customer



All of our subscriptions are climate-neutral.

~~One day~~

Climate-neutral now.

needs for sustainable equipment, accessories and services and to gain insights for the further design of our offering.

- **Swiss Climate Challenge:** together with Energy Switzerland, Migros Pioneer Fund and South Pole, we launched the 'Swiss Climate Challenge' (SCC) app. In an accompanying research project, ETH Zurich investigated the impact of the SCC on the reduction of personal footprints. In 2022, the focus was on conducting challenges with companies and cities (See 'For business customers').

🔗 See www.swissclimatechallenge.ch

- **Smart mobility with autoSense:** the autoSense IoT platform from our joint venture with AMAG and Zurich Insurance assists car owners in networking their vehicles. In addition to services related to servicing and repairs, autoSense provides feedback and recommendations on a person's driving style and gives tips on how to make it more efficient.

🔗 See www.autosense.ch

For business customers

- **Climate-neutral subscriptions, networks and end devices:** the subscriptions, including the end devices, that our business customers purchase have also been climate-neutral since spring 2022. This development happened in parallel with the climate-neutral subscriptions for residential customers (see section 'For residential customers').
- **Data-based decarbonisation solutions:** we launched a new solution in the reporting year to help companies decarbonise. Swiss companies with more than 500 employees or over CHF 40 million in revenue must publish a climate footprint in 2024 for the 2023 reporting year. Preparing climate footprints is becoming increasingly challenging, as they must cover the entire value chain, including the supply chain. Intelligent software solutions can make this much easier. That is why we are launching climate footprint software in partnership with Swiss Climate, a Swiss climate consultancy, and selected start-ups like Sweep. In doing so, we want to make it easier for Swiss companies to set and monitor ambitious climate targets. In the year under review, we were able to gain experience in pilots with larger (e.g. Migros) and also smaller companies (e.g. Erich Keller AG) and share this experience at internal and external events e.g. the 'Swiss Economic Forum', the 'Swisscom Business Days' and 'Forum ö'. It has been shown that the new approach makes assessing climate footprint in companies more transparent, faster and more interactive.
- **Work Smart:** collaboration platforms with video, chat and filing functions allow people to work from home or on the go. The relevance of these technologies has been apparent since the start of the COVID-19 pandemic, e.g. for coping with working from home and home-schooling.

- **Virtual conferences:** online conferencing services enable location-independent and interactive collaboration with employees, customers and partners around the world. With virtual conferences, numerous business trips can be avoided and commuter traffic reduced. This saves time and massively reduces CO₂ emissions.
- **Data centre services:** by offering the server infrastructure in our efficient data centres and our cloud services, we help businesses improve efficiency, security and scalability, while saving energy and costs.
- **Dematerialisation:** various collaboration solutions support paperless work and reduce paper consumption, among other things. With Conextrade we offer a platform for the digitisation and automation of business processes.
- **Start-Up Challenge 2022 – Sustainability:** the Swisscom Start-Up Challenge was held again in the year under review. The focus was on the goal of helping our customers reduce greenhouse gases. Five innovative and diverse ideas were selected as winning projects from over 200 submissions. They demonstrate the range of ways in which technology is helping to reduce greenhouse gas emissions and strengthen sustainability.

🔗 See www.swisscom.ch/startupchallenge

- **IoT Climate Award:** to provide an incentive for the development and dissemination of innovative IoT solutions, we held the IoT Climate Award for the third time in the year under review. With the award, we recognise companies and start-ups that offer climate-friendly IoT solutions. 2022 also saw the Climate Hero Award presented for the first time to the company with the greatest CO₂ savings: Selecta received the award for its IoT-driven data collection via the mobile phone network, which enables dynamic route planning for the replenishment of their vending machines.

🔗 See www.swisscom.ch/iotclimateaward

- **Swiss Climate Challenge for companies:** in the year under review, around 4,500 new people signed up for the Swiss Climate Challenge. This was done as part of the company challenges at Mobiliar, AMAG, Post, PostFinance and the city of Will. So far a total of over 30,000 people have registered for the SCC and become aware of the footprint caused by their mobility. ETH Zurich identified a reduction in CO₂ emissions from mobility as part of an experiment, but this cannot be considered statistically significant due to the size of the sample. Further investigations will corroborate the observed reductions in emissions during the challenges. To this end, another study by ETH Zurich with a larger number of participants is planned for spring 2023 (see 'For residential customers').
- **Sustainable cities and communities:** networked and smart devices and applications help buildings and transport systems to be operated more efficiently. Furthermore, the networking and remote monitoring of plants and vehicles make it possible to reduce the

logistics costs of companies and cities. For example, networked waste containers optimise collection routes within city limits. These IoT solutions are mostly developed and marketed by innovative SMEs and start-ups.

- **Mobility analyses of companies, cities, municipalities and events:** on the basis of anonymised mobility data, mobility analyses can be created for companies, cities and municipalities to optimise transport planning. After completing initial analyses with pilot companies, we refined the offering for the first time in the reporting year and developed it as a prototype. These prototypes were then tested with customers in the second half of the year. A decision will be made in early 2023 as to whether this will lead to a standardised product that companies can use to record their CO₂ emissions from business and commuter traffic, evaluate the efficiency of their work-smart culture, and plan new solutions – for example, in the area of electromobility.

☞ See www.swisscom.ch/mip

- **Myni Gmeind:** the association Myni Gmeind is a collaboration between the Association of Swiss Municipalities, Swisscom, Swiss Post, Cisco and Academia. With the help of digital solutions, we strengthen the attractiveness and sustainability of municipalities. In the reporting year, we held ten webinars on digitisation topics for municipalities. In addition, a special edition of the publication Schweizer Gemeinde (Swiss municipalities) on the topic of 5G was published with the Association of Swiss Municipalities.

☞ See www.mynigmeind.ch

- **Investments in the area of sustainability:** the Swisscom Ventures division has been successfully investing in start-ups in the field of digitisation for many years. In the year under review, Swisscom Ventures invested in three technology start-ups active in sustainability. One of them is Daphne, a start-up in the field of decarbonisation and pollution reduction in shipping. We also invested in South Pole, a company that offers solutions in the area of climate protection and climate offsetting. Investments were also made in the Ticino-based company xFarm, whose intelligent software helps farmers operate their farms more efficiently and thus in a more climate-friendly manner.

☞ See daphnetechology.com

☞ See www.southpole.com

☞ See xfarm.ag

Use of resources and circular economy

Management approach

In addition to energy, operating telecommunications networks requires a large number of other resources such as building land, water, etc. Using these resources carefully makes sense from an economic perspective and is essential from an ecological point of view. We are therefore continuously developing our operational environmental compatibility and our sustainable use of resources in accordance with ISO 14001. We intend to reduce or stabilise consumption in our operations.

The resources used by us and our suppliers are finite and in some cases scarce. Therefore, the choice and application of materials play a central role. The longer a resource is used, the more ecological it is. Manufacturers, retailers and telecommunications companies have become aware that the linear economy, however efficient it may be, must gradually be replaced with a completely closed circular economy throughout the value chain. This extends the lifetime of resources, reduces waste and greenhouse gas emissions, and thus effectively takes pressure off the environment.

Second-life programmes

Based on the commitments of our sustainability and supply chain strategy, we have further developed our circular economy activities. In this respect we are very well positioned with the take-back and second-life programmes (e.g. Swisscom Mobile Aid). There is potential for improvement with the circular economy compatibility of our own products and through greater transparency in network dismantling. A working group, consisting of internal experts and led by the sustainability team, is dedicated to the implementation of the knowledge gained here. This working group coordinates the Group-wide circular economy programmes by exploiting synergies and challenging the status quo. It also reports on key figures and supports major projects from a circular economy standpoint. The decision-making authority lies with the line managers.

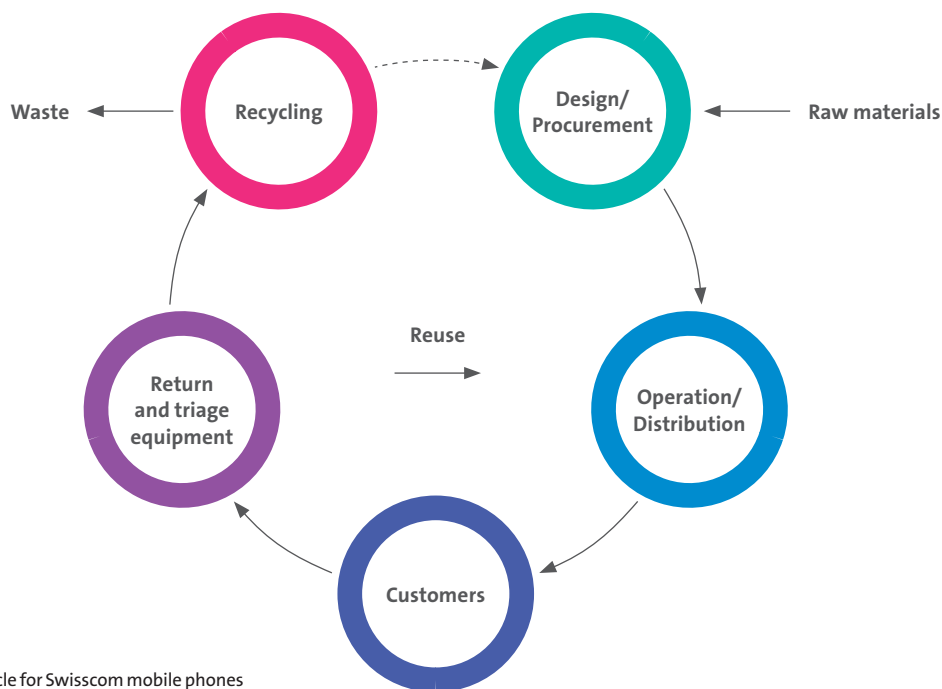
We can play a relevant role in the circular economy on the Swiss market as a supplier of merchandise (mobile phones, etc.) and self-developed devices (e.g. TV and Internet boxes) and also as a network operator. Our innovations give customers access to better products and services and eliminate the need for outdated platforms. An example of this is the dismantling of the previous TDM transmission technology: the existing analogue fixed network is no longer needed following the complete migration to All IP. In keeping with circular economy principles, we return its components to the cycle via reuse programmes instead of disposing of them. In the year under review, we also collected used mobile devices via partnerships with other companies, offered second-hand devices for purchase and improved the logistics for returning faulty equipment. The environmental impact of our circular economy programmes is outlined in the climate report (see 2022 Climate Report).

The Circular economy in practice

Measures

We enable resources used in our operations to be returned to the cycle via our recycling, repair and reuse

initiatives and provide our customers with straightforward offers for the reuse of materials and resources.



Circular economy cycle for Swisscom mobile phones

Sustainable resources for own products

In-house products are devices that bear the Swisscom logo. These include the TV-Box and our own routers. For our own products, we strive continuously to use new, more sustainable materials that can be reused after other uses.

We have been working on the potential use of novel biopolymers in Swisscom devices on the basis of a pilot project. This plastic substitute comes from 100% renewable material.

In the year under review, this material could not be mass produced yet. However, a small series of the latest in-house product, the WLAN-Box 3, could be produced. It is still our intention to make our own products more sustainable and compatible with the circular economy. The topic of the circular economy is now integrated as standard in all tenders. Suppliers are proactively invited to contribute their suggestions, measures and innovations in the area of circular economy. Swisscom is also the only Swiss company that is a member of the Joint Alliance for CSR (JAC, see 'Responsibility in our supply chains') where ideas and approaches in the field of circular economy are exchanged in a structured manner in an international working group with peers from the telecom sector.

Raising awareness among the public

Throughout the year, customers were made aware of the topic of the circular economy. In March and September, this was done as part of the campaigns for climate-neutral Swisscom subscriptions. The focus of the awareness-raising was to draw the attention of younger customers in particular to our second-life programmes such as Swisscom Mobile Aid, Buyback, Repair and Refreshed. This involved providing basic knowledge about the raw materials and manufacturing energy which are needed in the production of smartphones. Customers were also made aware of the fact that they can contribute to the circular economy by using second-life programmes. The campaign showed the target group how they can use their mobile phones longer or give their devices a second life. We collected 24,000 old mobile phones in all shops in March 2022 with our Mobile Aid programme for the benefit of SOS Children's Villages' emergency aid in Ukraine. The proceeds generated were doubled by us and donated in full.

Under our existing partnership with the company Valora, we ran an information campaign at kiosk locations in autumn 2022. During this, we pointed out that customers can return, pick up or exchange our equipment at all of these locations. This is not only practical for the customers, but also helps get unused equipment back into the circular economy, thus contributing to climate protection.

© See www.kkiosk.ch/easypoint

Repairs

A total of ten Swisscom locations have an integrated Repair Center. If a device happens to be faulty, we offer on-site repairs within 24 hours at these ten Repair Centers. For an extra charge, this express service includes repairs within two hours. Most repairs relate to cracked displays or remedying battery and software problems. The manufacturer's warranty remains valid thanks to the use of certified specialists and original parts.



Repair Center

2022

Branches with integrated repair centre	10
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Repaired mobile phones	10,500
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Share of smartphone repairs	19%
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Reuse of packaging

Customers play a major role and contribute to a successful circular economy. After all, they decide what will happen to their products and packaging after use. On the 'ReThink' website, we outline tips on how to reuse packaging. This makes it easy for our customers to reduce the amount of waste they produce.

© See www.swisscom.ch/rethink

We have also further developed our packaging concept to facilitate reuse. The ReBox packing box with or without any branding on it can be reused independently. In the year under review, we gradually modified them to be in line with all our own products. As a **new development** in the year under review, the packaging for the WLAN-Box 3 was made entirely of paper and cardboard and, with its paper sleeve, was given a sustainable, optically optimised variant to the plastic foiling normally used in Switzerland.

Reduction of plastics in our own products

In the year under review, we began gradually reducing the amount of plastic used in the inner packaging of our own products. Working with the suppliers, we were able to replace all plastic packaging for the cables supplied with TV boxes with smaller, more environmentally friendly paper labels in the year under review. Furthermore, in consultation with a pilot group of customers, it was decided to reduce the cable length and thus the amount of material for the new products. In the year under review, we tested various forms of packaging and inner packaging with our suppliers. The evaluation determines how we will continue to develop these materials going forward. We have also gradually reduced the amount of paper used in supplied instructions. The programme for this purpose will be continued.

In the year under review, we sent 1,033 million parcels (prior year: 1,194 million) to our customers via our logistics partner ALSO. 623,000 (prior year: 741,000) of these had outer packaging. The shipping packages are designed to protect the product in the best possible way. They are constantly being optimised. In the year under review, more than 95% of the outer packaging no longer required any additional filler or tamping material. This corresponds to the previous year's figure and is very welcome from an ecological point of view.

Return of materials

In 2022, we once again improved the targeted reverse logistics for the reprocessing of Swisscom's own products. We adapted the notifications to the customers. In doing so, we want to ensure that as many devices as possible that can be refreshed and used as replacement devices are returned to Swisscom. The simplified 'Take me back' system is an important component. This complements the existing options in reverse logistics. Selected routers contain return labels for the return shipment of faulty devices in the case of assurance and replacement. This means that equipment can be collected by the postal service from the customer's own mailbox. In the year under review, we achieved a return rate of 40% (prior year: 41%) with this return process. We are planning to offer 'Take me back' for other product categories.

© See www.swisscom.ch/material

'Refreshed smartphones'

We expanded the 'refreshed smartphones' range in the reporting year, following its successful relaunch in the previous year. We do not just offer used second-hand devices in our online shops. Customers can now also get to know the devices in the Swisscom shops and have them sent to their homes. The smartphone range was expanded too. Thus, even more different models are available, which underlines the success of the campaign. Most of these devices come from our Buyback and Buyback Business programmes, with which we buy second-hand devices. Extending the service life of the devices makes a lot of sense from an environmental

point of view. The growing interest in 'refreshed smart-phones' comes from both price-sensitive and environmentally conscious customers.

☎ See www.swisscom.ch/refreshed

Swisscom Mobile Aid and Mobile Aid Business

Returned functional devices have the potential for reuse. 'Swisscom Mobile Aid' collected 107,000 used mobile devices returned by our customers in the year under review. This is slightly less than in the prior year (130,000 devices). We sell around a quarter of these devices via a third-party company to countries where there is demand for low-priced second-hand devices. All proceeds from the sales go to the social enterprise réalise in Geneva and the SOS Kinderdorf Schweiz relief organisation.

Réalise inspects and sorts the devices collected and prepares them for resale. Devices that can no longer be sold are professionally recycled by a SWICO-licensed company. The initial stages are carried out by the recycling company Solenthaler Recycling AG (SOREC) together with Valida. The social institution Valida helps long-term unemployed people to reintegrate into the workforce. Compared with the prior year, the return rate for mobile devices rose to 23% (prior year: 21%). In June 2022, Mobile

Aid reached a milestone: our customers had returned one million old devices since the launch of the Mobile Aid circular economy programme in 2012.

☎ See www.swisscom.ch/mobile-aid

Companies can now work with their employees to collect old mobile phones for Mobile Aid. We provide them with the collection box free of charge for this purpose. After the campaign, they receive an evaluation of the success of the collection and communications from SOS Kinderdorf Switzerland about the proceeds, which are used specifically for children in need. In the year under review, for example, Swiss and the Lions Club World Congress in Basel collected funds for this programme.

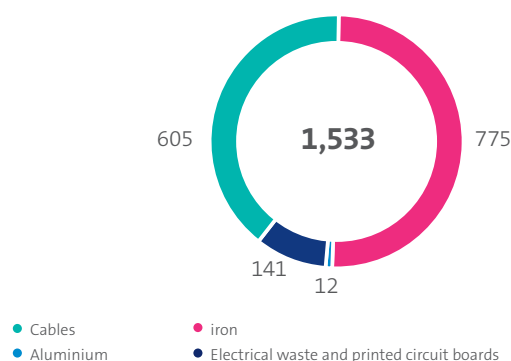
☎ See www.swisscom.ch/mobileaidbusiness

Dismantling of network infrastructure

As a supplier of communications services, we are required to conserve our resources in all areas. For the dismantling and recycling, we follow the R3 approach: Reusing, Reselling and Recycling. The aim is to use the hardware itself for as long as possible. Only what can no longer be used internally is sold. What can neither be reused nor sold is recycled.



Recycling for network dismantling (2022)
in tons



Resources are conserved not only through the R3 approach, but also with the choice of recycling partner. One of our selection criteria is that the added value should be generated in Switzerland whenever possible, so that transport distances are short.

This means that large quantities of old hardware are generated. We use some components ourselves or sell them to other, usually foreign, network operators. The remaining hardware will be picked up by a recycling company at the switchboard. When selecting the recycler, attention was paid to short transport routes, synergies in the case of larger shipments and ensuring that processing was carried out in Switzerland wherever possible. This ensures reusable materials such as copper, gold, silver, palladium, iron and aluminium are recovered instead of being mined again. This reduces CO₂ emissions as well as water, land and energy consumption, thus conserving resources. With the completion of the dismantling of the material-intensive platforms (TDM), the quantities to be recycled will also decrease.

The older a system was, the more space it took up, energy it required, and replacement supply had to be provided. The space gained by dismantling can either be used for new platforms or made available to third parties. In order to prepare for dismantling, former system specialists can use their expertise, as they know the structure of the network elements, know what may and may not be dismantled and can thus ensure the failure safety of the active platforms. All this work is done with specialised companies from Switzerland. Since May 2022, it has been dismantled exclusively with cablex, a subsidiary of Swisscom. Dismantling involves removing all racks, circuit boards and cables necessary for operations, and leaving premises in a condition in which they can be reused.

Recycling

Wherever possible, we reuse materials that have already been used in the office and in the company, such as recycled paper and rainwater, our own waste heat and district heating. At our headquarters, for example, we use district heating from a nearby purification plant. The recycling category in the waste categories table comprises the following materials which are accumulated during operations: metals (copper, iron, aluminium), paper and cardboard, plastics (PET, PE, PP) and toner cartridges. These materials are fed into a new cycle outside Swisscom.

Promoting innovation to create a more circular economy

We promote innovation in the field of the circular economy. As a member of Swicorecycling, we support the Innovation Fund's activities. The work carried out by the SWICO Innovation Fund and the projects it supports are described on its website.

In the year under review, we also supported the Circular Economy Incubator of the Impact Hub Switzerland as a partner. In the reporting year, the Incubator launched in 2021 was completed. Originally, 33 participants were selected for the Incubator Programme from more than 100 applications. The final took place in January and the winners were awarded a Swisscom special prize. A new edition of the CE Incubator programme started at the end of 2022. In partnership with FluidSolids, we have also continued to develop biogenic casings for our proprietary products. (See section 'Sustainable resources for own products').

In the year under review, we launched a programme with our main supplier for Swisscom's proprietary products to further develop hardware towards greater sustainability and circular economy capability. This Supplier Development Programme has set itself the goal of even more consistently taking into account our requirements for the sustainability of our end devices as early as the development process. We promote this area to achieve our sustainability targets. (See 'Sustainable resources for own products').

☉ See www.swico.ch

☉ See www.cetransition.ch

Economical use of resources

In addition to our energy-saving measures, we also endeavour to reduce the use and consumption of other resources in our operations or at most to keep them at the same level as in the previous year. The following principles are essential for us in terms of environmental protection: whenever possible, we avoid the use of short-lived materials. We favour the use of substances with no or little impact on the environment and ensure that they are integrated into an economic cycle (see 'Use of resources and circular economy').

COVID-19 pandemic: the year after

A new normal after the pandemic could be observed in 2022. After returning to the office, there was a slight increase in activities (commuting and business trips) and consumption of resources such as heating, water and paper, but without returning to the pre-pandemic situation. Compared with 2019, the last standard reference year, there was an overall reduction in energy and resource consumption.

Paper

We are massively reducing paper consumption thanks to the complete digitisation of work processes in the company and on the part of our customers. In everyday office life we have reduced the number of print jobs with the 'FollowMe Printing' service, and externally we promote paperless online billing. Since our offices are not yet completely paperless, we use recycled paper with the Blue Angel environmental label. We also use this paper to make the telephone directories, which will be printed for

the last time in 2022. For advertising and print media, we use only paper with the FSC label.

☉ Table: Paper consumption by quantity and purpose.

In tonnes	Quality	2020	2021	2022	2022 in %
Paper					
Office (copiers, printers) (80 g/m ² = 5 g/sheet)	Blue Angel	42	35	34	1.7%
Print media	FSC Label	1,201 ²	947	819	40.7%
Bills and envelopes (envelopes = 6 g/per envelope)	FSC Label	232	186	181	9.0%
Phone directories	Blue Angel	1,197	1,065	981	48.7%
Total paper consumption		2,672	2,233	2014	100.0%

Cables, optical fibres and telephone masts

The laying of optical fibres in plastic pipes made of environmentally friendly polyethylene up to the street or to the building enables broadband usage of the existing copper cables over the last few metres. Wherever possible, we replace copper cables in the distribution network with optical fibres. We are not installing any new large-wire copper cables in the trunk zone. In mountain

regions, the number of telephone masts is rising on the back of the network expansion. To prolong their service life, we treat them with a biological process that naturally combats copper-resistant rot fungi. At the same time, we are reducing the number of faulty masts with regular checks.

☉ Table: Consumables by quantity and type of material.

In km, tonnes or number	Unit	2020	2021	2022
Consumable material				
Optical fibre	fkm ¹	1,178,491	992,791	1,008,792
Copper pairs	pkm ¹	37,931	32,778	32,152
Plastic pipes PE	km	351	364	365
Copper ²	Tonnes	504	409	417
Plastic pipes PE ²	Tonnes	318	315	306
Telephone poles (wood)	Number of items	5,250	4,159	5,350

1 Fibre or pair kilometres.

2 converted from plastic tubes or copper pairs

Water

We need water for the sanitary facilities in our office buildings and for cooling some data centres. In the year under review, the daily average water consumption in our office buildings was 26 litres per FTE. Consumption is measured monthly. The measurement covers more than half of Swisscom's FTEs and is therefore representative. The measured amount is extrapolated to the number of average full-time positions.

In order to reduce water consumption in our offices, the water pipes in existing buildings have been retrofitted with flow limiters. During renovation work, advanced valves with a reduced flow rate are integrated, which lower the consumption of water by 90% compared with traditional valves.

Our data centres generate a lot of heat and must be cooled in order to function properly. For this purpose, we use dry or hybrid cooling. For the latter, we prefer to use rainwater or, if permitted, river/lake water. We add an anti-freeze agent (glycol) with a low environmental impact to the heat transfer medium during the winter. At the data centre in Berne Wankdorf, the hybrid coolers are operated with water for about 15% of the total annual

operating time and with air the rest of the time. The share of rainwater used for cooling return air is over 80%. The cold rooms or refrigeration appliances are supplied with cooled water as the refrigerant, which circulates in a closed circuit and therefore causes no consumption. Water consumption for cooling thus accounts for only a small proportion of our total water consumption.

Cooling systems and refrigerants

We cool our operation buildings and mobile base stations with outside air all year round if possible so that we do not need cooling systems or additional coolants. In collaboration with an external company, we have installed a cooling module for the mobile base stations that allows a rapid and cost-effective conversion to cooling with fresh air.

Data centres and very densely packed centres, where the high heat load and unfavourable room situation make cooling with fresh air difficult, are cooled with coolants in compression cooling systems. Checks are carried out regularly to make sure that there are no refrigerant leaks in the systems. We use natural refrigerants (type HFO-1234ze) with an extremely low global warming potential (GWP = 7) as standard for their conversion or expansion.

The emission volume of refrigerants is determined on the basis of the refill volume. This emission volume amounted to 434.6 tonnes of CO₂ equivalent (prior year: 33.1 CO₂eq) and had no ozone depletion potential (ODP, 0 kg R-11 equivalent). The increased emissions due to refrigerant losses are attributable to the record warm reporting year as well as discovered leaks.

☞ See www.swisscom.ch/climate-report2022

Batteries and emergency power systems

Our services must also be available in the event of power outages. To ensure this, batteries and emergency power systems have been installed at our telecommunications buildings and data centres. We regularly review the prescribed safety measures in the battery rooms to prevent any danger to the environment through the use of batteries. At the end of their service life, we recycle or dispose of the batteries in an environmentally friendly manner. The emergency power systems are only used during power outages and for a few hours a year during annual test runs. The necessary fuel consumption is included in the overall figure of our fuel consumption.

Waste

We undertake to avoid waste and select products based on their life cycle. Our recycling management includes working with partner companies to ensure that waste is

reused wherever possible. The volume of waste is on a downward trend, and the majority of waste is recycled.

The waste is separated into 25 subcategories, labelled according to the Ordinance on Handling Waste (VeVA) (six-digit waste codes) and falls under the four main categories of recycling, household waste, operational waste disposed of in municipal solid waste incinerators, and special waste that is subject to inspections. The special waste is disposed of in accordance with the legal provisions described on the FOEN website.

If there is a maintenance agreement with authorised third parties, these dispose of the special waste. Leftover cables and building materials are sorted on the construction site and disposed of directly. We do not record information on such waste. The volume of in-house household waste is calculated by extrapolating the figures recorded in 2022 at six major Swisscom locations throughout Switzerland. We multiply the calculated average volume of 10 kg per FTE by the total number of full-time positions. For the disposal of such waste, there are contracts in place with Swiss Waste Exchanges and other external partners.

☞ Table: Waste by quantity and category.

In tonnes	2020	2021	2022	2022 in %
Waste categories				
Recycling (including network dismantling)	2,059	3,185	2,769	66.8%
Domestic waste disposal in incineration plants	225	534	160	3.9%
Operational waste disposal in incineration plants	2,149	393	1,065	25.7%
Hazardous waste (specific treatments)	28	50	154	3.7%
Total waste	4,461	4,163	4,148	100.0%

Protection of the landscape and building land

The base and transmitter stations ensure that the whole of Switzerland has access to telecommunications, radio and TV services and form the backbone of every mobile network. When positioning the antennas, we focus not only on radio technology aspects, but also on their seamless integration into the landscape and townscape as well as the efficient utilisation of the building land. We make sure that as little surface area is sealed as possible. Construction of antennas must always be approved by the authorities. In the search for a suitable location we visit the possible sites and take into account the inventories of sensitive locations and buildings. In the year under review, we operated stations in the following locations:

- **Swisscom Broadcast Ltd transmitter stations:** as in the previous year, five Swisscom Broadcast Ltd sites are located in Emerald areas. These are protected areas for the preservation of particularly valuable habitats and species. Three others are located on the

edge of an Emerald area and on the edge of a marshland, respectively, which is a protected area of national importance. In addition, one site was located in moorland. When dismantling decommissioned transmitter stations, we restore the ground to its natural state in accordance with internal guidelines issued by Swisscom Broadcast Ltd. In the year under review, the number of stations remained the same.

- **Swisscom (Switzerland) Ltd base stations:** 79 mobile radio base stations (three more than last year) are located in the Ramsar and Emerald protection areas, water protection areas, bird sanctuaries or moorlands, two of which are in the Swiss National Park.

Biodiversity

We support partners who work to protect the soil and biodiversity. This support takes the form of financial assistance, but also direct assistance in the shape of the personal efforts of our employees on site as part of the corporate volunteering Give & Grow programme (see 'Employer attractiveness').

Standard tree project: we also support Hochstamm Suisse's climate protection project to promote standard (tall) trees in our own country. Unfortunately, the population of these trees continues to decrease as a lot of effort is needed to manage them. Trees are known to capture CO₂ for a specific period of time and standard trees can do this particularly well. The branches grow only from a trunk height of 1.6 metres, so they are much taller than other trees usually seen on farms. This means that these trees can store more CO₂ than their smaller counterparts. In addition to storing carbon, trees protect against soil erosion, reduce nutrient and pesticide inputs to groundwater and surface waters, and contribute to biodiversity.

Wild bee initiative: the goal is to promote wild bees by establishing nesting habitats. This initiative adds a biodiversity measure to our existing efforts in energy efficiency and CO₂ reduction. To encourage wild bees, wild bee hotels are being built in the style of dial telephones. These are made by the Wohnen Werken Worben (WOWEWO) foundation, which provides housing and jobs for people with disabilities. At the beginning of May 2022, a prototype was created at the Worb land centre. This was followed by the roll-out at a further 20 locations throughout Switzerland.

Wild bee habitats: we are also involved in the construction of wild bee habitats. The wildflower meadow initiative already launched to create a habitat for ground-nesting wild bee species is still ongoing. Since 2019, the green areas of our land centres have been cut only twice a year. The first lawn cutting of the year is not allowed to take place until after 15 June. Therefore, a total of 363,250 square metres of space and 736 switchboards are part of this initiative. Another 60 switchboards could be added in the future. Our own land centres with a green area of more than 1,000 square metres may be suitable for additional habitats, provided that there are no honey bee colonies nearby and the green area is sufficiently sunny.

Other air emissions

Besides CO₂ emissions, burning fossil fuels for heating and transport also produces NO_x and SO₂. These emissions are determined using the relevant conversion factors and depend on the amount of vehicle fuel and heating fuel consumed. Our reduction target for CO₂ also applies to NO_x and SO₂, since all three gases originate from the same combustion processes (heating or engines). We are reducing their emissions by continually optimising heating boilers and using more efficient drive motors. The emissions are listed in the table of environmental key figures.

Overall assessment of 2022

Energy consumption and climate footprint

The following overview summarises our key figures for the year under review. They provide information on the status of achievement of our climate targets. Detailed information can be found in the 2022 Climate Report.

© See www.swisscom.ch/climate-report-2022

Energy consumption and efficiency

Our total energy consumption in Switzerland was 529 GWh (prior year: 534 GWh). It comprises 89.3% electricity, 5.9% heating fuels and 4.8% vehicle fuels. Thanks to the efficiency measures implemented, energy consumption was reduced by 23.8 GWh. The cumulative efficiency gain since 1 January 2022 is 9.3%.

We calculate efficiency as the ratio between total energy used and cumulative energy saved or avoided. We follow the definition of the Swiss Federal Office of Energy (SFOE) and the Federal Office for the Environment (FOEN) within the scope of the target agreement with the Energy Agency of the Swiss Private Sector (EnAW).

In the year under review, we again used 100% electricity from renewable energies and thus met our target. Thanks to this use of electricity from renewable sources and the declining consumption of fossil fuel (including offsetting fossil district heating), the share of renewable energy (electricity, biomass and district heating) was 91.2% (prior year: 89.6%).

Greenhouse gas emissions

We maintain a greenhouse gas inventory, publish our emissions in a Climate Report according to recognised standards (ISO 14064 and GHG: Greenhouse Gas Protocol), and have these verified externally.

Scope 1 emissions

Direct Scope 1 emissions from the combustion of fossil fuels for heating and mobility and from refrigerants amounted to 12,305 (prior year: 14,429) tonnes of CO₂eq, including 372 tonnes of CO₂eq (prior year: 33 tonnes) as fugitive emissions from the loss of refrigerants. The increased emissions due to refrigerant losses are attributable to the record warm reporting year as well as discovered leaks.

Scope 2 emissions

Scope 2 emissions from electricity and district heating consumption before compensation (on-site) amounted to 46,439 tonnes of CO₂eq. We offset this by purchasing certificates of origin.

Scope 3 emissions

Scope 3 emissions (all indirect CO₂ emissions including, for example, those emitted in the supply chains) amounted to 262,659 tonnes of CO₂eq. Emissions in the supply chains for the categories of 'purchased goods and

services' (category 1), 'capital goods' (category 2) and 'transport and distribution to distribution centres' (category 4) account for the greatest share of our Scope 3 emissions. Fastweb emissions are included in category 15. The categories of 'processing of sold products' (category 10), 'downstream leased assets' (category 13) and 'franchises' (category 14) were not relevant for us as we neither manufacture products, nor maintain distribution centres or operate franchises.

CO₂ savings

The change since the base year of 2020 equates to -2,115 tonnes CO₂eq. in Scope 1, -666 tonnes CO₂eq. in Scope 2 (before offsetting) and -33,262 tonnes CO₂eq. in Scope 3.

CO₂ savings through ICT services

Our customers save CO₂ by using our services. These savings amounted to 1.59 million tonnes of CO₂ in 2022 (see 'Climate protection solutions for our customers').

Carbon footprint

Our total emissions including those in our supply chains amounted to 274,964 tonnes of CO₂eq in the year under review.

CO₂ intensity

We have continually reduced our CO₂ intensity in recent years. Intensity is calculated by the EnAW on the basis of our consumption statistics.

Environmental key figures in Switzerland

	Unit	2020	2021	2022
Land/buildings				
Net floor space (NFS)	million m ²	0.91	0.88	0.84
Paper consumption				
Total paper consumption	Tonnes	2,672	2,233	2,014
Water/sewage				
Water consumption ¹	m ³	130,647	111,801	139,954
Waste				
Total amount of waste	Tonnes	4,461	4,163	4,148
Mobility				
Vehicles	Number	1,736	1,727	1,685
Kilometers driven	million km	40.6	42.0	39.7
Average CO ₂ emissions ²	g per km	100.0	100.0	127.0
Energy, electricity				
Electrical energy consumption ^{3,4}	Terajoule	1,725	1,674	1,702
	GWh	479	465	473
of which electricity for the heat pumps	GWh	1.1	1.4	1.2
of which electricity for cooling (district cooling)	GWh	0.2	0.8	0.9
Energy, thermal⁵				
Heating oil	Terajoule	69.6	74.1	57.1
Natural gas ⁶	Terajoule	28.6	27.7	18.3
Biomass ⁷	Terajoule	1.1	1.3	1.0
District heating ⁸	Terajoule	37.9	46.0	35.7
Total thermal	Terajoule	137.2	149.2	112.1
Energy, fuel⁹				
Petrol	Terajoule	13.7	13.8	12.2
Diesel fuel	Terajoule	88.6	84.9	77.5
Natural gas	Terajoule	0.3	–	–
Total fuel	Terajoule	102.6	98.7	89.7
Energy, total				
Energy consumption	Terajoule	1,964	1,921	1,903
	GWh	546	534	529
Air emissions				
according to NEDC procedure. Effective value specified as of 2022 due to ¹⁰	Tonnes	14,420	14,429	12,305
Carbon dioxide CO ₂ -eq according to Scope 2 of the GHG Protocol ("market-based") ¹⁰		–	–	–
overlap. NEDC and WLTP standards. ¹⁰	Tonnes	54,001	45,814	46,439
Carbon dioxide CO ₂ -eq according to Scope 3 of the GHG Protocol ¹⁰		295,921	275,962	262,659
Nitrous gases NO _x ¹¹	Tonnes	11.2	7.4	10.5
Sulphur dioxide SO ₂ ¹²	Tonnes	0.9	0.4	0.7

1 The water consumption (with cooling water) is extrapolated on the basis of the average rate of 47.8 litre per FTE per day (before 2020), 24.25 (2020) resp. 23.47 (2021). Increased consumption 2022 due to higher cooling requirements of the data centres and due to higher building occupancy.

2 Average emissions per km for 2021 refer to manufacturer specifications, according to NEDC standard. This standard has recently been replaced by the new WLTP standard. From 2022, therefore, the effective average emission will be stated, as there would otherwise be an overlap between the NEDC (older vehicles) and WLTP (newer vehicles) standards. For this reason, the reported average value for the reporting year has increased. As NEDC is no longer reported for newer vehicles, a comparison with the figures for 2021 is not possible. However, the proportion of vehicles in efficiency classes A and B increased again compared with the previous year.

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

4 Electricity 100% renewable (non-renewable share of the mix offset with certificates of origin (HKN)).

5 The heating energy consumption is based on a forecast of monthly measures of the consumption of 120 buildings from 2018 (with a total area share of 43% in 2021). The delivery of heat is not included in the calculation of total energy consumption.

6 Biogas (~10% renewable) included

7 Renewable.

8 District heating 100% renewable (non-renewable share of the mix offset with certificates of origin (HKN)).

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

10 Scope 1: direct CO₂ emissions from consumption of fossil fuel and loss of refrigerants. Scope 2: indirect CO₂ emissions from purchased energy (electricity and district heating). Swisscom publishes a complete climate report in accordance with ISO 14064. GHG Protocol = Greenhouse Gas Protocol.

11 From Mobitool (www.mobitool.ch), car traffic, national 5–200 km, direct use, load factor 1.25; consumption 5.5 litres per 100 km (2018), 5.2 (2019) and 5.0 (2020).

12 Emission factor SO_x according to the final report of 24.11.2017 "Pollutant Emissions from Road Transport 1990–2050", Infras, commissioned by FOEN, update 2010, Annex 6, p. 135, PW and fact sheet "Emissionsfaktoren Feuerung", FOEN, June 2015.

Responsibility for people

Optical fibre

50 to 55%

of all homes and businesses in Switzerland will be connected with a bandwidth of up to 10 Gbps by 2025.

Connectivity

200 x

more data is transmitted by our customers today than in 2010. That is why we are driving forward mobile communication expansion.

Media skills

Over 1 million

people were reached with our measures in 2022. Our goal by 2025: two million people per year.

Further training

41%

of our employees took advantage of at least one of the five training days in 2022.

Education

Around 900

apprentices are trained.

Diversity

94

nationalities work at Swisscom. We promote a culture where differences are valued and discrimination of any kind has no place.

Network expansion

Management approach

Bandwidth requirements in the fixed and mobile telephone networks are growing all the time. We therefore invest around CHF 1.6 billion in IT and infrastructure in Switzerland every year. This is the highest investment of any provider in Switzerland. The IT, Network & Infrastructure division is responsible for expanding our network. The employees in this area ensure that we offer our customers an optimal mix of technologies.

Network and infrastructure

By the end of 2022, around 91% of all homes and offices had a connection of more than 80 Mbps. By 2025, around 50 to 55% of all homes and offices are to be connected with a bandwidth of up to 10 Gbps; by 2030, this will be as many as 70 to 80%.

▢ See Annual Report: [Infrastructure](#) – Page 24

Youth media protection and media skills

Digitisation and competent media use

We want to promote digitisation in Switzerland and enable the digital penetration of everyday life. People in Switzerland communicate constantly, in both the public and private spheres. Digitisation is changing the nature, inten-

sity, form and effectiveness of this communication. We see it as our duty to support and train users in the competent and safe use of digital media. First and foremost, we support children and young people in dealing with new opportunities. But we are also keen for the working population and senior citizens to recognise the opportunities that the information society holds for them.

With the help of our measures, we alert the target groups (young people, parents, working people, teachers and grandparents) to the opportunities and risks of digitisation. We are confident that this will promote an information society that is value-adding and safe in the long term.

Training support and other measures

Media users today are faced with a wide range of challenges. Different value systems create tensions. While children and young people see digital media as an exciting pastime, where they can exchange ideas with their friends and often spend a lot of time playing online games, parents tend to see the risks of the new possibilities and would like to see more balanced leisure activities. At the other end of the demographic spectrum, older people risk missing out on digitisation, although they too could simplify and enrich their everyday lives with the help of digital media.

In these areas of tension, we therefore do not turn a blind eye to the risks of inappropriate and excessive media consumption. The training, not just for students but also for parents and teachers, is an important measure to be on hand for, inspire and, if necessary, support people in difficult situations.

We are sticking to the strategy that was adjusted in 2021. We are focusing our activities on three topics.

- **Youth media protection and media skills:** raising awareness and providing assistance in media use for children, parents and teachers
- **Digital inclusion:** enabling different target groups to use digital media in their daily work and private lives
- **Data and internet security:** raising awareness of possible risks posed by digital media, in particular protection and media use behaviour with regard to people's own data and the prevention of data theft. We do this both with our residential customers, but also with SMEs.

☞ See www.swisscom.ch/media-literacy

Swisscom Campus – central access for our training programmes

With the Swisscom Campus, we are bringing together our various training programmes for the different target groups to improve their accessibility. We are positioning the information and measures in terms of common areas of life such as home, school, work and leisure. This enables us to address the target groups even better and more comprehensively.

☞ See www.swisscom.com/campus

Promotion of media skills

Management approach

Over and above technical access to digital media, expert use of these is indispensable for a healthy, value-adding and responsible information society. We are addressing the challenges posed by the digitisation of our everyday lives and are committed to the effective protection of minors in the media and solid media skills in Switzerland. This includes:

- being able to recognise and change problematic forms of use, such as addictive behaviour on the net and 'fear of missing out';
- recognising content such as 'fake news', misinformation and 'hate speech' and being able to deal with it.

Sustainability team members are responsible for youth media protection and media competence. When it comes to the former, we rely on technical measures such as filters, clearly regulated processes in the advisory and sales process and the blocking of value-added services. When launching new products and services, company entities are obliged to check conformity with the legal situation (Swisscom Legal Services) and strategic and media-didactic conformity (youth media protection officer).

To promote media competence, we adopt preventive measures such as targeted education, sensitisation and information for the various stakeholder groups. In addition, we are in regular dialogue with individual stakeholders from the family policy arena, schools and parents' organisations.

The previous management approach has proven successful for the following reasons. By anchoring the topic at a high level in the product development process, errors can be avoided as far as possible. Products and services that are also accessible to children and young people and entail potential risks must have adequate protective mechanisms.

Because we not only advance aspects of media skills in terms of reasoning, but also communicate them to the general population, our measures have a considerable reach. So our 2025 goal is to reach two million people a year with our messages and actions. The number of people reached serves as the KPI for evaluating this.

Youth media protection

Regulation project

Swisscom maintains close dialogue with its stakeholders on the subject of youth media protection. Of particular note is the exchange with the Federal Social Insurance Office, whose task it is to devise an effective legal basis for media protection for minors.

In 2021 and 2022, a bill was debated in the federal parliament. Among other things, the law provides for the establishment of a nationwide regulation regarding age ratings for film and video content. The Swiss level of protection is to be aligned with that of the EU (AVMS Directive) and the industries are to be made responsible through a co-regulatory approach. We welcome the approach taken by the law and particularly the fact that Article 29 has finally been supplemented so that the Federal Social Insurance Office will take on the promotion of media literacy. In 2023 this law will be supplemented with an ordinance. Swisscom is open to cultivating constructive cooperation here and supporting effective and pragmatic implementation.

Technical aids

We take technical measures to ensure that the digital media user experience is supported in the best possible way. This includes security software with proven comprehensive parental control functions and the simple use of PIN codes for content and commercial restrictions of video-on-demand content on our TV platform. We also block all value-added services with erotic content (0906er route and value-added services) for main users under 16 years of age and give parents the option of setting surfing times for their children via Internet box.

☞ See www.swisscom.ch/parental-controls

Programmes, courses and publications

We teach children and young people how to deal competently with new digital opportunities. To this end, we use various measures to increase accessibility, including for parents and schools, as well as to address their different needs. Our media courses are therefore aimed at parents, teachers and students and highlight both the opportunities and the risks of digitisation.

From early summer 2021, schools have also been able to access various programmes in digital form. Since then, schools have been able to bring our media trainers into the classroom virtually. However, some teachers are sceptical about online teaching and question its methodological effectiveness. So, in the year under review, we adopted a new approach. In a hybrid classroom setting, students are asked to take media design into their own hands and reflect on their own media consumption. The project was piloted last autumn and will be added to our training programme as an additional course offering in 2023.

In addition to the wide range of courses on offer, we also provide training materials that teachers can integrate

independently into their lessons. The 'Gaming and eSports' teaching aid, for example, was designed as an optional subject and will be available to all schools free of charge in spring 2021. In 2022, we also went live with the French-language version and at the same time adapted the German-language version to the latest developments and findings. The goal is to promote self-responsible gaming behaviour: it shows backgrounds, contexts and the history of computer games. The eight chapters are in line with the competences matrix of the Swiss-German Curriculum 21. As of the end of 2022, we had already recorded 290 class registrations.

© See www.swisscom.ch/medienkurse

After last year's issue 'Fake News and Deepfake', we dedicated the autumn 2022 'enter' media guide to the topic of 'Influencers'. The phenomenon on the relevant social networks, its effect on us users, the job description and also the mechanisms of influencing are presented in an digestible way and give parents valuable tips for educating their children about the media in everyday life and teachers inspiration for the topic in the classroom.

© See www.swisscom.com/enter

enter

The latest issue of the media guidebook was published in the autumn of 2022 on the topic of 'Influencers'.



Through publications such as the monthly column in the parents' magazine 'Fritz und Fränzi', we raise the awareness of another target group on issues relating to media education and literacy, and we reach almost 60,000 readers.

With the JAMES study and the in-depth JAMESfocus reports, we carry out important basic research together with the Zurich University of Applied Sciences (ZHAW). The study surveys the leisure and media behaviour of young people aged 12 to 19 in Switzerland in a representative form across all language regions. With the data collected by ZHAW in 2020, the study team was able to carry out a transversal analysis of the change in media use behaviour over the past ten years. The results show that many behaviour patterns, such as the average amount of time young people spend online, are barely changing. But some are in a substantial way: new social media platforms such as YouNow, TikTok and Be Real are proof of this.

☎ See www.swisscom.ch/james

☎ See www.swisscom.com/hatespeech

Parents who buy their child their first smartphone are challenged when it comes to managing their child's everyday media life. Despite the many new options available and the child's enthusiasm, it is important to be aware of the risks such as addictive behaviour, inappropriate content or self-image on social media and to support children on their first steps into the digital world. That is why we have set up an after-sales process to provide parents with ideas and information on media consumption by children and young people on request. We give tips on how to make your child's smartphone a fun and helpful companion rather than a negative influence.

Digital inclusion, data and Internet security

Since 2005, we have been teaching people how to use mobile devices and the Internet. The courses are aimed at everyone in Switzerland, regardless of their telecommunications provider, and make an important

contribution to narrowing the digital divide between the generations.

In 2022, over 144,000 people attended training courses on how to use modern communications media. This means that since the launch of Swisscom's training courses in 2005, over 860,000 people have attended.

The COVID-19 pandemic was still pushing down attendance at our course sites in the first quarter, but we have been offering a significant portion of our programme digitally as learning videos or online courses since 2020. The electronic offering was extremely popular: 91,052 participants used our online formats in the reporting year, more than double the number in 2021.

☎ See www.swisscom.com/academy

Scepticism about the digitisation of many life situations sometimes feeds on uncertainty. Advisory services such as MyService help our customers get answers to questions and clear up uncertainties, not only about our own products, but also about other end devices or the handling of data. In 2022, there were over 175,000 MyService consulting events.

☎ See www.swisscom.com/myservice

Child protection

When it comes to the physical and mental integrity of children and young people, it is important to think beyond their interaction with media.

Child pornography

Even before the legal obligation (TCA Article 46a), Swisscom, together with its competitors, undertook to block all child pornography sites ('forbidden pornography') reported to us by the federal police on all our networks as part of the industry initiative 'Youth Media Protection' of the industry association asut. There is now an automated electronic interface between the federal police and Swisscom, on which all changes are automatically updated.

The child protection organisation 'Child Protection Switzerland' and the Guido Fluri Foundation, in coordination with the federal police, have launched the reporting office 'www.clickandstop.ch'. Experience from abroad has shown that reporting child pornography content on the net is more effective if it can be reported anonymously. This is especially true as the person making the report will themselves be suspected of consuming this content. We are supporting this initiative. We are providing communications support for the hotline at its launch and on our Swisscom Campus advice platform.

☎ See www.clickandstop.ch

☎ See www.swisscom.com/campus

Child protection in the supply chain

The 'Corporate Responsibility' annex is a binding part of Swisscom's contract. Suppliers agree to comply with

SA8000 standard elements. The same requirement forms part of Swisscom's purchasing policy.

Support for refugees from Ukraine

Russia's attack on Ukraine has triggered an enormous wave of solidarity throughout the Swiss population. We took the following measures:

- Together with our employees, we donated 250,000 Swiss francs on the occasion of Swiss Solidarity's national collection day.
- We waived all roaming charges for the costs of calls from Switzerland to Ukraine and roaming costs incurred in Ukraine in March 2022.
- In a special Mobile Aid collection campaign, around 24,000 smartphones were donated by our customers. The proceeds were doubled by Swisscom and donated in full to an SOS Children's Village in Ukraine.
- Refugees from Ukraine with residence status S could obtain a Swisscom SIM card free of charge at any Swisscom shop. The subscription costs were waived for them until 2022.
- We have added the Diaspora TV channel to blue TV. The Diaspora TV channel has been informing Ukrainians about life in Switzerland in their native language since March 2022. More Ukrainian channels are available on blue TV.
- And finally, we have helped various federal asylum centres with our ICT services (Internet Access) quickly and without complications.

© See www.swisscom.ch/ukraine

Accessibility

Management approach

For us, accessibility is not just a social obligation. It is a service that we offer our customers out of conviction. We attach great importance to this for two reasons. First, we always comply with the national law on equality for people with disabilities (BehiG), which recommends offering accessible products. Secondly, we want everyone to be able to access all of our products and services.

Our strategy is first to provide access for all to the products and channels which are most valued by our customers. Given the large number of Swisscom products and services as well as communication channels, this targeted approach makes sense.

Various partners evaluate the accessibility of our services, for example our website and our applications. The Applause company conducts thorough tests every month. These ongoing reviews and the remediation of any identified issues are critical for the meaningful implementation of our accessibility improvement strategy and to ensure the effectiveness and sustainability of

the measures. The results of the tests also serve to validate our strategy.

Areas with access

Swisscom shops and call centres meet strict requirements to ensure accessibility for people with disabilities – and we are constantly improving. To this end, we work together with recognised organisations, such as the Vision Positive agency and the Swiss Association of the Deaf. Shop and call centre staff are trained and given practical tools to identify the needs of customers with disabilities. In collaboration with Pro Senectute, a recent focus has been on welcoming older people with cognitive difficulties.



In 2022, the Swisscom Home app became accessible for all.

Even a blind person can now control their power-consuming devices via smart switches using their smartphone. An important step was also taken in 2022 with regard to the TV range: with the blue TV app for Apple TV, it became possible to use a screen reader. We are working on further improving navigation for the screen reader. We are also continuously improving the accessibility of our website and our apps in general. We strive to comply with Level AA of the International Web Content Accessibility Guidelines (WCAG). With the Home applications and the Internet-based customer area My Swisscom, we have already achieved a good level. In a next step, we will significantly improve the accessibility of the online shop.

We also provide other services for people with disabilities. People who are visually impaired or with limited mobility who cannot use the telephone book have the option of being connected directly to the desired contact person or partner via the short code 1145. Swisscom provides this service free of charge as part of its basic service provision. Also free of charge as part of the basic service provision is a sign language translation service available to deaf people thanks to a collaboration with the Procom Foundation. Through the mediation of a sign language translator, this service enables deaf people to have a telephone call with hearing people.

© See www.swisscom.ch/accessibility

Employees

Wherever customers deal with us, they should experience a trustworthy, committed and enquiring Swisscom with motivated, competent and performance-oriented employees. An appreciative corporate culture, dia-

logue-oriented communications and a willingness to embrace diversity underpin our human resources policy.

We attach great importance to diversity and fair treatment in the areas of gender, age, origin, language and sexual orientation. We want to further increase the proportion of females in technical roles. We train around 895 apprentices and ensure the inclusion of employees who have physical and mental disabilities.

As an attractive employer, we offer flexible working conditions, generous conditions of employment and many opportunities to shape the company. In addition, we support our employees in their professional training with numerous learning opportunities. We want our employees to remain healthy and motivated in the long term. Therefore, we pay particular attention to the maintenance of a good work-life balance, stress prevention, improving resilience and mental health and also reducing the practice of going to work despite being ill (presenteeism).

Dealing with the COVID-19 pandemic

The situation with the COVID-19 pandemic gradually returned to normal during the year under review. Measures such as mandatory working from home, building cleaning, mandatory masks and social distancing rules could be scaled down. The option of working from home was already offered and taken before the pandemic, but this has now also been introduced for employees in other areas, such as call centres. Today, it is still regularly used and appreciated by many employees.

General terms and conditions of employment

Swisscom's collective employment agreement (CEA) offers our employees progressive employment conditions. They were drawn up jointly with the social partners and exceed the statutory minimum.

Remuneration and equal pay

We remunerate our employees fairly and in line with market conditions and also ensure equal pay between the sexes. The salary system is structured in such a way that equal salaries are paid for equivalent tasks and services. We adjust employees' salaries in our annual salary review. Employees whose salary is low within the respective salary band receive an above-average salary increase.

We also periodically review the salary structure for differences between men's and women's wages using the federal government's equal pay tool (Logib). Previous reviews (most recently in 2022) have revealed minor pay discrepancies that are below the 5% tolerance threshold set by the Federal Office for Gender Equality.

Profit-sharing

All Swisscom employees share in the company's success by way of a variable salary component. The employee's

job grade determines the level of profit-sharing. This ranges from 2% of the basic salary at the lowest level to 30% at the highest level (excluding the Group Executive Board). Employees at this highest job level and members of the Group Executive Board receive a proportion of their variable profit-sharing in the form of Swisscom Ltd shares.

comPlan pension fund

We offer our employees an attractive pension solution, with benefits that exceed the statutory minimum, through the comPlan pension fund. At the end of 2022, some 16,500 (prior year: 16,900) employees and 9,600 (previous year: 9,300) pensioners were insured under comPlan.

Fringe benefits

All our employees receive fringe benefits in the form of an allowance towards Swisscom services as well as the SBB half-fare travelcard, irrespective of their job and whether they work full-time or part-time. Most locations also offer a selection of discounted lunch options.

Supplementary regulations governing management staff

Management employees are entitled to 30 paid sabbatical days after every five uninterrupted years of managerial employment. There is also a management staff risk insurance policy in the event of death.

Social partnership

As part of our agreed participation arrangements, we allow staff representatives and trade unions a consultation period of at least two weeks. Participation includes rights to information, participation, decision-making and self-responsibility and is set out in the CEA. The consultation period is determined by the legal basis, case law and established practice. We generally give longer notice periods than required by law and attach great importance to dialogue between management and the social partners.

Annual leave

Depending on their age, our employees are entitled to between 25 and 30 days' annual leave. In addition, they have the opportunity to buy ten further days of annual leave per year. Employees subject to the CEA who organise their working time autonomously (time autonomy, in compliance with Ordinance 1 to the Employment Act) receive five additional days of annual leave per year. All employees subject to the CEA also receive five additional days of annual leave every five years as a reward for their loyalty to the company.

Employer attractiveness

Management approach

Employer attractiveness is a major priority for us in view of the increasing shortage of skilled workers. This is especially true for IT profiles. Under the motto 'What

you make of it is what makes us', we pursue a strategy of attracting and retaining the best employees for Swisscom.

In response to the shortage of skilled workers, we are developing innovative recruitment processes, such as the option of applying by video, using your LinkedIn profile instead of your CV, or meeting Swisscom representatives for a non-binding coffee talk. We offer good working conditions and conditions of employment and offer salaries in line with the market as well as good social plan benefits. This is based on our good reputation as an employer, respectful interaction with one another, and a culture of feedback and development. We have been a pioneer in offering attractive working models and conditions for many years. These are continuously developed on the basis of market analyses and internal surveys.

Working models

New technologies make innovative forms of organisation possible. We purposefully advance the development of new working models and test them within our own company. Agile forms of collaboration originated in software development and have become established at Swisscom. Accordingly, we have introduced agile setups in the IT, Network & Infrastructure department first. Flat hierarchies with interdisciplinary, autonomous teams, in which everyone thinks and acts entrepreneurially, characterise this way of working. This facilitates the dynamic and flexible provision of services. It is clear that employee satisfaction with this collaborative work culture increases after the first few months. Over 5,200 Swisscom employees now work in various agile settings.

Flexible working hours

Our working week is 40 hours. Some subsidiaries have working weeks of 41 or 42 hours. At the same time, we allow our employees to organise their work flexibly in terms of place and time in line with the requirements of their job. We provide them with the necessary ICT infrastructure.

Working from home

Our company plays a pioneering role in the home working model throughout Switzerland. Even before the COVID-19 pandemic, working from home, on the road or at different locations was very popular and widespread among our staff. Our 'Flexible Working' principles give employees and teams a great deal of creative freedom. This allows employees to work at home on up to three days, if business permits. Regardless of home working arrangements, employees receive generous monthly compensation for their mobile and Internet costs through the fringe benefit on Swisscom services. Employees appreciate the flexibility, the elimination of commuting and a better work-life balance. However, this working model also requires more self-discipline on the part of employees

when it comes to structuring their day, keeping to working hours and taking breaks.

Combining work and home life

Flexible working models make an important contribution to the integration of all employees in different life situations. We therefore advertise the majority of jobs with 60 to 100% working hours.

In order to make part-time working more popular, especially among men, it can be chosen for a three-month trial period.

We attach particular importance to the compatibility of work and family life and support parents with contributions to extra-familial childcare. We offer our female employees 18 weeks' maternity leave on the birth of their child. Employees can claim 15 days of paternity leave and a month of unpaid leave in their child's first year. Parents who adopt children are entitled to ten days' adoption leave. The Work & Care model enables employees who care for sick relatives to temporarily reduce their workload and thus meet the needs of their family. Thanks to this commitment, the Pro Familia organisation awarded us the 'Family Score' seal of approval for the years 2021 to 2023.

Employee engagement programmes

Two programmes are available to employees. Move! offers a wide variety of sporting, health promotion and cultural activities. The programme, some elements of which are available for a fee, is financially supported by the Swisscom Foundation sovis. The second programme, Give&Grow, is about corporate volunteering.

Our employees can perform one day's charitable work once a year during their working time, e.g. taking part in a nature conservation assignment or computer courses for refugees. In the year under review, our employees clocked up a total of 784 volunteer days (prior year: 383) for environmental and social issues.

Professional training

Management approach

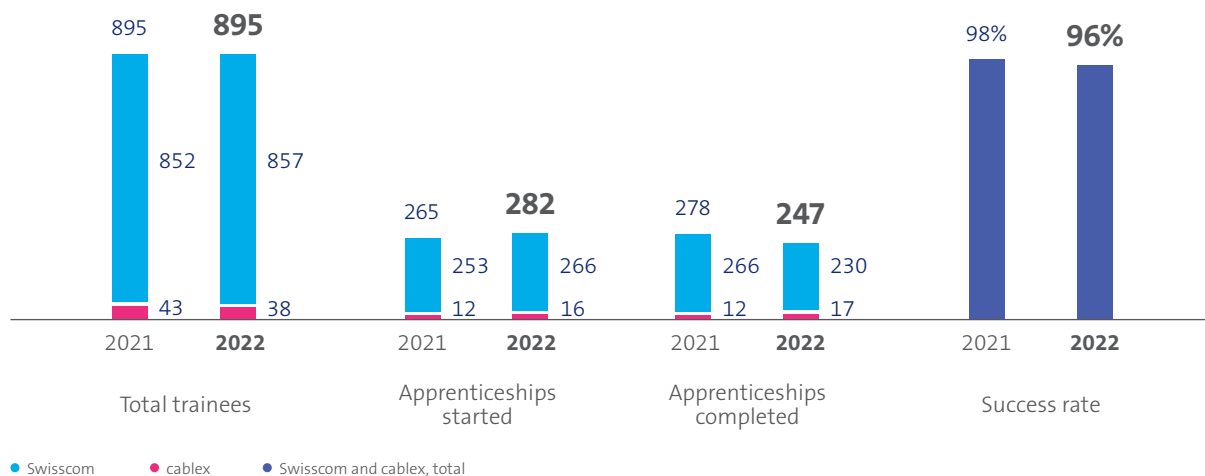
To take advantage of the opportunities presented by the digital change and to master its challenges, it is essential that our employees continuously expand their skills. For this reason, we grant them five training and development days per year, which are firmly enshrined in the collective employment agreement (CEA). We have also set a target that a majority of employees use this: whether through the varied internal training programme, on-the-job development or external training and continuing professional development e.g. in con-

junction with the Swiss education portal. The Employee Journey 'People & Organization Development' is designed to strengthen the employability of employees with a broad range of training and development opportunities.

Career starters

We provide 857 apprenticeships in seven different vocational areas. Added to these are 38 apprenticeships in three vocational areas at the subsidiary cablex.

Apprentices in numbers as of 31.8.2021/2022



The range of apprenticeships on offer means that there are opportunities for young people at all qualification levels: we offer training places for graduates of basic school education (secondary level I) as well as for grammar school graduates (secondary level II) and for students of the practice-integrated degree course in information technology. In the year under review, around 62 (prior year: 85) graduates from universities of applied sciences and universities gained their first practical experience as part of a step-in internship. In addition, we offer 15 trainee positions per year, providing students with the support they need to start their careers after graduation.

We design numerous innovative projects – three examples:

- We helped develop a completely new vocational apprenticeship that will be launched in 2023: the job profile 'Digital Business Developer EFZ' is a world first and of great importance for digitisation in Switzerland.
- With the pioneering 'Learnvolution' pilot project, apprentices put together their own training path with their competence coach from the vocational school and their learning support from Swisscom – an innovative and groundbreaking approach in basic vocational training. The project is being carried out in close collaboration with the BBB vocational school in Baden and is therefore also setting new standards in learning location cooperation. This project was awarded the ICT Education & Training Award.
- With the aim of putting people at the centre rather than just analysing files, we are piloting a completely new application process for apprentices. During the application process, prospective students answer several questions in a video tool. This is used to draw up a list of suitable applicants who are invited to the NEX-Day. Instead of using a theoretical file, we get to know young people in different contexts which are close to their everyday lives, thus attracting the best talent.

Training and education

By giving employees the freedom to shape their own professional development and requiring them to take responsibility for themselves, we create an inspiring learning culture and promote competitiveness.

With the Employee Journey 'People & Organisation Development' we offer a wide range of training and

development opportunities. The majority of these rely on digitised learning methods. In this way, employees can acquire knowledge independent of time and location. Depending on the educational goal, we also participate in external training courses by freeing up working time and/or contributing financially. Around 41% (prior year: 46%) of our employees took advantage of at least one of the five training days in 2022.

Programmes for talented employees

We offer a wide range of talent opportunities to employees with motivation and potential, enabling them to improve their skills and move into more responsible positions.

Evaluating performance and professional development

We consider it vital that employees pay attention to their employability. We support them in this with the virtual career adviser 'My Employability'. This helps them to refine their job profile, uncover missing skills and define appropriate further training measures. 'My Impact' serves employees and managers as a compass for their performance evaluation. Together with their managers, the teams define the contributions they wish to make in order to jointly achieve the company's objectives. They regularly gather feedback from their professional environment, discuss this with their line managers and, based on this, plan their professional development path in order to improve their readiness to perform.

Diversity and equal opportunities

Management approach

The diversity of our employees represents added value for us. Diversity promotes innovation and makes us more successful. Swisscom stands for a culture in which differences are valued and discrimination or exclusion have no place. We carry this attitude internally and externally. We also ensure the inclusion of employees with physical and psychological impairments. We design relevant processes in recruitment, appointment, development, talent management and leadership culture in such a way that they counteract even unconscious stereotyping and enable true equal opportunities. In the past year we pushed ahead again with the promotion of diversity.

Swisscom Communities

The various Swisscom Communities, such as Diversity, Women's Empowerment and proud@swisscom, currently comprise over 1,300 members.



We have no tolerance for discrimination or the abuse of power. This principle is communicated to all employees and, especially, to managers. In cases of discrimination, the neutral Care Gate contact point is available to all employees.

Recruitment

In the recruitment process we focus on the qualifications of the applicants and their attitude towards our values. Criteria such as age, origin and gender must not lead to discrimination. This is also set out in guidelines for hiring managers with specific instructions for action, such as avoiding unconscious bias and gender-neutral tenders. In addition, we offer positions on a part-time or job-sharing basis. With regard to the employment of persons from third countries, we comply with the legal regulations and give priority to Swiss nationals.

Diversity in management bodies

We have three women and six men on our Board of Directors and one woman and five men on the Group Executive Board. Top management includes nine women. The Group Executive Board continues to set itself the goal of increasing the proportion of women in management positions. We are represented in every language region of Switzerland and attach great importance to ensuring that the various languages are adequately represented on the governing bodies.

Proportion of women in management

In 2022, the proportion of women in management was 14.2%. Each business division has set itself targets to increase the proportion of women in management. To increase the proportion of women in management positions, we give preference to female candidates for

new appointments and with identical skills, search for them specifically (active sourcing) and grant a high degree of flexibility in terms of workload and location.

Gender equality

In the professions in demand by Swisscom, the majority of trainees are still men. To get young women interested in ICT professions, we organise the annual 'Digital Days for Girls'. Female apprentices from ICT training courses present their everyday working life to female students and, in so doing, make them more familiar with ICT. The proportion of our women entering the ICT professions in the year under review was 26.6% (prior year: 27.5%).

© See www.swisscom.ch/digital-days-for-girls

As a member of the nationwide Advance initiative, we promote access to training and networking opportunities for our female employees. In this way, they can increase their chances of a career move into a more responsible role.

Generations

At our company, people from all generations work together – from young people starting out in their careers to colleagues approaching retirement – all with a wide range of knowledge and experience. The exchanges and collaboration between the generations is valuable and enriching. For this reason, we encourage intergenerational cooperation.

Through the Check Your Chance initiative run by the Swiss Employers' Association, we support the career entry of young people in difficult situations and make it easier for older employees to leave the workforce by entering partial retirement in stages. To counteract the loss of knowledge and the shortage of skilled workers associated with the upcoming, larger wave of retirements, we promote the transfer and development of know-how, for example, through mentoring programmes or junior programmes. These include, for example, cross-generational mentoring, which is designed to create cross-generational and cross-gender tandems which enrich each other. The aim of the Junior Programme is to make young people fit for the tasks within Swisscom and thus to promote young talent in a targeted manner.

Nationality and language

People from 94 different nations work for us at various locations in all regions of Switzerland. When recruiting new employees, wherever possible we prioritise applicants from the respective language region as they are familiar with local customs. To attract talented people with the necessary profiles, we maintain partnerships with universities in the separate language regions of Switzerland.

94

Swisscom employs people from 94 nations.

In addition, an internal initiative was launched with the aim of having employees expand their language skills in another national language and/or in English in order to promote language diversity.

We purposefully advertise the positions as part-time positions and also publish them in other languages and/or in English to promote linguistic diversity. We also make sure that we advertise jobs in regions other than the main place of work. Work can also be performed at home or at other work locations.

Inclusion

We build on the individual strengths and skills that each employee possesses. If employees are in poor health, we attach great importance to supporting them in their return to work or enabling them to reintegrate in a meaningful way. We offer at least 1% of all jobs for the integration of people with an impairment and the social integration of refugees. Swisscom has been a member and sponsor of the Compasso association since it was set up.

Occupational health and safety

Management approach

The health and safety of our employees, as well as our customers and partners, are our top priority. As an employer, we take various measures to help employees so they stay healthy and motivated for the long term. If they have health or social concerns, they can obtain anonymous and confidential advice from the neutral Care Gate contact point.

In the 'new' working world, we place particular emphasis on the prevention and early detection of psychosocial ailments (mental health), self-management issues and ergonomics. In order to reduce work stress and strengthen resilience we promote a healthy work-life balance among our employees, e.g. through flexible working hours (see 'Working models') and by supporting sporting and other balancing activities with a wide range of programmes. We also offer our employees regular stress management and resilience courses.

We are committed to consistent adherence to safety rules in the workplace in order to protect the life and health of everyone involved. To ensure this, we consistently implement the statutory provisions. The safety system is evaluated every two years with targeted audits conducted by occupational safety specialists.

Security experts meet regularly on the Group Security Board to discuss common problems and possible solutions and to define overarching corporate measures as well as awareness-raising and prevention campaigns. The TU Safety Board has been set up for larger projects (e.g. when we award contracts to a general contractor) and meets six times a year under the leadership of our Safety Officer.

Swisscom's key partners are continuously involved in the systematic implementation of security prevention measures. In addition, targeted audits of individual management systems as well as unannounced workplace inspections verify consistent compliance with the most important rules.

The safety officers analyse accidents and examine where improvements can be made. All these measures lead to lower accident rates and lower absenteeism. Key figures on work-related accidents and illnesses are collected via a central reporting system. Every year, we also measure the general stress level and presenteeism of employees through a survey of their personal work situation.

Safety certifications and partnerships

In 2021, the Federal Coordination Commission for Occupational Safety (FCOS) certified the Swisscom safety system, which is based on national standards, as a company group solution in accordance with FCOS Guideline 6508 and FCOS Guideline 6508/10 (comparable with the ISO 45001:2018 standard). Recertification for another five years (valid until 30 June 2026) was successfully obtained (FCOS confirmation no. BLZ-2021-G2002).

As the 2021 'G20 to ISO 45001' audit proves, we have a comprehensive safety system in place that complies with the law. This is based on the requirements of the FCOS' ASA guideline. Certification to the latest ISO 45001 standard would be achievable at any time with little effort if customer requirements demanded it.

We are a signatory to Suva's 'STOP in case of danger' safety charter. 'STOP in case of danger' is to be lived on a daily basis within Swisscom and with all contractual partners, with a clear line taken with respect to those who do not fulfil their obligations.

Friendly Work Space

Thanks to our systematic anchoring of health in the company, our targeted prevention approach and impact measurement, we were once again awarded the 'Friendly Work Space' label by Health Promotion Switzerland in 2022. This label is valid for three years.



The Employee Representation Committee's commitment to safety

The members of the Employee Representation Committee are familiar with the realities of life within the company from their own day-to-day work and are therefore able to contribute to the well-being of their colleagues. They develop proposals for improving ergonomics and occupational health and safety, and they bring these to the relevant meetings of the Group Safety Board.

Prevention of psychosocial risks

We offer numerous programmes aimed at preventing health risks within the framework of occupational health management (OHM). To reduce psychosocial risks, we regularly organise courses for 'Mental Health First Aid' (MHFA) together with Pro Mente Sana, as well as courses on 'Distant Working, Stress and Resilience' with the Institute of Occupational Medicine, and other programmes related to self-management, ergonomics and mental health.

A long-term indicator of work stress is the absence rate. In the year under review, the absentee rate was 3.4% (prior year: 2.8%). The number of absences rose by 25% year on year, as did the duration of the individual absences. It should be noted that the absence rates in the two previous years were very low (due to the pandemic and special measures).

Since 2022, thanks to the new health cockpit, teams have been compared internally and potential health risks addressed at an early stage. For example, feedback from the internal 'Pulse' survey is included. This survey explicitly asks whether employees experience negative stress in their working environment. If a team has several elevated values (such as high stress values, increased absenteeism, turnover or overtime), we offer the option of carrying out an in-depth stress analysis. This includes measuring presenteeism, management issues, team conflicts and other areas. Further measures are determined together.

Work-related accidents and illnesses

The risk and the number of occupational illnesses pursuant to the Federal Accident Insurance Act (UVG) are minimal at our company. The number of occupational accidents per 1,000 full-time employees was stable in the year under review. At 15 accidents per 1,000 full-time employees per year, the incidence rate is well below that of comparable sectors (e.g. insurance).

More than a quarter of all occupational accidents at Swisscom occur in the office and while working from home. Most of them are falls caused by inattentiveness, stumbling or slipping. As these are mostly minor accidents, they cause no or only a few days of absence or absences from work. The reported occupational accidents are systematically analysed by the Safety Officer. If necessary, technical, organisational and personal measures are taken. The ongoing involvement of contractual partners also enables us to obtain an overview of accidents related to our activities.

In the current year, Suva found no cases of work-related illness at our company. Likewise, no fatal or serious accidents at work were recorded.

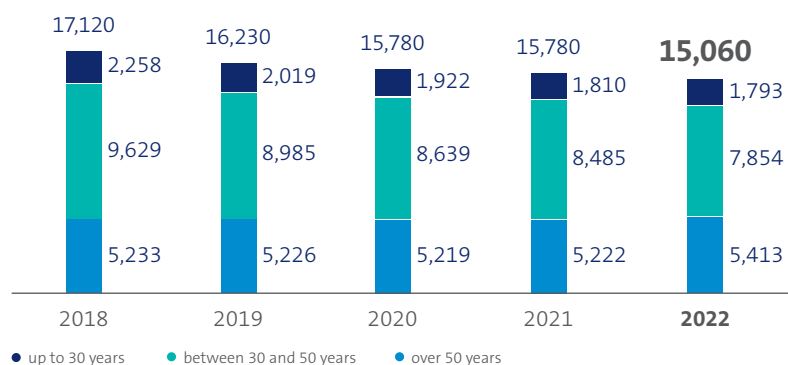
In the case of long-term absences, the number of cases is falling, but the average length of absence is increasing, particularly due to psychological stress. 2,177 (prior year: 1,915) of absences were caused by non-work related accidents (NOA).

Number respectively as indicated	2020			2021			2022		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Illness and accidents (S+A)									
Regular working days in FTE	3,036,402	986,088	4,022,490	3,003,720	960,697	3,964,417	2,948,094	921,930	3,870,024
Days lost due to illness (w/o work-related illness)	59,583	28,952	88,535	65,514	33,193	98,707	80,947	36,907	117,854
Days lost due to work-related illness	–	–	–	–	–	–	–	–	–
Days lost due to work-related accidents	2,513	152	2,665	2,483	133	2,616	2,308	131	2,438
Days lost due to non-work-related accidents	10,567	2,792	13,359	9,024	2,754	11,778	10,653	2,357	13,010
Days lost total (S+A)	72,663	31,896	104,559	77,020	36,080	113,100	93,907	39,395	133,302
Number of cases of illness	11,373	5,385	16,758	14,413	6,241	20,654	18,701	7,418	26,119
Work-related accidents	197	32	229	201	34	235	201	24	225
Number of non-work-related accidents	1,452	402	1,854	1,493	408	1,901	1,684	493	2,177
Total cases¹	13,022	5,819	18,841	16,107	6,683	22,790	20,586	7,935	28,521
Share of days lost due to illness (w/o work-related illness)	1.96%	2.93%	2.20%	2.17%	3.45%	2.48%	2.7%	4.0%	3.0%
Share of days lost due to work-related illness	0.0000%	–%	0.0000%	0.0000%	–%	0.0000%	0.0%	0.0%	0.0%
Number of work-related accidents	0.08%	0.02%	0.07%	0.08%	0.01%	0.07%	0.1%	0.0%	0.1%
Share of days lost due to non-work-related accidents	0.35%	0.28%	0.33%	0.30%	0.29%	0.30%	0.4%	0.3%	0.3%
Rate of days lost total (S+A) in %	2.40%	3.20%	2.60%	2.60%	3.70%	2.80%	3.2%	4.3%	3.4%
Work-related deaths	–	–	–	–	–	–	–	–	–
Net presence in FTE	7,816	2,117	9,921	7,760	2,062	9,809	7,586	1,952	9,523
Total productive hours performed	16,294,051	5,005,499	21,299,551	16,201,459	4,847,351	21,048,810	15,815,226	4,576,840	20,392,066
Productive time per FTE in hours	1,402	1,505	1,425	1,412	1,488	1,428	1,398	1,455	1,410

1 Lost work time that generates medical expenses



Employee age structure 2022
in headcount (HC)



Overall balance in Switzerland

Number respectively as indicated	2020			2021			2022		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Total workforce in Switzerland									
Average workforce FTE			16,234			15,961			15,884
Workforce end of year FTE			16,048			15,882			15,750

Reporting limit in Switzerland according to the personnel information system

Coverage report limit	93%			92%			91%		
Average workforce FTE	11,652	3,337	14,989	11,509	3,270	14,779	11,313	3,145	14,458
Employees in FTE per end of December in headcount (HC)	11,584	3,318	14,902	11,465	3,211	14,676	11,160	3,123	14,283
	11,919	3,861	15,780	11,794	3,723	15,517	11,456	3,604	15,060
Temporary positions (HC)	806	225	1,031	737	197	934	612	141	753
Permanent work contracts (HC)	177	117	294	141	87	228	102	87	189
Temporary work contracts (HC)	11,742	3,744	15,486	11,653	3,636	15,289	11,354	3,517	14,871
Gender ratio (HC)	75.5%	24.5%	100.0%	76.0%	24.0%	100.0%	76.3%	23.7%	100.0%
Full-time employment (HC)	10,172	2,001	12,173	10,058	1,933	11,991	9,884	1,872	11,756
Total trainees	1,570	1,743	3,313	1,595	1,702	3,297	1,470	1,644	3,114
Ratio full time employees (HC)	86.6%	53.4%	78.6%	86.3%	53.2%	78.4%	87.1%	53.2%	79.1%
Ratio part time employees (HC)	13.4%	46.6%	21.4%	13.7%	46.8%	21.6%	12.9%	46.8%	20.9%
Employees in collective employment agreement (CEA)	9,247	3,462	12,709	9,108	3,289	12,397	8,824	3,167	11,991
Rate collective labour agreement (CEA) to total workforce	77.6%	89.7%	80.5%	77.2%	88.3%	79.9%	77.0%	87.9%	79.6%
Top Management (HC)	69	9	78	68	10	78	65	9	74
Management (HC)	2,603	390	2,993	2,618	424	3,042	2,632	437	3,069
Rate of employees within Management (HC)	87.0%	13.0%	100.0%	86.1%	13.9%	100.0%	85.8%	14.2%	100.0%

Fluctuation in Switzerland

Average age	44.3	41.7	43.7	44.5	42.1	43.9	44.4	42.1	43.8
Leavings ¹	1,092	317	1,409	1,009	321	1,330	1,348	415	1,763
Leavings < 30 years ¹	170	74	244	176	74	250	222	86	308
Leavings 30–50 years ¹	524	158	682	448	137	585	561	182	743
Leavings > 50 years ¹	398	85	483	385	110	495	565	147	712
Rate of leavings < 30 years	15.6%	23.3%	17.3%	17.4%	23.1%	18.8%	16.5%	20.7%	17.5%
Rate of leavings 30–50 years	48.0%	49.8%	48.4%	44.4%	42.7%	44.0%	41.6%	43.9%	42.1%
Rate of leavings > 50 years ²	36.4%	26.8%	34.3%	38.2%	34.3%	37.2%	41.9%	35.4%	40.4%
Enterings ¹	705	177	882	850	211	1,061	998	280	1,278
Enterings < 30 years ¹	214	82	296	282	89	371	358	108	466
Enterings 30–50 years ¹	434	88	522	484	107	591	542	156	698
Enterings > 50 years ¹	57	7	64	84	15	99	98	16	114
Rate of Enterings < 30 years	30.4%	46.3%	33.6%	33.2%	42.2%	35.0%	35.9%	38.6%	36.5%
Rate of Enterings 30–50 years	61.6%	49.7%	59.2%	56.9%	50.7%	55.7%	54.3%	55.7%	54.6%
Rate of Enterings > 50 years ²	8.1%	4.0%	7.3%	9.9%	7.1%	9.3%	9.8%	5.7%	8.9%

Further KPIs

Education and training days		45,734		54,822		58,384
Number of days training and education per employee (headcount)		2.9		3.5		3.8
Maternity and paternity leave	580	195	775	671	207	878
Total CEO compensation in kCHF		1,853		1,958		1,806
Median salary in kCHF		139		141		142
Ratio CEO compensation / median salary		13		14		13
Variation of CEO compensation		5.3%		5.7%		-7.8%
Variation of median salary		1.5%		1.4%		0.7%
Minimum full time salary in kCHF according to the CEA		53		52		52
Performance Dialogues ³		95.4%		86.0%		–

¹ Without fixed-term employment contracts.

² Without retirements.

³ Without apprentices.

Responsibility in actions

Ethics

Relevant

Swisscom is setting up a GEB Ethics Committee.

Data protection

Great importance

is attached to the legally compliant processing of personal data.

Mobile expansion

More data volume

and restrictive approval of mobile communications have put us in a challenging position.

Society

Partnerships

Our commitment to Switzerland within the framework of many partnerships and memberships goes back many years.

Public debates

The common good

and corporate interests guide our approach to public debates.

Corporate ethics

Management approach

As our main shareholder, the Confederation expects us to pursue a corporate strategy that, to the extent economically possible, lives up to sustainable and ethical principles. Ethical conduct is integrated into our Code of Conduct under section 4: 'Employees observe the established rules and values of our company. They ensure they act in a conscientious behaviour in the company and with integrity. They pursue the goals and interests of Swisscom and its customers. They identify and avoid conflicts of interest and disclose them.'

We take into account the needs of Swisscom and our stakeholders with our ethical standard of conduct. We trust our employees and appreciate that they act responsibly in their work for society, the environment and the economy. We create transparency and engage in dialogue with the public. After all, we are only economically successful if we enjoy the trust of our stakeholders.

Public and stakeholder expectations of companies have risen. While our good practice on data privacy is recognised in the study on digital responsibility by the Ethos Foundation, internal tools such as reputation tracking point to potential in the implementation of ethical principles in the company. In everyday business life, different needs result in conflicting goals which must be carefully weighed against each other. Even with goodwill from all parties involved, there is a risk that the interests of individual stakeholder groups will be given too little consid-

eration. To minimise this risk, we have strengthened corporate ethics.

New working group on corporate ethics and five measures

Corporate ethics was strategically embedded in the revised Group strategy at the end of 2021 as part of 'Trusted Corporate Citizen'. In the year under review, a cross-divisional 'Corporate Ethics' working group was created under the leadership of the sustainability team with the task of strengthening ethical practice at Swisscom. In consultation with the Group Executive Board, the working group defined a package of five measures:

- Define ethics governance more clearly and establish regular committees at management levels
- Develop a compass of values
- Conduct ethics training for all employees
- Introduce a KPI set to measure progress in respect of the 'Trusted Corporate Citizen'
- Communicate the issue of ethics

Ethics management

Management sets an example. The Head of Group Communications & Responsibility is also the person responsible for Swisscom's ethics. He presides over the Data Ethics Board, which makes recommendations for data projects for the attention of the projects and management. (See section 'Data Ethics Board'.)

In the Ethics Working Group (Ethics WG), issues relating to corporate ethics are discussed with the CEO and the Head of Group Human Resources under the leadership of the person responsible for ethics. Specific cases are

discussed. The Ethics WG is advised by an external expert. The working group dealt with two cases in the year under review. One involved IT services provided by our subsidiary Swisscom Broadcast for the World Cup in Qatar. At the request of the working group, on-site inspections were carried out by Swisscom project managers to examine working conditions. In addition, reports on the company's involvement were published on the intranet. A controversial discussion ensued among employees in the comments sections for the article. We see this as a clear sign of an open corporate culture and the great interest shown in business ethics issues. The second case concerns a TV service where the final decision is still pending.

🔗 See www.ethix.ch

In the Leadership Forum, the management body for senior management, the integration of ethical principles into all activities will be addressed annually from 2023.

New value compass

Trustworthiness is Swisscom's core value. An ethics compass helps employees put the concept in concrete terms and facilitates behaviour that fosters trust based on the principles of 'preserving the freedom of choice of all stakeholders', 'promoting the well-being of all stakeholders' and 'equity of exchange among all stakeholders', each with internal and external examples of application. To ensure that this Compass can serve as a solid aid in situations involving a dilemma, it was transformed into a working tool in the year under review.

Ethics training

All employees receive annual training on how to use the compliance guidelines. In the future, this training will be supplemented by ethics training. This is intended to bolster Swisscom's trustworthiness.

Communication and measurement

The new impetus for ethical conduct at Swisscom is to be recognised internally and externally. In spring 2022, an ethics intranet hub was launched to raise employee awareness. On our website, the policies and Group guidelines on ethical behaviour and compliance are bundled in an ethics section and published in a publicly accessible form. We also measure stakeholders' (public, customers and employees') perception of Swisscom's trustworthiness on a monthly basis. This is surveyed with the tried and tested RepTrak tool.

🔗 See www.swisscom.ch/cr-governance

We are also committed to the following rules and code of practice:

- **Verhaltenskodex (Code of Conduct):** taking responsibility, complying with rules, being honest and reporting violations – with these four principles Swisscom's Code of Conduct contains the minimum expectations that the Board of Directors and CEO have of our managers and employees and the Group companies.

- **Corporate Governance:** transparency and clear responsibilities characterise responsible corporate governance at Swisscom. CR governance defines the rules in accordance with which the line units and the sustainability network make decisions, oversee and report (see 'Sustainability governance').
- **Principles of communication:** our employees adhere to Swisscom's values and principles of communication in their day-to-day communication with one another and with customers, as well as in media and public relations work.
- **Data Ethics Board:** since 2014, the Data Ethics Board has ensured that data processing operations are carried out in accordance with objectifiable values. The Board, chaired by the Head of Group Communications & Responsibility, examines specific application scenarios from day-to-day business. The Board is made up of representatives from HR, Customer Care, Data Governance, Corporate Communications, Data Analytics and Mobile Solutions for Business Customers. In the year under review, the Board met twice to review current cases according to ethical criteria.
- **Transparency and dialogue:** we value and seek contact with the public. We maintain open dialogue with interested stakeholder groups on specific topics relating to our core business. Our employees have the option of anonymously reporting suspected unfair business practices via a publicly accessible whistle-blowing platform. The Internal Audit department deals with the information received.
- **Responsible data handling:** data-based applications and services provide opportunities for society, for the economy and for us as a company.



We are aware of the trust our customers place in us when it comes to the handling of data. That is why we have set up a data governance procedure. This formulates measures and processes to systematically establish and promote a responsible data culture. The aim is to ensure that Swisscom processes data in a legally compliant and legitimate manner.

- This is also an example of how we are involving ourselves in the socio-political discourse surrounding the public availability of data (see 'Data protection').

🔗 See www.swisscom.ch/smartdata

- **Procurement Code of Conduct:** with our Code of Conduct for Procurement, we set binding rules: for us and

our conduct as one of the largest buyers in Switzerland, but also for our supply partners, for whom we set high standards in terms of operating efficiency and innovation, but also in respect of social and ecological matters.

☞ See www.swisscom.ch/codeofconduct

- **Corporate Responsibility Contract Annex:** the Code of Conduct for Procurement sets out the principles and procedures to be followed by the procurement organisations. It stipulates the requirements that suppliers accept by signing the CR Contract Annex (CRCA). We use a structured risk management system to review compliance with these requirements. This system was introduced in the purchasing organisation in 2015 and has since been expanded in terms of its concept. It covers all the risk areas of the supply chain.

☞ See www.swisscom.ch/csr-annextocontract

Mobile telephony and society

Management approach

Just under 6.2 million people use a mobile connection from Swisscom. Today, our customers transmit over 200 times more data than in 2010. This is only possible with continuous modernisation and expansion (see 'Network and infrastructure'). Some sections of the population are voicing health concerns about the electromagnetic fields which carry the mobile communications. The signals emitted from mobile phone antennas have been the subject of scientific research for over 30 years. No negative effects on organisms have been detected below the internationally applicable limits. Most scientists therefore consider such concerns unfounded. However, there are still open questions, and we are supporting the research that seeks to answer them.

We always take the concerns of the population seriously. We employ specialists from the fields of research, technology and communications to help us act as a competent, trustworthy and reliable player. Our team of experts has direct access to senior management and reports to a committee of the Group Executive Board on a bi-monthly basis.

The aim of our efforts is to increase acceptance of the mobile communications infrastructure. To this end, we consider it essential to impart knowledge, clarify misunderstandings and counteract untruths. This is done in personal correspondence, by telephone and often in direct conversation with people and stakeholder groups but also in the form of holistically coordinated corporate communication. We also attach great importance to promoting high-quality research in order to clarify outstanding issues relating to mobile communications,

society and the environment. In particular, we support the Swiss Research Foundation for Electricity and Mobile Communication (FSM) based at the Federal Institute of Technology in Zurich (ETH Zurich).

☞ See www.swisscom.ch/radiation

Electromagnetic fields

As a provider, we want to operate mobile communications responsibly for people and the environment. When operating the mobile communications installations, we strive to comply with the national environmental requirements and the cantonal and communal building laws at all times and in every respect.

The Group Communications, Corporate Legal Services, Technical and Scientific Governance, and ONIR Governance (Governance of the Ordinance on Non-Ionising Radiation) areas are responsible for the issue of mobile communications and the environment. In addition, an interdisciplinary team coordinates measures with competitors and the industry association.

Advice and information on wireless technologies

Local construction projects or articles in the media often lead to questions and demands on us. Constructive dialogue with our stakeholders is important to us. That is why we are in contact with authorities at federal, cantonal and municipal level and publicly state our position on the issues of mobile communications and environment.

Special mention should be made of our regular exchanges with the cantonal environmental agencies to ensure that we are implementing the environmental requirements for mobile communications correctly at all times and to share knowledge. Three experts deal with electrosensitive persons who feel unwell as a result of immissions from mobile communications installations or other transmitters used by us. Several communications experts prepare information on mobile communications and the environment for online and print media.

Research and development

We collaborate with and financially support the Swiss Research Foundation for Electricity and Mobile Communication (FSM) based at the Federal Institute of Technology in Zurich (ETH Zurich). The FSM continually monitors, interprets and comments on the latest research on the effects of electromagnetic fields on organisms and the measurement of immissions. For us, open-ended research is key. Our funding of scientific projects is done entirely without influencing the work of the researchers.

ONIR limits

In Switzerland, the legal obligation to limit emissions from mobile communication installations is set out in the Ordinance on Non-Ionising Radiation (ONIR).



In the year under review, we again met all federal legal requirements and transferred the transmission data from all mobile radio installations to a central database. The municipal and cantonal enforcement authorities have protected access to this database and can check compliance with ONIR limits independently and on the basis of random samples at any time.

We are required to operate a quality assurance system (QAS) for our mobile base stations. Our QAS is certified in accordance with ISO standard 33002:2015. A monitoring audit of the QAS in accordance with ISO 33002:2015 was conducted at the start of November 2022 by an external auditor mandated by Société Générale de Surveillance (SGS). We passed the review with our targeted capability rating of three out of a maximum of five.

For places where people spend longer periods of time, the Ordinance on Non-Ionising Radiation (ONIR) sets precautionary limits that are ten times stricter than those recommended by the WHO for prevention. These 'installation limit values' thus represent a precautionary measure for precautionary purposes and thus concretise the precautionary principle enshrined in the Environmental Protection Act. The enforcement regulations for these limits represent a further tightening. These specify for the executing agencies (cantonal and municipal specialist agencies) how the ONIR is to be implemented in detail. They contain further precautionary reservations. However, the multiple precautionary levels mean that the permissible limits can hardly be exhausted in reality, even within the restrictive Swiss framework. At the majority of current sites, the approved performance limits have therefore already been reached. This has prompted a need for a large number of new antenna systems. The mobile communications industry and parts of the political community are calling for certain practical facilitations here so that the mobile communications network can be efficiently adapted to the ever-increasing data volumes. Only in this way can Switzerland continue to take full advantage of the opportunities of mobile communications.

The first NIR monitoring report of the Federal Office for the Environment FOEN, which was published in June 2022, attests to demonstrably low immissions. In its general overview, the FOEN states that immissions in general – i.e. not only those from mobile radio systems, but also those from broadcasting, railway infrastructure and other technologies – are extremely low. The results

showed that the population as a whole is moderately exposed to electromagnetic fields. The immission situation even improved compared with a measurement campaign from 2014. Immissions of non-ionising radiation have tended to decrease, despite more antennas and a marked increase in data volume.

These findings confirm that new technologies such as 5G work much more efficiently and perform a lot better than their predecessor technologies. Likewise, one aspect seems to be gradually catching on with the population: the main part – up to 90% – of the immissions comes from the user's own terminal equipment; only a small part is caused by the mobile communications infrastructure. Nearby antennas and thus good connections reduce overall exposure and help manage capacity growth.

Information about the radiation values of devices

Interested parties can find information on the levels of radiation emitted by available mobile handsets (SAR values) at our points of sale and on the website. There is no legal obligation to provide this information. However, we are meeting the need of a small segment of our customers. All mobile phone models offered by us at the end of December 2022 (44) comply with the limit of 2 W/kg according to the European product standard EN 50361:2002. We take the SAR values directly from the corresponding manufacturer documents. Developing devices with the lowest possible SAR is not a criterion for manufacturers. We are therefore seeing a general increase in these values. However, a low SAR value is also no guarantee of low immissions: it is more effective to make phone calls with a good connection and to use headsets for long conversations to reduce mobile phone immissions as a precaution. In addition, we also provide information about the immissions of mobile communication antennas: the calculated field intensities of Swisscom locations can be accessed online for almost any residential address in Switzerland.

© See www.swisscom.ch/fieldstrength

Expansion of the mobile network

In 2019, the experts of DETEC's Mobile Radio and Radiation working group elaborated measures that meet the needs of mobile network operators and our customers as well as take account of the precautionary principle required by the Environmental Protection Act (see 'Electromagnetic fields').

As of 1 January 2022, the ONIR was revised with regard to adaptive antennas and the application of the correction factor. The correction factor compensates for the unequal treatment of adaptive antennas compared with conventional antennas – the limits apply unchanged. With the revision, these modern antennas, which are primarily utilised for the latest 5G standard, can be operated efficiently and effectively to transmit specifically in the direction of the end devices. This will reduce the exposure of non-users and allow more data to be trans-

mitted with the same amount of energy. Accordingly, these antennas reduce non-ionising radiation from mobile communications.

In April 2022, the Federal Council published its 'Sustainable Mobile Network' report and confirmed its intention to push ahead with the roll-out of 5G networks in Switzerland. According to the report, 5G networks have clear advantages over older standards from a performance and radiation minimisation perspective.

Due to the strict legal limits (see 'ONIR limits') and additional restrictions in enforcement, the modernisation of mobile communications facilities is proceeding more slowly than planned.

3,000

planning applications for the modernisation of existing or the construction of new mobile communications were pending throughout Switzerland in 2022.

In 2022, more than 3,000 planning applications for upgrading existing or new installations were pending across Switzerland, and just under 50% of all planning applications for 5G facilities have been approved since the 2019 frequency allocation. This is despite the fact that the projects have adhered to the applicable framework.

This permit backlog is a major challenge. Since there are cantonal differences in this respect, the measures introduced to speed up construction procedures are canton-specific. One risk of the very long construction procedures is the short technology cycle of the antennas used. Often the type of antenna that was entered in the building application is no longer available when the building permit comes into effect and the successor type has to be approved again. It is therefore important that it is possible to replace individual antennas at already

approved sites in a simplified manner, not least because more modern antennas are generally more energy-efficient. Consequently, we are committed to simplifying and accelerating construction procedures.

Basic service provision

We are responsible for providing basic telecoms services in Switzerland, and have been mandated to do so in accordance with the current universal service licence. In this way, we ensure comprehensive network coverage for the Swiss population with network access and a basic range of services. This coverage of a mobile network primarily includes voice telephony and broadband Internet access. Since 2020, the guaranteed minimum transmission speed for a broadband Internet connection has been 10 Mbps (downloads) and 1 Mbps (uploads). As part of basic service provision, we also maintain special services for persons with disabilities (see 'Accessibility').

The current provisions on the universal service have been revised and the updated Ordinance on Telecommunications Services (OTS) will come into force on 1 January 2024, together with the new universal service licence. Specifically, the new universal service provides for a significant increase in the minimum bandwidth, facilitating a download speed of up to 80 Mbps. We contributed during the consultation.

The increase in minimum bandwidth in the basic service provision is also in the context of the political debate for high-performance networks, for everyone, as affordable and available as possible. In addition, parliamentary motions have been submitted. The initiative of the canton of Ticino is currently suspended in parliament. This calls for a nationwide high-bandwidth coverage network. In spring 2021, the TTC adopted the 'High bandwidth strategy of the Confederation' postulate (postulate report 21.3461), which is intended to examine the issues surrounding future network expansion and its funding in greater depth and to identify a targeted implementation of a high bandwidth infrastructure in Switzerland. This report is being prepared by the relevant authorities and is not yet available.

	Unit	2021	2022
Emergency calls	in thousands	3,284	3,556
Calls to the service for visually and hearing impaired	in thousands	292	270

Responsibility towards society

Our history is closely tied to Switzerland and the people of this country. Our commitment therefore goes back a long way. We share our expertise at a regional, national and European level and, on our own or in partnership with others, we support activities that contribute to

social cohesion, the digitisation of society and the common good. There are three areas in which we focus our activities: the fostering of technical, cultural and political relationships, projects carried out as part of our corporate responsibility, and support for national and regional events, mainly in culture and sport.

Cultural sponsorship

Since 2022, Swisscom has also been a partner of many of the country's most popular music festivals.



Memberships and partnerships

We work with various partners at national and international level on a project-specific basis in order to further develop our strategic priorities. In choosing our partnerships and memberships, we attempt to ensure that the relevant institutions ideally complement our company in terms of their professional competence and thus make an important contribution to the achievement of our strategy. They must also share our values and have an excellent reputation and a high level of credibility in their area of activity.

🔗 See www.swisscom.ch/cr-partnerships

Our sponsoring activities are spread across all regions of Switzerland and aimed at a wide range of stakeholder groups. Since 2022, Swisscom has also been a partner of many of the country's most popular music festivals.

🔗 See www.swisscom.ch/sponsoring

Actor in public debates

In the representation of our interests, we follow a solution-oriented approach, both for the common good and in the interests of our company. We are committed to maintaining transparent and trusting relationships with politicians, public authorities and the community. We participate in public hearings and events and play our part in the political process. In line with our own anti-corruption directive and based on the relevant ethical codes (the Code of Lisbon and the Code of Professional Conduct of the Swiss Society of Public Affairs, SSPA), we reject unlawful or ethically questionable practices aimed at exerting influence on opinion leaders and decision-makers. Moreover, we are a non-denominational and politically neutral organisation and we do not support any parties financially. An internal ethics board assesses planned projects and services for compatibility with ethical principles (see 'Corporate ethics').

We maintain contact with the European Telecommunications Network Operators' Association (ETNO), national politicians, authorities and associations in all regions of Switzerland. First and foremost, we provide information on infrastructure and security issues, on the necessary framework conditions in line with our corporate strategy and on our engagements.

As a responsible corporate citizen, we contribute both with planned projects and services as well as professionally, to public discussions in particular on the topics of education policy, digitisation, mobile communications and broadband expansion and basic service provision.

Consultations

During the year under review, as in previous financial years, we submitted statements as part of numerous consultations at federal level. In the context of the current political deliberations, the implementation of the motions with the same wording Caroni (Mo 20.3531) and Rieder (Mo 20.3532) 'Fair competition vis-à-vis state-owned enterprises' and the postulate 'Federal high-bandwidth strategy' are of increased importance to us. We also had our views heard in the context of the changes to basic service provision, the proposed partial revision of the Cartel Act (CartA) and on the eID (Federal Act on Electronic Proof of Identity and other Electronic Proofs, e-ID Act).

Open regulatory issues

The following additional business relating to Swisscom is currently being discussed in Parliament:

- The expansion of the 5G mobile communications infrastructure is resulting in many parliamentary initiatives. Thus, the postulate of the Transport and Telecommunications Committees of the Council of States (21.3596), which calls for the examination and clarification of future use in the millimetre wave range, was accepted and the federal government was instructed to prepare a report. In Swiss parliament, an important motion on the subject of mobile communications was pending, both for us and for the entire telecommunications industry: the motion of the FDP parliamentary group 'Rapid 5G expansion' (motion 20.3237). The report on the postulate of Häberli Koller (postulate 19.4043) 'Sustainable mobile network' was published and the corresponding commission was informed.
- A new proposal was submitted by the Social Democratic Party to protect Switzerland's critical infrastructure in the ICT sector from possible interference by other states (motion 22.3414.). This should be seen in the context of the trade dispute between the USA and China. Swiss telecoms service providers use various network equipment suppliers, including Huawei.
- Beyond parliament, the topic of mobile communication expansion is likely to remain topical in the broader public political debate. However, the 'saferphone' initiative which was announced did not materialise. Its intention

was to ensure network coverage indoors exclusively via the fixed network and not via the mobile network.

- In the area of protection of minors and media protection, consultations on the revision of the Federal Act on the Protection of Minors in the Area of Film and Video Games (JSFVG) were concluded in the year under review. We are also involved here via the industry association asut and make our voice heard in the political debate. Signatures are currently being collected for a referendum.
- In general, it must be noted that time and time again, requests are also submitted concerning the business activities of federally affiliated companies. This is also the case with the motion (20.4328) 'Strengthening the public service', which calls for a law on the political control and supervision of companies with a basic service provision mandate. There have been repeated calls for legislative action to curb (possible) distortions of competition by state-owned enterprises, and for the political management and supervision of service public enterprises. These requirements risk restricting Swisscom's economic framework.
- In the aftermath of certain disruptions and breakdowns – particularly with emergency numbers – adopted motion 21.3000 called for the introduction of technical system leadership in the area of emergency calls. Furthermore, six motions with the same wording, calling for the digitisation and further development of emergency calls in Switzerland, were adopted by parliament. The implementation details of these issues are not yet known and are being worked on by the responsible Federal Office of Communications (OFCOM) and other bodies. It is also not yet known when the message for this will be adopted.
- Among the general public and in political inquiries and initiatives, the security of ICT equipment has gained in relevance due to the trade dispute between the USA and China. We pursue a multi-vendor strategy and work with several partners. Swiss politicians are currently refraining from interfering in the commercial freedom of ICT companies. We are closely following the relevant developments in Switzerland and the EU. The digital sovereignty issue is gaining weight in the political debate, not least because of the repeated disruptions to the networks.

Data protection

Swisscom attaches great importance to the legally compliant and responsible processing of personal data and confidential information. Swisscom operates a management system for data protection and confidentiality that applies internationally recognised standards and norms. In addition, Swisscom maintains a framework for data ethics that allows the clarification of ethical issues in connection with the processing of data or the use of new technologies.

The new Data Protection Act (DPA) will come into force on 1 September 2023. Swisscom will review existing measures for the protection of personal data for compliance with the new requirements and will make any necessary adjustments.

Swisscom also processes personal data in order to be able to provide customers with advertising or services that are individualised, targeted and better tailored to their needs. Swisscom creates customer segments or customer profiles to that end. Customers' personal data is also made available to advertising marketing companies in aggregated form for the purpose of target group-based advertising. Customers may object to the receipt of advertising and the processing of their personal data for marketing and advertising purposes. Swisscom has implemented technical and organisational measures in order to comply with applicable legal provisions.

In the year under review, Swisscom did not conduct any legal or administrative proceedings in the area of customer data protection or confidentiality. Swisscom complies with its legal obligations with regard to the surveillance of postal and telecommunications traffic.

© See www.swisscom.ch/data-protection

Data security

Another area of focus alongside data protection is data security. Equipped with a modern and secure infrastructure and supported by security specialists with a high level of expertise, Swisscom strives to provide the best possible protection for employees, customers, partners and itself as a company.

The security policy is based on the three pillars of prevention, detection and response. At a time when cyber threats are on the rise, automation technologies and artificial intelligence (AI) are used to detect risks and attacks and initiate appropriate countermeasures. The Swisscom Security Operation Center monitors the entire IT infrastructure around the clock. In addition to technical security solutions, Swisscom is also committed to establishing a security culture within the company. Targeted awareness measures are used to raise awareness among employees about the conscious and secure handling of data.

Swisscom offers various security solutions for residential and business customers. These range from call filters and virus protection to security assessments, managed security and immediate assistance in the event of a hacker attack. Security is thus an integral part of our values and culture.

© See www.swisscom.ch/datasecurity

About this report

Scope of the report

Principles

The Sustainability Report relates to Swisscom Ltd and all subsidiaries domiciled in Switzerland which were fully consolidated in accordance with the International Financial Reporting Standards (IFRS). The participation in the Group company blue Entertainment Ltd is excluded because its effect is immaterial and not all of the requirements listed in the management approach of the IFRS apply to blue Entertainment Ltd. In line with GRI reporting requirements, acquisitions are included from 1 January of the year following 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. Swisscom's most important foreign holding is Fastweb in Italy. Fastweb publishes its own sustainability report in line with GRI standards which is reviewed by Bureau Veritas AG, an external, independent auditor. The closely related foundations comPlan (pension fund) and sovis (social foundation) are also not included in the scope. Our Group structure is described in the 'Group structure and shareholders' section of the Annual Report 2022. A list of Group companies, comprising all the subsidiaries, associates and joint ventures, is provided in the Notes to the consolidated financial statements 2022 (see Annual Report, page 159).

Personnel information system

The following Swiss subsidiaries were not included in the central personnel information system in the year under review, but in local, company-specific personnel information systems: Swisscom Directories Ltd, blue Entertainment Ltd, Swisscom Digital Technology AG, United Security Providers AG, itnetX (Switzerland) AG, Innovative Web, Ajila AG, Swisscom IT Services Finance Custom Solutions Ltd, Swisscom Trust Services AG, AdUnit AG, JLS Digital Ltd, MTF, Audio-Video G + M AG and Global IP Action AG. The central personnel information system thus has a coverage ratio of 91% (prior year: 92%).

Environment

The environmental key figures (especially energy, water and waste water, emissions and waste) cover almost 100% of our FTEs in Switzerland, with the exception of the Group company Blue Entertainment Ltd. In addition, the emissions of subsidiaries in Switzerland for Scope 3 categories 1, 2 and 4, which are collected on a spend basis, are not fully included at present. Fastweb's CO₂ emissions are taken into account but excluded from the calculation of climate targets. All buildings in Switzerland that are managed by our real estate management and the vehicle fleet managed by our mobility management are included in the reporting. As regards electricity

generation and consumption, the data compilation system also encompasses Swisscom (Switzerland) Ltd's mobile base stations, proprietary production of solar energy and the transmitter stations Swisscom Broadcast Ltd operates in Switzerland and just across the Swiss borders. The consumption of our third-party tenants is deducted from the total energy consumption. The data regarding emissions in our supply chain is based on a projection that takes account of 76 suppliers as well as audits carried out as part of the Joint Alliance for CSR (JAC). The data on which the projection is based and the audits account for 70% of our order volume.

Social aspects

Information on social relationships in our supply chains is based on audits carried out as part of the Joint Alliance for CSR (JAC) and on self-declarations and Corporate Responsibility contract annexes. The latter cover almost all our suppliers, with particular importance attributed to the situation outside OECD countries.

Reporting

Consideration of international guidelines

This Sustainability Report complies with the GRI principles on reporting. It therefore contains specific GRI standard information in addition to the general standard information. The recommendations of the SDG Compass for reporting on contributions to the 2030 Agenda were again considered and implemented. We also took into account the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in the areas of governance, strategy and risk management as well as the Science Based Target Initiative (SBTi) in 'Responsibility for the environment' and in the 2022 Climate Report.

Dialogue with stakeholders

We involve our internal and external stakeholder groups in order to assess the importance of our issues and to determine the strategic priorities. The issues are included in the materiality matrix (see page 11). They form the basis for the report. Detailed information on stakeholder management and stakeholder dialogue is provided in the section 'Stakeholder involvement'.

We also use findings from current studies, market research, trend analyses and benchmark reports. See also 'Material issues'.

If necessary, we work with specific stakeholder groups to develop processes and measures to address individual key issues and strategic priorities: for example, together with the Swiss Federal Office of Energy (SFOE), we provide information about our contribution to the 'Exemplary

Energy and Climate' (VEK) initiative and contribute to media skills in collaboration with other businesses in the ICT sector and in contact with the Federal Social Insurance Office (FSIO). In addition, we work with the Energy Agency of the Swiss Private Sector (EnAW).

Validation and verification

The reporting process comprises the Annual Report 2022, 'at a glance', the Sustainability Report and the Climate

Report. The Annual Report and the Sustainability Report are subject to the same internal validation stages: they are validated by the Disclosure and Review Committees and approved by the Audit Committee to ensure the quality of the disclosures. The Sustainability Report and the Climate Report are independently verified by Société Générale de Surveillance (SGS). We also voluntarily chose opting-in and registered our Sustainability Report with SIX Exchange Regulation AG.



CERTIFICATION

SGS CERTIFICATION of the Swisscom AG 2022 GRI Sustainability Report

SCOPE

SGS was commissioned by Swisscom to conduct an independent assurance of the GRI-based disclosure on sustainability in 2022. Our limited assurance scope included the GRI disclosure obligations and figures in accordance with the GRI Index included in the sustainability report. The scope of the assurance, based on the SGS Sustainability Report Assurance methodology, included all texts and 2022 data in accompanying tables contained in the Sustainability Report 2022 and referenced information in the Annual Report 2022 and 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 sustainability report, in the annual report and on the website. 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 Standards, Version 2021 as a standard. The content of this Assessor'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 Standards, Version till 2021. SGS has also certified the environmental management systems of Swisscom (Switzerland) Ltd., of Swisscom Broadcast Ltd. and of Cablex Ltd. in accordance with ISO 14001:2015. In addition, the greenhouse gas inventory of Swisscom AG was verified by SGS according to ISO 14064.

The limited 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 2021 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 2022. 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 regarding the further development of the sustainability report.

We believe that the existing gaps are not significant and the sustainability report in accordance with the GRI Index meets the requirements of the GRI Standard (till 2021).

SIGNED FOR AND ON BEHALF OF SGS

Andreas Stäubli, Lead Auditor

Jan Meemken, Managing Director

Zurich, 26.01.2023

www.SGS.COM

GRI Index

The GRI Index provides a standardised overview of reporting which is broken down by subject. Swisscom reports in accordance with the GRI standards (until 2021) for the period from 1 January 2022 to 31 December 2022.

Indicators	Status	Reference: AR = Annual Report, SR = Sustainability Report
Key: Indicator according to GRI standards (as per scope of report) Ø = not relevant <input checked="" type="checkbox"/> = not covered <input type="checkbox"/> = partially covered <input checked="" type="checkbox"/> = fully covered		
GRI 1: Foundation		
GRI 2: General Disclosures		
2-1 Organizational entails		
2-1 a	Legal name	# <input checked="" type="checkbox"/> AR: Notes to the consolidated financial statements: Other disclosures
2-1 b	Nature of ownership and legal form	# <input checked="" type="checkbox"/> AR: 2 Group structure and shareholders
2-1 c	Location of headquarters	# <input checked="" type="checkbox"/> CH-3048 Worblaufen
2-1 d	Countries of operation	# <input checked="" type="checkbox"/> AR: 2 Group structure and shareholders AR: 5.4 Group companies AR: Notes to the consolidated financial statements: Other disclosures
2.2 Entities included in the organization's sustainability reporting		
2-2 a	Entities included in sustainability reporting	# <input checked="" type="checkbox"/> AR: 2 Group structure and shareholders
2-2 b	Entities included in the consolidated financial statements	# <input checked="" type="checkbox"/> AR: 2 Group structure and shareholders
2-2 c	Approach used for consolidating the information	# <input checked="" type="checkbox"/> AR: 2 Group structure and shareholders
2-3 Reporting period, frequency and contact point		
2-3 a	Reporting period for, and the frequency of, sustainability reporting	# <input checked="" type="checkbox"/> 01.01.2022–31.12.2022 Annually
2-3 b	Reporting period for financial reporting	# <input checked="" type="checkbox"/> 01.01.2022–31.12.2022 Annually
2-3 c	Publication date of the report or reported information	# <input checked="" type="checkbox"/> 09.02.2023
2-3 d	Contact point for questions about the report or reported information	# <input checked="" type="checkbox"/> www.swisscom.ch/en/about/impressum.html
2-4 Restatements of information		
2-4	Restatements of information	# <input checked="" type="checkbox"/> No 'restatements' in 2022.
2-4a	Explanation of the reasons and effects	Ø No 'restatements' in 2022.
2-5 External assurance		
2-5	External assurance	# <input checked="" type="checkbox"/> SR: SGS verification
2-5 a	Policy and practice; involvement of the highest governance body and senior executives	# <input checked="" type="checkbox"/> SR: Corporate responsibility governance
2-5 b	Link to the external assurance report(s) or assurance statement(s) encription of what has been assured and on what basis, assurance standards used, level of assurance obtained, limitations of the assurance process, encription of the relationship	# <input checked="" type="checkbox"/> SR: SGS verification
Activities and workers		
2-6 Activities, value chain and other business relationships		
2-6 a	Sector; if applicable, significant changes compared to previous years	# <input checked="" type="checkbox"/> No significant changes in 2022
2-6 b	Value chain (including Activities, products, services and markets served; supply chain; entities downstream from the organization; and, if applicable, significant changes compared to previous years)	# <input checked="" type="checkbox"/> AR: Brands, products and services SR: Value chain SR: Responsibility in our supply chains AR: 2 Group structure and shareholders No significant changes in supply chains.
2-6 c	Other relevant business relationships and, if applicable, significant changes compared to previous years	# <input checked="" type="checkbox"/> No significant changes in 2022



























Indicators		Status	Reference: AR = Annual Report, SR = Sustainability Report
			Key: Indicator according to GRI standards (as per scope of report) ∅ = not relevant <input checked="" type="checkbox"/> = not covered <input type="checkbox"/> = partially covered <input checked="" type="checkbox"/> = fully covered
2-7 Employees			
2-7 a	Total number of employees, and breakdown by gender and by region	# <input checked="" type="checkbox"/>	AR: Employees in Switzerland
2-7 b	Total number of permanent employees, temporary employees, non-guaranteed hours employees, full-time employees, part-time employees, and a breakdown by gender and by region	# <input checked="" type="checkbox"/>	SR: Overall balance in Switzerland SR: Scope of the report: Personnel information system
2-7 c	Methodologies and assumptions	# <input checked="" type="checkbox"/>	SR: Scope of the report: Personnel information system
2-7 d	Contextual information	∅	No significant fluctuations in 2022
2-7 e	Significant fluctuations	# <input checked="" type="checkbox"/>	SR: Overall balance in Switzerland
2-8 Workers who are not employees			
2-8 a	Total number of workers who are not employees (type, contractual relationship)	# <input checked="" type="checkbox"/>	SR: Overall balance in Switzerland: temporary employees. Main reasons for hiring external employees are their specific skills, which are not available at Swisscom, or resource bottlenecks in projects.
2-8 b	Methodologies and assumptions	# <input checked="" type="checkbox"/>	SR: Scope of the report: Personnel information system
2-8 c	Significant fluctuations	# <input checked="" type="checkbox"/>	SR: Overall balance in Switzerland: temporary employees
Governance			
2-9 Governance structure and composition			
2-9	Governance structure and composition of the highest governance body and its committees	# <input checked="" type="checkbox"/>	SR: Corporate responsibility governance AR: 4 Board of Directors
2-10	Nomination and election of the highest governance body	# <input checked="" type="checkbox"/>	AR: 4.5 Election and term of office AR: 4.10 Committees of the Board of Directors Nomination Committee
2-11	Chair of the highest governance body	# <input checked="" type="checkbox"/>	AR: 4 Board of Directors AR: 5 Group Executive Board
2-12	Role of the highest governance body in overseeing the management of impacts	# <input checked="" type="checkbox"/>	Link: www.swisscom.ch/principles – Organisational Rules SR: Corporate responsibility governance AR: 2 Group structure and shareholders AR: 4 Board of Directors AR: 4.9 Internal organisation and modus operandi AR: 4.11 Assignment of powers of authority AR: 4.12 Information and controlling instruments of the Board of Directors vis-à-vis the Group Executive Board AR: 5 Group Executive Board
2-13	Delegation of authority for managing impacts	# <input checked="" type="checkbox"/>	SR: Corporate responsibility governance AR: 2 Group structure and shareholders AR: 4 Board of Directors AR: 4.9 Internal organisation and modus operandi AR: 4.11 Assignment of powers of authority AR: 5 Group Executive Board
2-14	Role of the highest governance body in sustainability reporting	# <input checked="" type="checkbox"/>	AR: 4.12 Information and controlling instruments of the Board of Directors vis-à-vis the Group Executive Board: annually AR: Risk management: quarterly to Audit Committee; AR: Internal control system and financial reporting: quarterly to Audit Committee; AR: Compliance management: quarterly to Audit Committee; AR: Internal auditing: quarterly to Audit Committee In urgent cases: ad hoc, asap The Audit & ESG Reporting Committee of the Board of Directors reviews the report in two stages prior to publication and approves it. The Compensation Committee reviews the Remuneration Report. This is approved by the Board of Directors. SR: Corporate responsibility governance AR: 2 Group structure and shareholders AR: 4 Board of Directors AR: 4.9 Internal organisation and modus operandi AR: 4.11 Assignment of powers of authority AR: 5 Group Executive Board

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2-15	Conflicts of interest	# <input checked="" type="checkbox"/>	Link: www.swisscom.ch/principles – Organisational Rules AR: 4.12 Information and controlling instruments of the Board of Directors vis-à-vis the Group Executive Board
2-16	Communication of critical concerns	# <input checked="" type="checkbox"/>	AR: 4.12 Information and controlling instruments of the Board of Directors vis-à-vis the Group Executive Board In urgent cases, the Chairman of the Audit Committee is informed without delay about any significant new risks.
		# <input checked="" type="checkbox"/>	A basic principle of whistleblowing is that anonymity is guaranteed; therefore, Swisscom does not communicate the number or other entails of reports.
2-17	Collective knowledge of the highest governance body	# <input checked="" type="checkbox"/>	AR: 4.9 Internal organisation and modus operandi
2-18	Evaluation of the performance of the highest governance body	# <input checked="" type="checkbox"/>	SR: Corporate responsibility governance AR: 2 Group structure and shareholders AR: 4 Board of Directors AR: 4.9 Internal organisation and modus operandi AR: 4.11 Assignment of powers of authority AR: 5 Group Executive Board AR: 4.12 Information and controlling instruments of the Board of Directors vis-à-vis the Group Executive Board Members of the Group Executive Board are internal 'sponsors' for the focal points of the sustainability strategy The Audit & ESG Reporting Committee of the Board of Directors reviews the report in two stages prior to publication and approves it. The Compensation Committee reviews the Remuneration Report. This is approved by the Board of Directors.
2-19	Remuneration policies	# <input checked="" type="checkbox"/>	AR: 3 Remuneration of the Group Executive Board
2-20	Process to determine remuneration	# <input checked="" type="checkbox"/>	AR: 4.2 Key management compensation SR: Group of stakeholders AR: 7.3 Convocation of the Annual General Meeting and agenda items; minutes
2-21	Annual total compensation ratio	# <input checked="" type="checkbox"/>	SR: Overall balance in Switzerland; other key figures
Strategies, policies and practices			
2-22	Statement on sustainable envelopment strategy	# <input checked="" type="checkbox"/>	AR: Shareholders' letter SR: Stakeholders' letter SR: Environment and sustainability strategy
2-23	Policy commitments	# <input checked="" type="checkbox"/>	SR: Group of stakeholders SR: Management approaches within the Group SR: Responsibility in our supply chains SR: Corporate ethics
2-24	Embedding policy commitments	# <input checked="" type="checkbox"/>	SR: Management approaches within the Group SR: Corporate ethics
2-25	Processes to remediate negative impacts	# <input checked="" type="checkbox"/>	AR: Corporate Governance
2-26	Mechanisms for seeking advice and raising concerns	# <input checked="" type="checkbox"/>	AR: Corporate Governance SR: Corporate ethics
2-27	Compliance with laws and regulations	# <input checked="" type="checkbox"/>	SR: The Group's precautionary principle SR: Compliance management No fines or penalties were imposed for non-compliance with legal requirements in 2022.
2-28	Membership associations	# <input checked="" type="checkbox"/>	SR: Responsibility towards society
Stakeholder engagement			
2-29	Approach to stakeholder engagement	# <input checked="" type="checkbox"/>	SR: Group of stakeholders SR: Stakeholder involvement SR: Scope of the report
2-30	Collective bargaining agreements	# <input checked="" type="checkbox"/>	SR: Overall balance in Switzerland

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GRI 3: Material Topics			
3–1	Process to determine material topics	# <input checked="" type="checkbox"/>	SR: Material topics SR: Group of stakeholders
3–2	List of material topics	# <input checked="" type="checkbox"/>	SR: Material topics SR: Materiality matrix 2022 SR: Reporting
3–3	Management of material topics	# <input checked="" type="checkbox"/>	SR: Stakeholder involvement Context: AR: General conditions and market environment SR: Environment Risks: AR: Risks (Group) SR: Main risk factors in the supply chains Opportunities: AR: Brands, products and services Target and strategy: AR: Strategy and environment SR: Sustainability Strategy 2025
GRI Standard			
Material Topics (related to GRI topics)			
200 Economic Topics			
GRI 3	Management of material topics	# <input checked="" type="checkbox"/>	Link: www.swisscom.ch/principles – Code of Conduct AR: Corporate strategy AR: Financial outlook AR: Shareholders' letter
201 Economic Performance			
201–1	Direct economic value generated and distributed	# <input checked="" type="checkbox"/>	AR: Statement of added value
201–2	Financial implications and other risks and opportunities due to climate change	# <input checked="" type="checkbox"/>	AR: Sustainability strategy See 302-3, 302-4, 302-5, 305-4 See also Swisscom Climate Report 2022: Recommendations of the TCFD www.swisscom.ch/climatereport2022
201–3	Defined benefit plan obligations and other retirement plans	# <input checked="" type="checkbox"/>	AR: 4.3 Defined benefit plans; SR: comPlan pension fund AR: Collective Employment Agreement (CEA) AR: Employees (100% of employees); SR: The Employee Representation Committee's commitment to safety
201–4	Financial assistance received from government	Ø	Swisscom did not receive any financial assistance from the government in 2022.
202 Market Presence			
202–1	Ratios of standard entry level wage by gender compared to local minimum wage	# <input checked="" type="checkbox"/>	AR: Employee remuneration SR: Overall balance in Switzerland
202–2	Proportion of senior management hired from the local community	# <input checked="" type="checkbox"/>	There is no location-based selection of personnel.
203 Indirect Economic Impacts			
GRI 3	Management of material topics	# <input type="checkbox"/>	SR: Classification in 2022 and newly identified material issues
203–1	Infrastructure investments and services supported	# <input checked="" type="checkbox"/>	AR: Investments SR: Network expansion SR: Basic service provision
203–2	Significant indirect economic impacts	# <input checked="" type="checkbox"/>	SR: Responsibility towards society
204 Procurement Practices			
GRI 3	Management of material topics	# <input checked="" type="checkbox"/>	SR: Responsibility in our supply chains – management approach
204–1	Proportion of spending on local suppliers	# <input checked="" type="checkbox"/>	AR: Statement of added value As a Swiss company, we prioritise the Swiss market wherever possible.

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205 Anti-corruption			
GRI 3	Management of material topics	<input checked="" type="checkbox"/>	SR: The Group's precautionary principle SR: Compliance management
205-1	Operations assessed for risks related to corruption	<input checked="" type="checkbox"/>	High-risk business activities are monitored within the scope of the CMS by means of control processes and an IT system. The CMS of the Swisscom (Switzerland) Ltd was subject to a full review during the financial year.
205-2	Communication and training about anti-corruption policies and procedures	<input checked="" type="checkbox"/>	The Board of Directors, the Group Executive Board and division management are informed annually about measures, envelopments and any adjustments that may be necessary. Annual training on anti-corruption directive for new employees. Contractual obligations on the part of all suppliers and partners to comply with the anti-corruption directive. SR: Compliance management
205-3	Confirmed incidents of corruption and actions taken	<input checked="" type="checkbox"/>	No cases of corruption were identified during the financial year.
206 Anti-competitive Behaviour			
GRI 3	Management of material topics	<input checked="" type="checkbox"/>	SR: The Group's precautionary principle SR: Compliance management
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	<input checked="" type="checkbox"/>	AR: Legal environment AR: Federal Cartel Act (CartA) AR: Contingent liabilities for regulatory and competition law proceedings
207 Tax			
207-1	Approach to tax	<input checked="" type="checkbox"/>	Swisscom has defined an approach to tax on the basis of the guidelines stipulated by the Board of Directors.
207-2	Tax governance, control, and risk management	<input checked="" type="checkbox"/>	The Board of Directors determines the strategic, organisational, financial planning and and accounting-related guidelines, including the tax strategy. AR: Corporate Governance
207-3	Stakeholder engagement and management of concerns related to tax	Ø	Not a significant issue for Swisscom or our stakeholders.
207-4	Country-by-country reporting	<input checked="" type="checkbox"/>	AR: Income taxes
300 Environmental Topics			
GRI 3	Management of material topics	<input checked="" type="checkbox"/>	SR: Responsibility for the environment
301 Materials			
GRI 3	Management of material topics	<input checked="" type="checkbox"/>	SR: Use of resources and circular economy
301-1	Materials used by weight or volume	<input type="checkbox"/>	SR: Economical use of resources Reporting includes only selected materials.
301-2	Recycled input materials used	<input type="checkbox"/>	SR: Recycling Only data on selected topics are provided.
301-3	Reclaimed products and their packaging materials	<input type="checkbox"/>	SR: Use of resources and circular economy No quantities are reported. SR: Paper
302 Energy			
GRI 3	Management of material topics	<input checked="" type="checkbox"/>	SR: Climate protection and energy efficiency
302-1	Energy consumption within the organization	<input checked="" type="checkbox"/>	SR: Energy efficiency in operations SR: Environmental key figures in Switzerland See also Swisscom Climate Report 2022 www.swisscom.ch/climatereport2022
302-2	Energy consumption outside of the organization	<input type="checkbox"/>	SR: Energy efficiency in operations SR: Environmental key figures in Switzerland See also Swisscom Climate Report 2022 www.swisscom.ch/climatereport2022
302-3	Energy intensity	<input type="checkbox"/>	SR: Climate protection and energy efficiency SR: Energy consumption and efficiency
302-4	Reduction of energy consumption	<input checked="" type="checkbox"/>	SR: Energy consumption and efficiency SR: Environmental key figures in Switzerland
302-5	Reductions in energy requirements of products and services	<input type="checkbox"/>	SR: CO ₂ savings through ICT services There is no metric for the savings of products sold in the reporting year. SR: Climate protection solutions for our customers SR: Environmental key figures in Switzerland

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Water and effluents			
303–1	Interactions with water as a shared resource	# <input checked="" type="checkbox"/>	SR: Environmental key figures in Switzerland Only water consumption for sanitary purposes. SR: Water
303–2	Management of water discharge-related impacts	Ø	Not relevant, as water is only used for sanitary purposes.
303–3	Water withdrawal	Ø	Household water only.
303–4	Water discharge	Ø	We do not do this.
303–5	Water consumption	Ø	Household water only.
304 Biodiversity			
304–1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	# <input checked="" type="checkbox"/>	SR: Biodiversity
304–2	Significant impacts of activities, products, and services on biodiversity	# <input checked="" type="checkbox"/>	SR: Biodiversity
304–3	Habitats protected or restored	# <input checked="" type="checkbox"/>	SR: Biodiversity
304–4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Ø	Not surveyed, as not relevant.
305 Emissions			
GRI 3	Management of material topics	# <input checked="" type="checkbox"/>	SR: Climate protection and energy efficiency – management approach
305–1	Direct (Scope 1) GHG emissions	# <input checked="" type="checkbox"/>	SR: Energy efficiency in operations SR: Environmental key figures in Switzerland See Swisscom Climate Report 2022 www.swisscom.ch/climatereport2022
305–2	Energy indirect (Scope 2) GHG emissions	# <input checked="" type="checkbox"/>	SR: Energy efficiency in operations SR: Environmental key figures in Switzerland See Swisscom Climate Report 2022 www.swisscom.ch/climatereport2022
305–3	Other indirect (Scope 3) GHG emissions	# <input checked="" type="checkbox"/>	SR: Energy efficiency in operations SR: Environmental key figures in Switzerland See Swisscom Climate Report 2022 www.swisscom.ch/climatereport2022
305–4	GHG emissions intensity	# <input checked="" type="checkbox"/>	SR: The most important indicators for the achievement of Swisscom's sustainability targets See Swisscom Climate Report 2022 www.swisscom.ch/climatereport2022
305–5	Reduction of GHG emissions	# <input checked="" type="checkbox"/>	SR: Climate protection solutions for our customers SR: Environmental key figures in Switzerland See Swisscom Climate Report 2022 www.swisscom.ch/climatereport2022
305–6	Emissions of ozone-depleting substances (ODS)	# <input checked="" type="checkbox"/>	SR: Cooling systems and refrigerants
305–7	Nitrogen oxides (NOX), sulphur oxides (SOX), and other significant air emissions	# <input checked="" type="checkbox"/>	SR: Environmental key figures in Switzerland

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306 Waste			
306–1	Waste generation and significant waste-related impacts		No significant impacts known.
306–2	Management of significant waste-related impacts		SR: Recycling SR: Waste SR: Environmental key figures in Switzerland
306–3	Waste generated		SR: Waste: Table: Waste by quantity and category
306–4	Waste diverted from disposal	Ø	SR: Waste
306–5	Waste directed to disposal	Ø	SR: Waste
308 Supplier Environmental Assessment			
GRI 3	Management of material topics		SR: Fair and environmentally sustainable supply chains – management approach
308–1	New suppliers that were screened using environmental criteria		SR: Initiatives and programmes to implement our sustainability goals in the supply chain
308–2	Negative environmental impacts in the supply chain and actions taken		SR: Initiatives and programmes to implement our sustainability goals in the supply chain SR: Main risk factors in the supply chains
400 SOCIAL TOPICS			
GRI 3	Management of material topics		SR: Responsibility for people
401 Employment			
GRI 3	Management of material topics		SR: Employer attractiveness
401–1	New employee hires and employee turnover		SR: Overall balance in Switzerland AR: Social plan
401–2	Benefits provided to full-time employees that are not provided to temporary or part-time employees		AR: Employees
401–3	Parental leave		SR: Combining work and home life SR: Overall balance in Switzerland
402 Labour/Management Relations			
402–1	Minimum notice periods regarding operational changes		GAV § 3.3 Negotiations must be held in good time with the trade unions party to the Agreement.
403 Occupational Health and Safety			
GRI 3	Management of material topics		SR: Occupational health and safety
403–1	Occupational health and safety management system		AR: Collective Employment Agreement (CEA) AR: Employees (100% of employees); SR: The Employee Representation Committee's commitment to safety
403–2	Hazard identification, risk assessment, and incident investigation		SR: Occupational health and safety
403–3	Occupational health services	 	Swisscom does not do business in areas or countries that have a high risk of communicable diseases or where communicable diseases are particularly prevalent. In response to the Covid-19 pandemic, various measures were initiated to protect employees. SR: Dealing with the Covid-19 pandemic
403–4	Worker participation, consultation, and communication on occupational health and safety		SR: Occupational health and safety
403–5	Worker training on occupational health and safety		SR: Occupational health and safety
403–6	Promotion of worker health		SR: Occupational health and safety
403–7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		SR: Occupational health and safety
403–8	Workers covered by an occupational health and safety management system		SR: Occupational health and safety
403–9	Work-related injuries		SR: Occupational health and safety
403–10	Work-related ill health		SR: Occupational health and safety

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404 Training and Education			
GRI-3	Management of material topics	# <input checked="" type="checkbox"/>	SR: Professional training – management approach
404-1	Average hours of training per year per employee	# <input checked="" type="checkbox"/>	SR: Training and education
404-2	Programs for upgrading employee skills and transition assistance programs	# <input checked="" type="checkbox"/>	SR: Training and education
404-3	Percentage of employees receiving regular performance and career envelopment reviews	# <input checked="" type="checkbox"/>	SR: Evaluating performance and professional envelopment SR: Overall balance in Switzerland AR: Collective Employment Agreement (CEA)
405 Diversity and Equal Opportunity			
GRI-3	Management of material topics	# <input checked="" type="checkbox"/>	SR: Diversity and equal opportunities – management approach
405-1	Diversity of governance bodies and employees	# <input checked="" type="checkbox"/>	AR: 4 Board of Directors AR: 5 Group Executive Board SR: Overall balance in Switzerland
405-2	Ratio of basic salary and remuneration of women to men	# <input checked="" type="checkbox"/>	AR: Employee remuneration SR: Remuneration and equal pay SR: Overall balance in Switzerland
406 Non-discrimination			
406-1	Incidents of discrimination and corrective actions taken	# <input checked="" type="checkbox"/>	SR: Diversity and equal opportunities – management approach SR: Audit results In the reporting year, one allegation of discrimination was made on the basis of language skills (no Swiss German). The situation was cleared up and an amicable solution was found.
407 Freedom of Association and Collective Bargaining			
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	# <input checked="" type="checkbox"/>	Covered thanks to the mutually agreed duty to observe industrial peace in accordance with CEA.
408 Child Labour			
408-1	Operations and suppliers at significant risk for incidents of child labour	# <input checked="" type="checkbox"/>	SR: Main risk factors in the supply chains
409 Forced or Compulsory Labour			
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	# <input checked="" type="checkbox"/>	SR: Main risk factors in the supply chains
410 Security Practices			
410-1	Security personnel trained in human rights policies or procedures	Ø	As a matter of principle, we do not have any business locations in countries that are not subject to strict legislation.
411 Rights of Indigenous Peoples			
411-1	Incidents of violations involving rights of indigenous peoples	Ø	As a matter of principle, we do not have any business locations in countries that are not subject to strict legislation. SR: Fair and environmentally sustainable supply chains
413 Local Communities			
413-1	Operations with local community engagement, impact assessments, and envelopment programs	Ø	SR: Responsibility for people SR: Youth media protection SR: Support for refugees from Ukraine
413-2	Operations with significant actual and potential negative impacts on local communities	Ø	SR: ONIR limits

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414 Supplier Social Assessment			
GRI 3	Management of material topics	# <input checked="" type="checkbox"/>	SR: Fair and environmentally sustainable supply chains – management approach
414-1	New suppliers that were screened using social criteria	# <input checked="" type="checkbox"/>	SR: Risk management approach SCR 360 SR: Comparison between the performance of our portfolio and the EcoVadis average SR: Audits and mobile surveys
414-2	Negative social impacts in the supply chain and actions taken	# <input checked="" type="checkbox"/>	SR: Joint Alliance for CSR SR: Main risk factors in the supply chains
415 Public Policy			
415-1	Political contributions	# <input checked="" type="checkbox"/>	SR: Actor in public debates Swisscom is politically neutral and non-ennominational and does not financially support any parties, opinion leaders and decision-makers.
416 Customer Health and Safety			
GRI 3	Management of material topics		SR: Protecting minors in the media and promoting media competence
GRI 3	Management of material topics		SR: Mobile telephony and society
416-1	Assessment of the health and safety impacts of product and service categories	# <input checked="" type="checkbox"/>	SR: Mobile telephony and society
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	# <input checked="" type="checkbox"/>	Relevant health standards for the mobile network are contained in the ICNIRP Guidelines and, in particular, the ONIR. SR: ONIR limits Swisscom complied with the limits in 2022. SR: Compliance management No incidents of non-compliance with regulations were identified in connection with impacts of products and services on health and security.
417 Marketing and Labeling			
417-1	Requirements for product and service information and labeling	\emptyset	SR: Information about radiation values of devices Not relevant for Switzerland, except with respect to Ordinance on the Disclosure of Prices.
417-2	Incidents of non-compliance concerning product and service information and labeling	# <input checked="" type="checkbox"/>	SR: Compliance management No incidents of non-compliance were identified in the financial year.
417-3	Incidents of non-compliance concerning marketing communications	# <input checked="" type="checkbox"/>	SR: Responsible marketing No incidents of non-compliance were identified concerning marketing communications.
418 Customer Privacy			
GRI 3	Management of material topics	# <input checked="" type="checkbox"/>	SR: Data protection
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	# <input checked="" type="checkbox"/>	SR: Data protection In two cases, a well-founded complaint was made concerning breaches of customer privacy.
Material Topics (not listed in GRI):			
Accessibility			
GRI 3	Management of material topics		SR: Accessibility
Data security			
GRI 3	Management of material topics		SR: Data security
Sustainable cities and communities			
GRI 3	Management of material topics		SR: Climate protection solutions for our customers – for business customers
Network dismantling			
GRI 3	Management of material topics		SR: Dismantling of network infrastructure

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Indicators		Replies and comments
Environmental Footprint of Operations		
TC-TL-130a.1.	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	AR: Responsibility for the environment (Climate protection and energy efficiency)
Data Privacy		
TC-TL-220a.1.	Description of policies and practices relating to behavioral advertising and customer privacy	AR: Strategy and environment (Data and confidentiality protection) CR: Data Privacy
TC-TL-220a.2.	Number of customers whose information is used for secondary purposes	Swisscom complies with the reporting obligations under the Data Protection Act. www.swisscom.ch/smartdata AR: Strategy and environment (Data and confidentiality protection) CR: Data Privacy
TC-TL-220a.3.	Total amount of monetary losses as a result of legal proceedings associated with customer privacy	Expenses for provisions for legal proceedings are disclosed in the notes to the consolidated financial statements (item 3.5). No significant costs were incurred in 2022 in connection with the protection of client data.
TC-TL-220a.4.	(1) Number of law enforcement requests for customer information, (2) number of customers whose information was requested, (3) percentage resulting in disclosure	Swisscom complies with the relevant legal provisions.
Data Security		
TC-TL-230a.1.	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of customers affected	CR: Management approaches within the Group CR: Data security Swisscom complies with reporting obligations under the Swiss Data Protection Act.
TC-TL-230a.2.	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	CR: Management approaches within the Group CR: Data security
Product End-of-life Management		
TC-TL-440a.1.	(1) Materials recovered through take back programs, percentage of recovered materials that were (2) reused, (3) recycled, and (4) landfilled	SR: Responsibility for the environment (Use of resources and circular economy)
Competitive Behavior & Open Internet		
TC-TL-520a.1.	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	AR: Legal environment AR: Federal Cartel Act (CartA) AR: Contingent liabilities for regulatory and competition law proceedings
TC-TL-520a.2.	Average actual sustained download speed of (1) owned and commercially-associated content and (2) non-associated content	No reporting on these indicators
TC-TL-520a.3.	Description of risk and opportunities associated with net neutrality, paid peering, zero rating, and related practices	No reporting on these indicators
Managing Systemic Risk from technology disruptions		
TC-TL-550a.1.	(1) System average interruption frequency (2) Customer average interruption duration	No reporting on these indicators
TC-TL-550a.2.	Discussion of systems to provide unimpeded service during service interruptions	AR: Risk (Business interruption)
Activity metric		
TC-TL-000.A.	Number of wireless subscribers	AR: Financial review (Swisscom Switzerland)
TC-TL-000.B.	Number of wireline subscribers	AR: Financial review (Swisscom Switzerland)
TC-TL-000.C.	Number of broadband subscribers	AR: Financial review (Swisscom Switzerland)
TC-TL-000.D.	Network traffic	No reporting on these indicators

Glossary

Technical terms

4G/LTE (Long-Term Evolution): 4G/LTE is the fourth generation of mobile technology. At present, LTE enables mobile broadband data speeds of up to 150 Mbps.

4G+/LTE Advanced: 4G+/LTE enables theoretical broadband data speeds of up to 700 Mbps via the mobile network. To do so, it bundles 4G/LTE frequencies to achieve the required capacity.

5G: 5G is the latest generation in mobile network technology. 5G brings with it even more capacity, very short response times and higher bandwidths, and supports the digitisation of Swiss business and industry.

All IP: All IP means that all services such as television, the Internet and fixed-line telephone run over the same IT network. Swisscom switched all existing communication networks to Internet Protocol (IP) by the end of 2019. The IP services within Switzerland thus operate on Swisscom's own network, thereby enhancing security and availability in comparison with other voice services on the World Wide Web.

Bandwidth: Bandwidth refers to the transmission capacity of a medium, also known as the data transmission rate. The higher the bandwidth, the more information units (bits) can be transmitted per unit of time (second). It is defined in bps, kbps or Mbps.

Cloud: Cloud computing makes it possible for IT infrastructures such as computing capacity, data storage, ready-to-use software and platforms to be accessed dynamically via the Internet as needed. The data centres, along with the resources and databases, are distributed via the cloud. The term 'cloud' refers to such hardware which is not precisely locatable.

FTTH (Fibre to the Home): FTTH refers to the end-to-end connection of homes and businesses using fibre-optic cables instead of traditional copper cables.

FTTS (Fibre to the Street)/FTTB (Fibre to the Building)/FTTC (Fibre to the Curb): FTTS, FTTB and FTTC in conjunction with vectoring refer to innovative, hybrid broadband connection technologies (optical fibre and copper). With these technologies, optical fibre is brought as near as possible to buildings and in the case of FTTB right to the building's basement; the existing copper cables are used for the remaining stretch. The future technological evolution from VDSL2 to G.fast will significantly increase the bandwidths for FTTS and FTTB.

Optical fibre: Optical fibre is a transport medium for optical data transmission – in contrast to copper cables, which transmit data through electrical signals.

ICT (Information and Communication Technology): The terms 'information technology' and 'communication technology' were first combined in the 1980s to denote the convergence of information technology (information and data processing and the related hardware) and communication technology (technically aided communications).

IoT (Internet of Things): The connecting of things, devices and machines to enable recording of status and environmental data. These data provide the basis for optimising processes, such as early identification of failing machine components. IoT facilitates new business models based on these data or opens up new opportunities for interacting with customers.

Roaming: Roaming is when a mobile user makes calls, uses other mobile services or participates in data traffic outside his or her home network, i.e. usually abroad. This requires that the mobile device in question is compatible with the roaming network. In Europe all GSM networks use the same frequency bands. Other countries such as the USA or countries in South America use a different frequency range. Most mobile telephones today are triband or quadband and support 900 MHz and 1800 MHz networks (which are most commonly used in Europe) as well as 850 MHz and 1900 MHz networks.

Router: A router is a device for connecting or separating several computer networks. The router analyses incoming data packets according to their destination address and either blocks them or forwards them accordingly (routing). Routers come in different types, ranging from large machines in a network to the small devices used by residential customers.

Ultra-fast broadband: Ultra-fast broadband denotes broadband speeds of more than 50 Mbps – on both the fixed-line and mobile networks.

WLAN (Wireless Local Area Network): A wireless local area network (WLAN) connects several computers wirelessly and links them to a central information system, printer or scanner.

Other terms

Federal Office of Communications (OFCOM): OFCOM deals with issues related to telecommunications and broadcasting (radio and television) and performs official and regulatory tasks in these areas. It prepares the decisions of the Swiss Federal Council, the Federal Department of the Environment, Transport, Energy and Communications (DETEC) and the Federal Communications Commission (ComCom).

ComCom (Federal Communications Commission): ComCom is the decision-making authority for telecommunications. Its primary responsibilities include issuing concessions for use of the radio frequency spectrum as well as basic service licences. It also provides access (unbundling, interconnection, leased lines, etc.), approves national numbering plans and regulates the conditions governing number portability and freedom of choice of service provider.

FTE (full-time equivalent): Throughout this report, FTE is used to denote the number of full-time equivalent positions.

Sustainability terms

Anergy network: Anergy networks are heating and/or cooling networks with which thermal energy is transported between its source (supplier) and a sink (recipient) at close to ambient temperature. Anergy networks are operated as bidirectional grids, i.e. heat is both drawn from the grid and fed into it by the individual buildings. Ideally, the two energy flows should balance each other out. Surpluses or shortfalls must be compensated for by adding heat to the grid or withdrawing it from the grid.

asut: Swiss Telecommunications Association (asut). asut represents the telecommunications industry and all economic branches comprised therein. The association is committed to ensuring optimal general conditions for users and providers of services and products.

Audit: Term for a check carried out by external (or internal) experts regarding the fulfilment of requirements and guidelines.

CDP: CDP (formerly the Carbon Disclosure Project) is a non-profit organisation whose goal is for companies, communities and countries to disclose and publish their environmental data, such as climate-damaging greenhouse gas emissions. Swisscom joined the CDP's Supply Chain Programme in 2013 to create more transparency about the greenhouse gas emissions of its suppliers.

CO₂-eq: CO₂ equivalents (CO₂-eq) are a unit of measurement for standardising the climate impact of the various greenhouse gases. (Source: myclimate)

SIEA Code of Conduct: The Code of Conduct as drafted by the Swiss Interactive Entertainment Association SIEA to promote and ensure the active protection of minors in Switzerland with regard to age ratings/accessibility of interactive entertainment software.

☺ ☹ See unter www.siea.ch

CR Champions: The CR Champions are employees in the various business units who have been selected to implement measures and report on the progress of their implementation. They also develop further measures to achieve the objectives.

CSR: Corporate social responsibility refers to corporate responsibility for people, society and the environment.

EcoVadis: The EcoVadis online platform supports the enforcement of environmental and social standards in global supply chains through uniform sustainability rankings of suppliers. As part of its risk management system, Swisscom bases its purchasing activities on the declarations made with EcoVadis by its suppliers.

Electromagnetic fields: Electromagnetic fields occur naturally or are generated technically. They are non-ionising. This means that they do not have enough energy to change the building blocks of matter. Electromagnetic fields are divided into low frequency and high frequency according to the number of oscillations per second.

EnAW: Energy Agency for Industry. Swisscom joined the Energy Agency in 2003 and signed a new agreement on objectives to increase its energy efficiency. The current agreement on objectives runs until 2020.

ESG: ESG refers to the consideration of environmental, social and governance issues.

Footprint: The term 'footprint', also called carbon footprint or CO₂ footprint, is the result of an emission calculation or CO₂ balance. It indicates the amount of greenhouse gas emissions released by an activity or a product. In the case of products, for example, the carbon footprint includes the total emissions caused by production, use and disposal.

CEA: Collective employment agreement

GeSI: Global e-Sustainability Initiative (GeSI). The GeSI is an initiative of companies from the ICT sector, whose aim is to promote sustainability. Swisscom works within the framework of the initiative to promote fair and sustainable supply chains in particular.

GRI: The Global Reporting Initiative (GRI) is an organisation that develops guidelines for the preparation of corporate sustainability reports in a participatory process.

GRI standards: The GRI standards represent global best practices for public reporting on various economic, environmental and social impacts. Sustainability reporting based on the standards provides information about the positive or negative contributions of an organisation to sustainable development. (Source: globalreporting.org)

ISO 14001: An international environmental management standard that sets globally recognised requirements for environmental management systems.

JAC: Joint Audit Cooperation. The elimination of any vulnerabilities identified is reviewed on a regular basis to ensure compliance with the environmental and social standards we expect. Within the framework of JAC, an international alliance of telecommunications companies plans and conducts CSR audits of suppliers. Swisscom has been a member of JAC since 2012.

Circular economy: The circular economy is characterised by the fact that raw materials are used efficiently and for as long as possible. If we succeed in closing material and product cycles, raw materials can be used again and again. (Source: FOEN)

Supplier in-phasing process: The process for adding new suppliers to the supplier portfolio according to the Supply Chain Risk Management concept.

Delivery path: A delivery path is a part of a supply chain. For example, it maps the delivery of the antenna, chipset or memory by suppliers (sub-suppliers) to the factory for the production of a TV box.

myclimate: The myclimate foundation supports Swisscom with the environmental assessment of its smartphone range, comparisons of sustainable ICT solutions and reviews of climate balances. It is also an educational partner of the 'Energy and Climate Pioneers' initiative.

NEDC: New European Driving Cycle. Measurement is carried out on the test bench under laboratory conditions. The main differences between the two test procedures (NEDC and WLTC) are different test conditions and the adjustment of the test cycle. WLTC is more dynamic and features a higher average and maximum speed and length compared to NEDC.

Net zero: Net zero means that all greenhouse gas emissions caused by humans must be removed from the atmosphere again through reduction measures and thus the climate balance is net, or zero.

NISV: The Swiss Ordinance on Protection against Non-Ionising Radiation (NIRO) defines the maximum permissible electrical, magnetic and electromagnetic radiation from fixed installations in the frequency range from 0-300 GHz. A two-stage protection concept was applied. At all accessible places, the exposure limit value,

which corresponds to the recommendations of the WHO, must be observed. In order to take account of the precautionary principle required by the Environmental Protection Act, values which are ten times stricter were set as a precautionary measure for places which are heavily used where people stay for long periods of time, based on technical feasibility and economic viability.

RE100: The RE100 initiative brings together companies worldwide who want to obtain 100% of their electrical energy from renewable sources as soon as possible (by 2050 at the latest). Swisscom has already achieved this target.

SBTi and SBT: The goal of the Science Based Target Initiative (SBTi) is to encourage companies to increase their efforts to combat climate change by setting science-based targets. These targets focus on the quantity of emissions that must be reduced to meet the goals of the Paris Agreement – to limit global warming to 1.5°C.

Scope 1: Direct GHG emissions resulting from own activities (e.g. from the combustion of fossil fuels for heating and mobility or from refrigerants).

Scope 2: Indirect GHG emissions resulting from purchased energy.

Scope 3: All other GHG emissions resulting from upstream and downstream activities (e.g. in the supply chain).

Scope 4: Emission reductions resulting from the enabling effects of the use of ICT services by customers.

SPOC: There is a Single Point of Contact (SPOC) for each Group division in the Swisscom sustainability team. The SPOC is the point of contact for the divisions, especially the CR Champions, who in turn ensure the implementation of the CR measures.

Sponsors: Members of the Group Executive Board as well as the Head of Group Communications & Responsibility sponsor the main elements of the sustainability strategy and contribute accordingly.

Radiation: Radiation is a form of energy that propagates as electromagnetic waves. A distinction is made between ionising and non-ionising radiation. Ionising radiation can change the building blocks of matter such as molecules or atoms, non-ionising radiation has too little energy for this. Therefore, non-ionising radiation cannot change atoms or molecules. Mobile networks use non-ionising radiation.

Electricity mix: The composition of electricity by type of energy production (e.g. hydroelectric or wind power).

Sustainable Development Goals (SDGs): The 17 Sustainable Development Goals and their 169 sub-goals form

the core of the 2030 Agenda. They take into account the economic, social and environmental dimensions of sustainable development in a balanced way and, for the first time, bring poverty reduction and sustainable development together into one agenda. (Source: DFA)

TCFD: The Task Force on Climate-related Financial Disclosures (TCFD) was created by the Financial Stability Board (FSB) in 2015 to develop recommendations on corporate financial transparency related to climate risks. These provide a framework that allows companies to correctly assess their exposure to climate risks, e.g. in order to implement the necessary strategies in their business activity.

Greenhouse gases: Greenhouse gases, also referred to as 'climate gases'. Gases such as CO₂, methane, sulphur hexafluoride, N₂O and F-gases that cause the 'greenhouse effect' by reflecting the sun's rays within the atmosphere.

UN Global Compact: The United Nations Global Compact is the world's largest initiative for corporate sustainability. Its members work around the globe to uphold principles on human rights, working conditions, environmental protection and anti-corruption.

WLTC: The Worldwide Harmonised Light-Duty Vehicles Test Procedure is a way of testing the fuel consumption and emissions of light motor vehicles. Measurement is carried out on the test bench under laboratory conditions. The main differences between the two test procedures (NEDC and WLTC) are different test conditions and with regard to the adjustment of the test cycle. WLTC is more dynamic and features a higher average and maximum speed and length compared to NEDC.

Work Smart Initiative: The Work Smart association was created from the Home Office Day foundation. Swisscom is one of the sponsors of the newly founded association and, together with its partners, is supporting a nationwide programme aimed at raising awareness of flexible and mobile working.